

STANDARD GROUND HANDLING AGREEMENT SIMPLIFIED PROCEDURE

ANNEX B1.0

**LOCATIONS, AGREED SERVICES, FACILITIES AND CHARGES
to the Standard Ground Handling Agreement (SGHA) of January 2008**

Between : Svenska Direktflyg AB (HS)

having its principal
office at : Överstevägen 50
784 63 Borlänge

hereinafter referred to as : "the Carrier"

and : Karlstad Airport
having its principal
office at : Våldalen 570
655 91 Karlstad
Sweden

hereinafter referred to as : "the Handling Company"

This Annex B1.0

For the location : Karlstad Airport (KSD)

Is valid from : 07th November 2011

PREAMBLE

This Annex B1.0 is prepared in accordance with the simplified procedure whereby the Carrier and the Handling Company agree that the terms of the Main Agreement and Annex A of the SGHA of January 2008, as published by the International Air Transport Association shall apply as if such terms were repeated here in full. By signing this Annex B1.0 the parties confirm that they are familiar with aforementioned Main Agreement and Annex A.

Paragraph 1 - HANDLING SERVICES

- 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 at the following rates.

SECTION 1 REPRESENTATION, ADMINISTRATION AND SUPERVISION

1.1 General

- 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 movements of the Carrier's aircraft.

1.2 Administrative Functions

- 1.2.1 Establish and maintain local procedures.
- 1.2.2 Take action on communications addressed to the Carrier.
- 1.2.4 Maintain the Carrier's manuals, circulars, and other relevant operational documents connected with the performance of the services.
- 1.2.6 Effect payment, on behalf of the Carrier, including but not limited to:
(c) out-of-pocket expenses, accommodation, transport. *(Effect payment, on behalf of the Carrier will be charged with a disbursements fee of 10%. Decisions regarding effect payment shall be done in cooperation with airline operations or according to written instructions from