



Ostrava Airport - UPS

IATA STANDARD GROUND HANDLING AGREEMENT

SIMPLIFIED PROCEDURE

ANNEX B1.0 - LOCATION, AGREED SERVICES AND CHARGES

to the Standard Ground Handling Agreement (SGHA) of January 2013

between: **UNITED PARCEL SERVICE CZECH REPUBLIC, s.r.o.**

having its principal office at: Ke Kopanině 559,
252 67 Tuchoměřice,
Czech Republic

Identification number: 256840

VAT number: CZ25684094

hereinafter referred to as "Carrier"

and: **Ostrava Airport**

having its principal office at: Letiště Ostrava, a.s.
č. p. 401, 742 51 Mošnov
Czech Republic

Identification number: 26827719

VAT number: CZ26827719

hereinafter referred to as "Handling Company"

this Annex B1.0

for the location(s): Leoš Janáček **Airport Ostrava - OSR**

is valid from: 14th of September, 2020

until: 30th of September, 2021

and replaces: none

PREAMBLE: This Annex B is prepared in accordance with the simplified procedure whereby the Parties agree that the terms of the Main Agreement and Annex A of the SGHA of January 2013 as published by the International Air Transport Association shall apply as if the terms were repeated here in full. By signing this Annex B, the Parties confirm that they are familiar with and accept the terms of the aforementioned Main Agreement and Annex A, with the exception of any provisions in the present document that shall derogate from the aforementioned Main Agreement and Annex A.

Any reference in this agreement, and in the Main Agreement as applied by this agreement, to UPS and to "the Carrier" shall include any company in the UPS group of companies (i.e. any company owned directly or indirectly by United Parcel Service, Inc.) and will be valid for UPS aircraft and/or any other aircraft (whatever is its ownership and/or flight number) operating a flight on behalf of UPS. UPS will inform about the flights of other Carriers which will be operated to/from the locations on their behalf.



Paragraph 1 - Handling Services and Charges

- 1.1 For a single ground handling consisting of the arrival and the subsequent departure at agreed timings of the same aircraft, the Handling Company shall provide the following services of Annex A.

SECTION 1 – MANAGEMENT FUNCTIONS

1.1 Representation

- 1.1.2 Liaise with local authorities
- 1.1.3 Indicate that the Handling Company is acting as handling agent for the Carrier.
- 1.1.4 Inform all interested Parties concerning schedules of the Carrier's aircraft.

1.2 Administrative Functions

- 1.2.1 Establish and maintain local procedures
- 1.2.3 Prepare, forward, file and retain for a period specified in the Annex B, messages/reports/statistics/documents and perform other administrative duties in the following areas.
 - a) station administration
 - c) ramp services
 - d) load control
 - e) flight operations
 - f) cargo services
 - i) security
- 1.2.4 Maintain the Carrier's manuals, circulars, and other operational documents connected with the performance of the services.

1.3 Supervision and/or Co-ordination

- 1.3.2 Provide Turnaround Coordinator (Teamleader on ramp)
- 1.3.4 Liaise with the Carrier's designated representative
- 1.3.9 Note irregularities and inform the Carrier

SECTION 3 - RAMP SERVICES (INCLUDING OFF-/LOADING FROM/TO TRUCKS)

3.1 Baggage Handling (on request)

- 3.1.8 Handle crew baggage

3.2 Marshalling

- 3.2.1 (a) Provide
- (b) Arrange for marshalling at arrival and/or departure

3.3 Parking

- 3.3.1 (a) Provide
- (b) Position and/or remove wheel chocks.
- 3.3.2 (a) Provide
- (b) Position and/or remove
- 5. tailstands and/or aircraft tethering



6. safety cones

3.4 Ancillary Items

- (a) Provide
- (b) Arrange
- (c) Operate
- 1. ground power unit (120 minutes included per turnaround)
- 5. air start unit (on request at additional charge)

3.5 Ramp to Flight Deck Communication

- 3.5.1 Provide headsets
- 3.5.2 Perform ramp to flight deck communication
 - (a) during push-back
 - (b) during tow-in
 - (c) during engine starting
 - (d) for other purposes

3.6 Loading and Unloading

- 3.6.1 (a) Provide
- (c) Operate
- 2. flight deck steps (if required)
- 3.6.2 (a) Provide
- 2. crew transport between aircraft and airport terminals (on request at additional charge)
- 3.6.3 (a) Provide
- (c) Operate equipment for loading and/or unloading
- 3.6.5 (a) Provide for assemble and transport of
 - 1. baggage
 - 2. general cargo
 - 4. mail
 - 5. documents
 - 6. Company mailbetween agreed points on the airport
- 3.6.6 (a) Unload aircraft, returning lashing materials to the Carrier.
- (b) Load and secure Loads in the aircraft
- (c) Redistribute Loads in aircraft
- (d) Operate in-plane loading system
- (e) Report final load distribution to the Load Control unit.
- 3.6.7 Open, close and secure aircraft hold doors.
 - (a) aircraft lower deck (if applicable)
 - (b) aircraft main deck (on request)
- 3.6.8 (a) Provide (ATR/ATP/B737 on request at additional charge) for ballast
- 3.6.9 (a) Provide or
- (b) arrange for safeguarding of all Loads requiring special handling during
 - 1. loading / unloading
 - 2. transport between aircraft and designated point on the airport

3.7 Safety Measures

- 3.7.1 (a) Provide
 - 1. portable fire extinguisher on motorized/self-propelled ramp equipment
 - 2. ramp fire extinguisher, if not provided by airport authority



- 3.7.2 Perform visual external safety/ground damage inspection of
 - (a) doors and panels and immediate surroundings
 - 1. immediately upon arrival
 - 2. immediately prior departureand communicate the results to flight crew or Carrier's representative

3.8 Moving of Aircraft

- 3.8.1 (a) Provide
 - 1. tow in and / or push-back of aircraft (at additional charge)
 - 2. Tow aircraft between other agreed points (on request at additional charge)
- 3.8.2 (a) Towbar to be provided by the Carrier (ATR only)
 - (b) Towbar to be provided by the Handling Company (B737,B767-towbarless)

3.11 Toilet Service (on request at additional charge)

- 3.11.1 (a) Provide or
 - (b) Arrange for
 - 1. Servicing (empty, clean, flush toilets and replenish fluids)

3.12 Water Service (on request at additional charge)

- 3.12.1 (a) Provide
 - (b) Arrange for
 - 1. Draining water tanks
 - 2. Replenish of water tanks with drinking water

3.16 De-icing/Anti-icing Services and Snow/Ice Removal (on request at additional charge)

- 3.16.1 Remove snow from aircraft without using de-icing fluid
- 3.16.2 Perform "pre" de/anti-icing inspection and advise flight crew or Carrier's representative of results.
- 3.16.3 Perform clear ice check
- 3.16.4 (a) Provide or
 - (b) Arrange for
 - 1. anti-icing units.
 - 2. de-icing units.
- 3.16.5 Provide de-icing/anti-icing fluids
- 3.16.6 Remove frost, ice and snow from aircraft using de-icing fluid. Fluids to receive purity and contamination inspection prior to use.
- 3.16.7 Apply anti-icing fluid to aircraft
- 3.16.8 Supervise performance of de-icing/anti-icing operations
- 3.16.9 Perform final inspection after de-icing/anti-icing operations and inform flight crew of results
- 3.16.10 Complete documentation as per Carrier's instructions

SECTION 4 - LOAD CONTROL AND FLIGHT OPERATIONS

4.1 Load Control

- 4.1.1 Deliver load control related documents between aircraft and airport buildings and vice versa
- 4.1.2 (a) Process
 - (b) Signdocuments and information, including but not limited to, loading instructions, load and trim sheets, Captain's load information and manifests where:
 - 1. Load Control is performed by the Handling Company

4.2 Communications



- 4.2.1 Inform all interested Parties concerning movements of the Carrier's aircraft.
- 4.2.2 (a) Compile, receive, process and send all messages in connection with the services performed by the Handling Company. The Handling Company is authorized to use Carrier's originator code or double signature procedure
(b) Inform the Carrier's representative of the contents of such messages.
- 4.2.3 (a) Provide
(b) Operate
means of communication between the ground station and the Carrier's aircraft.

- 4.3 Flight Operations**
- 4.3.1 Inform the Carrier of any known project affecting the operational services and facilities made available to its aircraft in the areas of responsibility as specified in Annex B.
- 4.3.2 (a) Provide (on request at separate charge)
(b) Arrange for
meteorological documentation and aeronautical information
1. at the airport location as defined in Annex B

SECTION 5 - CARGO AND MAIL WAREHOUSE SERVICES

5.1 Cargo and Mail Handling - General

- 5.1.1 (a) Provide or
(b) Arrange for
 - 1. warehouse and storage facility(ies)
 - 2. warehouse handling equipment
 - 3. warehouse handling services
 - a) General cargo
 - b) Special shipments
 - c) Specialised cargo products
 - d) Post office mail
 - g) Company cargo/material
- 5.1.2 (a) Issue
(b) Obtain
(c) Make available to Carrier
Receipt upon delivery of cargo
- 5.1.3 Take action to
 - (a) prevent theft or damage to the Carrier's cargo and mail in custody of the Handling Company
 - (b) prevent theft or unauthorised use of, or damage to the Carrier's pallets, containers, nets, straps, tie-down rings and other material in the custody of the Handling Company. Notify the Carrier immediately of any damage to or loss of such items.

5.2 Customs Control

- 5.2.1 (c) Place Cargo under Customs control for
(d) Present to Customs, cargo for physical examination
 - 1. Inbound cargo
 - 2. Outbound cargo
 - 3. Transfer cargo

5.3 Documentation Handling

- 5.3.1 (b) Check all documentation to ensure shipment may be carried. The check shall not include the rates charged.
(c) Check security status for the shipment(s) concerned and take action as per Carrier's instructions.



- (e) Split air waybill. Forward copies of manifests and air waybills to the Carrier.
- (f) Prepare cargo manifest(s)
- (g) Provide the load control unit with Special Load Notification.
- (h) Return copy of air waybill to shipper, endorsed with flight details.

- 5.3.2 (a) Notify consignee or agent of arrival of shipments
- (b) Make available cargo documents to consignee or agent
- 5.3.4 (a) Provide or
- (b) Arrange for
Delivery of Cargo/Mail related documentation from/to agreed points and the aircraft/ truck

5.4 Physical Handling Outbound / Inbound

- 5.4.1 Accept cargo, ensuring that
 - (a) machine-readable cargo labels are affixed and processed
 - (b) manual labels are affixed and processed
 - (c) shipments are "ready for carriage"
 - (d) the weight and volume and the number of pieces of the shipments are checked
 - (e) the regulations for the carriage of special cargo, particularly the IATA Dangerous Goods Regulations (DGR), IATA Live Animals Regulations (LAR), and others have been complied with.
- 5.4.2 Tally and assemble cargo for dispatch
- 5.4.3 Prepare
 - (a) Bulk cargo
 - (b) ULDsUsing
 - (c) build up materials provided by Carrier and establish
 1. gross weight
 2. volume
 3. ULD contourand provide the load control unit with the information
- 5.4.4 Perform acceptance check on pre-built ULDs and establish, if accepted
 - (a) gross weight
 - (b) volume
 - (c) ULD contourand provide the load control unit with the information.
- 5.4.5 (a) Load outbound cargo onto vehicles
- (b) Assemble cargo for delivery to the aircraft
- 5.4.6
 1. Offload bulk cargo from vehicles
 2. Break down ULDS
 3. Check incoming cargo against air waybills and manifests.
 4. Release cargo to the consignee or agent
- 5.4.7 Truck service loading/off-loading
 - (a) check seals are intact on inbound trucks
 - (b) Offload truck prior to acceptance into warehouse
 - (c) Load truck after formal release from warehouse
 - (d) Place seals

Truck operated by/or on behalf of the Carrier

5.7 Irregularities Handling

- 5.7.1 Take immediate action in respect of irregularities, damage or mishandling of dangerous goods and other special shipments.



- 5.7.2 Report to the Carrier any irregularities discovered in
 - (a) cargo
- 5.7.3 Handle lost, found and damaged
 - (a) cargo
- 5.7.4 (a) Notify the Carrier of complaints and claims.

SECTION 6 - SUPPORT SERVICE

6.1 Accommodation

- 6.1.1 Provide the Carrier with
 - (b) storage space
 - (c) other facilities, as specified in Annex B
 - Courier / Small Package sorting area

6.2.1 (c) Operate

computer hardware and other equipment (as specified in Annex B) to enable access to

- 1. Carrier's system
- 3. other system

6.2.2 Perform the following functions in

- (a) Carrier's system
- (c) other system for
 - 6. Operations, load control.
 - 8. Cargo handling

6.3 Unit Load Device (ULD) Control

- 6.3.1 (a) Provide for storage space for
 - (2) Cargo ULDs
- 6.3.2 Take action to prevent damage, theft or unauthorised use of the Carrier's ULDs in the custody of the Handling Company. Notify the Carrier immediately of any damage or loss.
- 6.3.3 (a) Take physical inventory of ULD stock and maintain records.
 - (b) Compile and despatch ULD control messages
- 6.3.4 Prepare ULD exchange control documentation for all transfers of ULDs and obtain signature(s) of the transferring and receiving carrier(s) or approved third parties and distribute copies
- 6.3.5 Handle lost, found and damaged ULDs and notify the Carrier of such irregularities

6.5 Ramp Fuelling / Defueling Operations

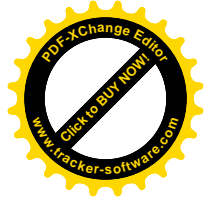
- 6.5.1 Liaise with ramp fuel suppliers

6.6. Surface Transport

- 6.6.1 (a) Provide or
 - (b) Arrange for the transport of
 - (3) cargo
 - (5) empty ULDs
 - (6) others
 - between
 - (c) separate terminals at the same airport

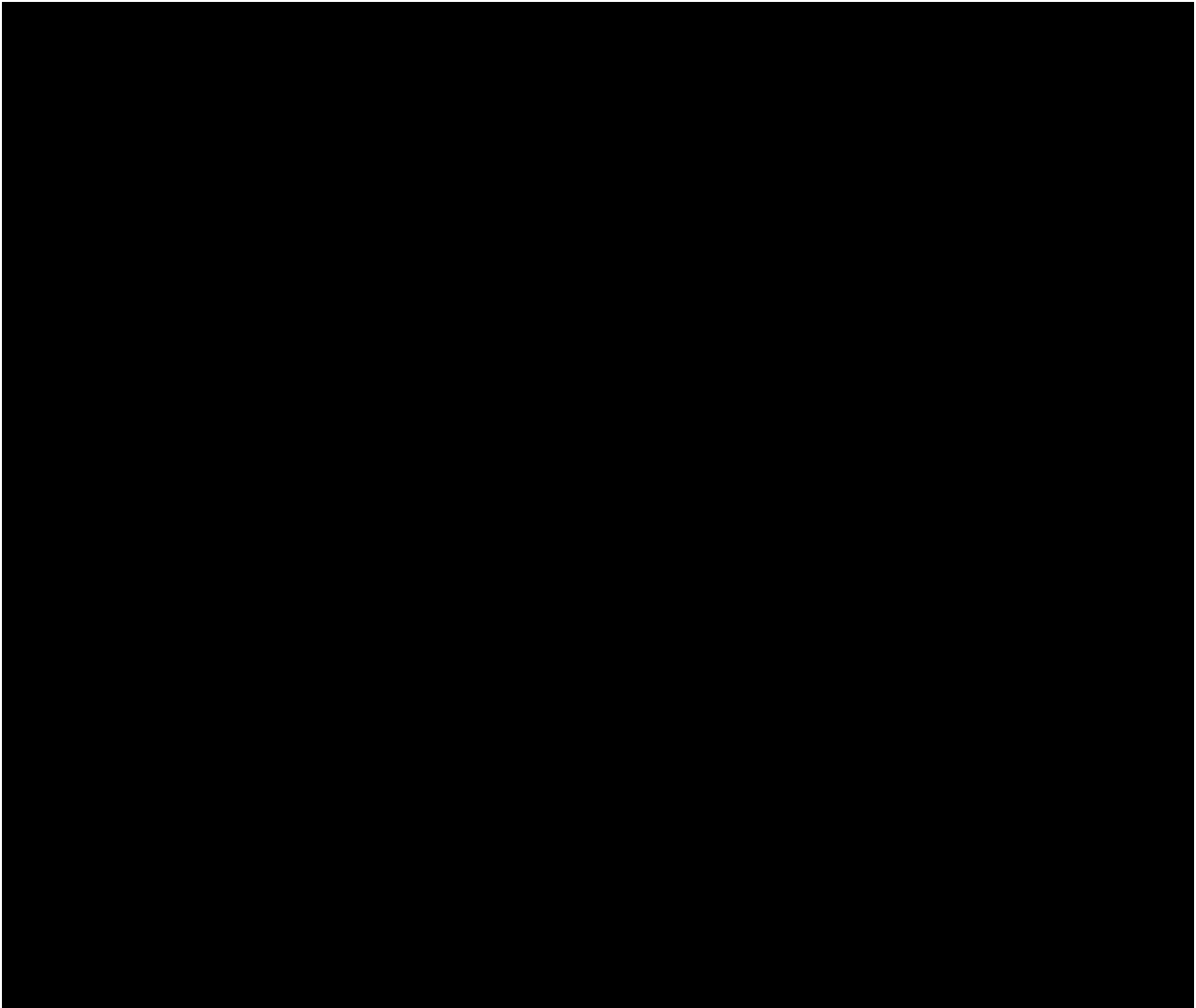
SECTION 7 - SECURITY

7.2 Cargo and Post Office Mail



- 7.2.1 (a) provide or
 - 1. control of access to the cargo facilities.
 - 2. screening of cargo and/or mail.
 - 3. physical examination of cargo.
 - 4. holding of cargo and/or mail for variable periods.
 - 5. secure storage of cargo and/or mail

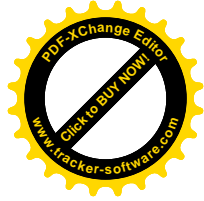
1.2 Charges



1.3 [Redacted]

1.4 [Redacted]

1.5 [Redacted]



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carrier has either expressly or implicitly contracted, instructed or otherwise requested the handling company to perform or carry out any ground handling service. Notwithstanding anything to the contrary, these limitations on liability shall not apply to any damage caused by the willful misconduct of the ground handler or anyone else with regard to physical loss or damage to Carrier's aircraft.

4.3 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Paragraph 5 – Area of Responsibility

5.1 The area of responsibility as mentioned in Sub-Sections 4.3 of Annex A is within the perimeter of Leoš Janáček Airport Ostrava– OSR.

Paragraph 6 – Transfer of Services

6.1 In accordance with Sub-Article 3.1 of the Main Agreement, the Handling Company may subcontract services listed in Paragraph 1 of this Annex to a Sub-handling Company.

Paragraph 7 – Payment

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

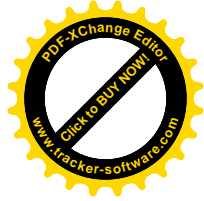
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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Paragraph 8 – Supervision and Administration

8.1 Notwithstanding sub-article 5.2 of the Main Agreement the Handling Company will carry out all services in accordance with the operating Carrier`s operating manuals and its reasonable written instructions.



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In addition all applicable manuals and reasonable instructions from United Parcel Service (mainly but not limited to the GOM & “UPS SFAC – Small Feeder Aircraft”) shall be followed.

For the avoidance of doubt the more restrictive operating instructions shall be adhered to. In case the United Parcel Service manuals are missing a certain instruction (for example the load and offload of palletized freight into and out of a flight using a fork lift) and/ or are contrary to the Carriers operating manuals and written instructions the Carriers operating manuals and written instructions shall be carried out.

The Carrier and the operating Carrier shall make available all manuals to the Handling Company with the relevant operating instructions. In default of which the Handling Company shall carry out all services in accordance with its own standard procedures.

- 8.2 In addition to sub-article 5.8 of the Main Agreement the Handling Company and the Carrier shall reach mutual agreement on the quality standards for the provision of services, not excluding those covered by sub-article 5.1 of the Main Agreement. In default of the agreement the quality standards of the Handling Company will prevail. The Handling Company agrees to take all reasonable steps to ensure that, with regard to contracted services, the agreed upon quality standards will be met.
- 8.3 In addition to sub-article 5.1 of the Main Agreement, the Handling Company will maintain an acceptable level of training recognised by IATA & FAA in order to meet the requirements and instructions of the Carrier when providing services with a safety aspect such as load control, loading of aircraft and particularly the handling of dangerous goods.
- 8.4 Under no circumstances shall Handling Company's staff carry out any services for which they are not fully trained to provide.
- 8.5 The Handling Company agrees to inform the Carrier in due time about relevant changes in the Handling Company's organisation and procedures.

Paragraph 9 – Duration, Modification and Termination

9.1 Notwithstanding Sub-Article 11.4 and 11.5 of the Main Agreement, this Agreement and its Annexes will be valid from 14th September 2020 until 30th September 2021. After that, it shall continue in effect until terminated by either party, giving sixty (60) days prior notice to the other Party, starting from 01st October 2021.

9.2 [Redacted]

9.3 Notwithstanding the provision of the Sub-Paragraph of 9.1 of this Annex B, the Carrier reserves the right to terminate this Agreement according to the following procedure:

- a) if the Handling Company fails to perform the services as agreed between the Parties, the Carrier has to send a written notice to the Handling Company;



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b) if the Handling Company will perform the compliance and procedural requirements as outlined in the GOM with less than 98 % during the annual UPS internal evaluation audit, the Carrier has to send a written notice to the Handling Company;

if the afore said default has not been remedied within 30 days after the 1st written notice, the Carrier will have the right to terminate this Agreement with 30 days written notice.

- 9.4 Changes to this Annex B may only be made in writing by mutual agreement, especially changes of the charges as per Sub-paragraph 9.2 may only be made in writing by mutual agreement.
- 9.5 Notwithstanding the provision of the Sub-Paragraph of 9.1 the Carrier shall have the right to terminate the agreement giving 90 days written notice to the other party in the event of cancelling its operation at the airport Ostrava Airport – OSR.
- 9.6 The Parties have agreed the Handling Company is entitled to enter this Agreement (in its confidentiality version and redacted as indicated below) into the Register of Agreements established by the Ministry of Interior in accordance with the Act No. 340/2015S Coll., on special conditions of some agreement efficiency, the agreements publication in the Register of Agreements (the Act on Register of Agreements), and they express their consent with the publication including publication of personal data in the meaning of the Act No. 110/2019 Coll., on personal data processing, to the extend connected with registration and publishing obligation under applicable laws.
- 9.7 The both Parties state the covenant regarding the price is a business secret of the both Parties in the meaning of § 504 Act No. 89/2012S Coll., Civil Code, and it is excluded from publication in the Register of Agreements in accordance with § 5 Par. 6, Section 8 of the Act No. 340/2015 Coll.
- 9.8 The Contracting Parties identically state the data provided in the Paragraph 1, Sub - paragraph 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, Paragraph 2 and Paragraph 3, Sub-Paragraph 4.3, Paragraph 7, Sub-Paragraph 9.2, Paragraph 14, Attachment I, Attachment II, Appendix I contain business secret and protected confidential information and, as such, they shall be excluded from any publication.

Paragraph 10 – Notification

10.1 In accordance with Sub-Article 11.3 of the Main Agreement, any notice of communication to be given hereunder shall be addressed to the respective parties as follows:

To Carrier:

United Parcel Service LLC & Co.OHG

Rheinpromenade 12
D-40789 Monheim am Rhein, Germany

Telephone: [REDACTED]

E-mail: [REDACTED]

Attn: Ground Handling Contract Manager

To Handling Company:

Ostrava Airport
Letiště Ostrava, a.s.
742 51 Mošnov č.p. 401
Czech Republic



Paragraph 11 – Governing Law

- 11.1 Notwithstanding Article 9 of the Main Agreement, the Handling Company and the Carrier agree that in the event of disagreement or dispute concerning the scope, meaning, construction or effect of this agreement, the Parties will work to resolve the disagreement or dispute between them. Should the Parties fail to resolve the disagreement or dispute, then either party is free to seek resolution through the appropriate Court.
- 11.2 Notwithstanding Article 9 of the Main Agreement, all claims of whichever nature related to the present contract will be under the sole competence of the Courts of Prague, even in case of warranty appeal or multiple defence counsels and this, notwithstanding any opposite printed or handwritten note or any letter or commercial document from the signatories of the present contract or from their counsels called in defence. Only Czech Republic will be applicable.

Paragraph 12 - Non Disclosure Terms

- 12.1 The Handling Company covenants and agrees with UPS for the benefit of UPS and its parent and affiliates that the Handling Company will not make any use whatsoever of, or cause others to make or assist others in making any use whatsoever, of the corporate or trade name of UPS, United Parcel Service of America, Inc., or their affiliates, or any portion thereof, or any of their trademarks, or any portion thereof, in connection with any advertising, promotion, publicity or other printed material without written consent of an officer of UPS. The Handling Company covenants and agrees that except as provided by provisions of any law, order, rule or regulation under which the Handling Company is obligated regarding the Handling Company's ordinary business operations, the Handling Company shall make every reasonable effort not to publicly disclose or describe its business relationship with UPS.
- 12.2 It is expressly understood and agreed that the Handling Company's obligations under this (paragraph / section / clause) shall survive performance of the terms of this agreement, its rescission or other termination and that this section shall remain in full force and effect independently of the other provisions of this agreement.

Paragraph 13- Confidentiality

- 13.1 The Carrier and the Handling Company agree not to reproduce this Annex B or to distribute it to others, in whole or in part, at any time, and permanently to keep confidential all information contained within the Annex B and all information made available by the Handling Company and the Carrier to each other during its negotiation or in the provision of the services.

Paragraph 14 – Data Protection

[REDACTED]



Paragraph 15 – Force Majeure

- 15.1 Both parties shall be exempt from their obligations if prompt notification is given by either Party in respect of any failure to perform its obligations under this Agreement. Force Majeure cannot be claimed retrospectively and prompt notification requires that a clear communication is forwarded declaring a state of Force Majeure.

The definition of Force Majeure is agreed to be the following:

Carrier may cancel the operation of any flight upon notice to the Handling Company that such cancellation is required because of events beyond Carriers control - for such flights no payment shall be required for any flight so cancelled. Examples of event beyond carriers control are acts of God, weather, strikes, lock-outs, or other industrial disturbances (whether to carriers or any of its corporate affiliates), acts of the public enemy, wars, blockades, riots, epidemics, lightning, earthquakes, arrests, explosions, accidents to machinery or aircraft, failure of public utilities, unavailability of fuel, or inability to secure landing and/or starting slots.

Paragraph 16 - Ethical Business Conduct

- 16.1. Handling Company, and its directors, officers, employees, agents, or other persons working on Handling Company's behalf, shall comply in all respects with:
- a. all applicable multilateral international conventions dealing with bribery and corrupt practices (as they may be amended from time to time); and
 - b. all applicable laws – including the laws of the Operating Area, the United States, and other countries – dealing with bribery and corruption including without limitation the United States Foreign Corrupt Practices Act (as may be amended from time to time) and the UK Bribery Act of 2010 and any anti-corruption laws of the Operating Area (for the avoidance of doubt, the term “Operating Area” shall mean the place and country(ies) where the Services are being performed or where the Handling Company resides); and
 - c. all applicable policies of the UPS group of companies, including without limitation UPS's Code of Business Conduct and UPS's Anti-Corruption Manual for Third-Party Representatives.
- 16.2. Handling Company agrees to complete any anti-corruption training required by UPS and agrees to require owners, directors, and employees of Contactor who interact with government entities on behalf of UPS to complete such training.
- 16.3. Handling Company, and its directors, officers, employees, agents, or other persons orking on Handling Company's behalf, have not and will not offer, promise or provide anything of value, directly or indirectly, to any Government Official (defined for the purposes of this Agreement to include (1) an employee of a non-U.S. government department or agency, whether in the executive, legislative or judicial branches of government, and whether at the federal (national), state, or local level (or their equivalents), whether part-time, unpaid, or acting in an official capacity to carry out government responsibilities; (2) a political party; (3) a political party official; (4) a candidate for political office; (5) an employee of a public international organization such as the World Bank, International Monetary Fund, or the European Union; or (6) an officer or employee of a government-owned company, even if the company is operated like a privately-owned corporation) for the purpose of influencing any decision, action or inaction in order to secure or maintain an improper advantage in connection with or relating to the subject matter of this Agreement or any supplement or amendment hereto, or in order to direct an improper advantage to any other person or entity. The offer, promise or provision of anything of value proscribed by this paragraph is a “Prohibited Payment.”



If Handling Company, or a director, officer, employee, agent, or other person working on Handling Company's behalf, receives a request for a Prohibited Payment in connection with or relating to the subject matter of this Agreement or any supplement or amendment hereto, then UPS must be notified immediately.

Handling Company, or a director, officer, employee, agent, or other person working on Handling Company's behalf shall not make any payment to a Government Official in order to expedite or secure performance of a routine, non-discretionary duty (commonly referred to as a "facilitation payment") unless such payment is supported by an official receipt, invoice or other approved documentation, certifying its legitimacy as an official government payment.

- 16.4. Handling Company:
 - a. shall use its best efforts to prevent the occurrence of bribery or corrupt practices and will take the appropriate action in the event there is any evidence of such practices. Appropriate action includes, but is not limited to, cessation of the practices and notification to UPS of any such evidence; and
 - b. agrees and acknowledges that it, its employees, agents, Handling Companies, sub-Contractors, directors, commissioners and officers are familiar with and will strictly comply with all applicable anti-corruption laws and regulations (e.g., the U.S. Foreign Corrupt Practices Act, the UK Bribery Act) and will not engage in or support any occurrence of bribery or corrupt practices.
- 16.5. Handling Company shall obtain approval from UPS for all payments that it, its owners, officers, directors, employees, agents, or other persons working on its behalf make in connection with this Agreement. For each payment, UPS must approve the nature, frequency, amount, and form. All such payments shall require appropriate documentation (e.g., invoice or receipt) to support the legitimacy of those payments.
- 16.6. Handling Company shall at all times comply with all applicable laws and regulations and agree that it shall not do business with any person or third-party where it knows or suspects the existence of any illegal, unethical or questionable practices by such third-party, its officers, employees or agents. Furthermore, no rights or obligations of, or services to be rendered by Handling Company under this Agreement shall be assigned, transferred or subcontracted to any third-party without the prior written consent of UPS.
- 16.7. No director, officer, employee or agent of Handling Company, nor any family member (spouse, parent, child, sibling or sibling's spouse) of the foregoing, is a Government Official, nor may become a Government Official during the term of this Agreement without the prior written approval of UPS.
- 16.8. All financial transactions shall be recorded in a timely, complete, accurate and consistent manner in accordance with generally accepted accounting principles consistently applied. Invoices and supporting documentation, as well as all other documents and accounting entries, shall not be false, fictitious or intentionally misleading in any way.
- 16.9. Handling Company shall sufficiently document all payments and keep appropriate receipts. Handling Company shall make available to UPS any invoices or records corresponding to such payments at UPS's request upon reasonable notice. Any reimbursable expenses incurred during the performance of this Agreement must be clearly documented and presented to UPS on a monthly basis. Invoices must fairly, accurately, and completely reflect the services being billed.
- 16.10. UPS shall have reasonable access to Handling Company's books and records pertaining to activities for or on behalf of UPS, and the right to audit these records on demand. UPS may elect to designate a third-party to conduct such an audit. UPS may, without prior notice, inspect Handling Company's premises. Handling Company shall fully cooperate in any due diligence or audit conducted by or on behalf of UPS.



- 16.11. Handling Company will not communicate with, meet with or otherwise interact with, directly or indirectly, any Government Officials in connection with or relating to the subject matter of this Agreement or any supplement or amendment hereto without the prior approval of UPS. Specific types of frequent interactions with Government Officials occurring in the ordinary course of the Handling Company's performance under the Agreement need only be approved once, but any change of circumstances in connection with those interactions requires UPS approval.
- 16.12. Upon its discovery of a breach of any of the representations and warranties, or any other provision of this paragraph, Handling Company shall immediately report such breach to UPS.
- 16.13. Handling Company certifies that these representations are complete, accurate, and shall be continuing for the life of this Agreement. Handling Company shall notify UPS if, at any time during the course of this Agreement, Handling Company observes any change of circumstances that has potential to materially alter its performance under this Agreement.
- 16.14. Handling Company recognizes that UPS is not fully familiar with the laws, rules, orders, regulations, policies, and customs of the Operating Area, and that UPS has entered into this Agreement in material reliance on Handling Company's representation and warranty that this Agreement and the relationship created between UPS and Handling Company does not violate any law, rule, order, or regulation of the Operating Area, including laws regulating elections. Handling Company represents and warrants that it is familiar with relevant local law. Handling Company further represents and warrants that neither the receipt of fees under this Agreement nor performance of services under this Agreement is in any respect a violation of laws, rules, orders, prohibitions, regulations or policies of the Operating Area.
- 16.15. Handling Company represents and warrants that the due diligence information previously provided by Handling Company during the selection process remains accurate and complete. In the event of any significant changes in the due diligence information previously provided to UPS, Handling Company agrees to promptly notify UPS of such changes.
- 16.16. Handling Company agrees to comply with renewal due diligence every three years or earlier, on the occurrence of any significant change to the existing contractual relationship.
- 16.17. Termination
 - a. In the event of a breach of the obligations of this paragraph, UPS shall have the right, but not the obligation, to terminate this Agreement upon notice to the Handling Company.
 - b. In the event that UPS has reason to believe that a breach of any of the representations and warranties, or any other provision of this paragraph, has occurred or may occur, UPS may withhold further payments to Handling Company until such time as it has received confirmation to its satisfaction that no breach has occurred or will occur. UPS shall not be liable to Handling Company for any claims, losses, or damages whatsoever related to its decision to withhold commission payments under this provision.
 - c. In the event of a breach of any of the representations and warranties, this paragraph shall terminate without the requirement of any written notice of cancellation, should the non-breaching Party elect to terminate the Agreement. Any claims for payment by Handling Company, with regard to any transaction for which a breach of the representations has occurred, including claims for sales or services previously rendered shall be automatically terminated and cancelled, and Handling Company shall refund all payments previously paid by UPS related to such transaction. Handling Company shall further indemnify and hold UPS harmless against any and all claims, losses or damages arising from or related to such breach or the cancellation of the Agreement, or both.
 - d. Notwithstanding any other provisions to the contrary, UPS may, but is not obligated to, suspend or terminate this Agreement upon notice to the Handling



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Company upon learning information giving it a factual basis to conclude that Handling Company has violated, or caused UPS to violate, any anti-corruption provision.

16.18. Unless otherwise agreed by the parties, all payments due to Handling Company under this Agreement shall be made by bank wire transfer to the bank account of Handling Company at a designated bank in the Operating Area or by check made payable to Handling Company for delivery in the Operating Area. No checks shall be written to "cash" or "bearer," and no payments shall be made to anyone other than Handling Company. No payments shall be made outside the country of the principal place of business of the recipient.

16.A Human Rights

Handling Company shall not employ children, prison labor, indentured labor, bonded labor or use corporal punishment or other forms of mental and physical coercion as a form of discipline. In the absence of any national or local law, UPS and Handling Company agree to define "child" as less than 15 years of age. UPS has the right to make unannounced inspections, and conduct appropriate audits of books and records, of all of Handling Company's premises and any other premises employed in connection with Handling Company's performance under this Agreement, to ensure compliance with this Section. UPS believes that the concept of protecting basic human rights should be specifically recognized, and as a result, generally supports the United Nations Global Compact's Human Rights Principles, and encourages those it does business with to do the same."

Paragraph 17 QMS / SMS / CMS

17.1 The carrier undertakes (immediately, by telephone or by e-mail [REDACTED]) to communicate with the Ostrava Airport and provide him with all the necessary information in the area QMS (Quality Management System), SMS (Safety Management System) a CMS (Compliance Management System), in particular:

- a) the occurrence of an emergency and other significant events known by the carrier that may affect safety in the Ostrava-Mošnov airport area, as well as in its vicinity,
- b) any circumstances known by the carrier that could have even a potential impact on the provided services
- c) the fact that the by the carrier full chartered operating carrier's AOC authorization has expired / changed
- d) incorrectly provided service, incorrectly performed activities by the carrier in relation to airport operations.

17.2. The carrier undertakes:

- a) to comply with the rules according to the Airport Manual and other related documents of Ostrava Airport, a.s., with which he was acquainted before signing this contract,
- b) provide the Airport operator with information on all facts known by the Carrier that could affect the safety on or around the airport premises, so that the Airport operator is able to take any precautionary measures to minimize risks.



Paragraph 18 – Standard of Service

17.1 Notwithstanding Sub-Article 5.2 of the Main Agreement, the Handling Company agrees to perform all services in accordance with the mutually agreed “Service Level Agreement”, as per Attachment 1 to this Annex B.

Signed the: 9/8/2020 | 4:34 dop. PDT

Signed the: 9/8/2020 | 3:45 AM PDT

At: Mošnov

At: Brussels

For and on behalf of
Ostrava Airport

For and on behalf of
United Parcel Service Czech Republic, s.r.o.

By: [Redacted]

By:

DocuSigned by:
[Redacted]

DocuSigned by:
[Redacted]

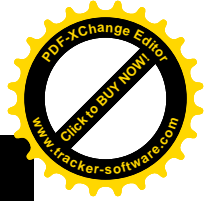
At: Mošnov

By: [Redacted]

DocuSigned by:
[Redacted]

- Exhibit 1: Attachment I – Service Level Agreement
- Exhibit 2: Attachment II - Security Requirements
- Exhibit 3: Appendix I – Flight Schedules
- Exhibit 4: Data Processing Exhibit

Appendix I – Flight Schedules



Ostrava Airport - UPS

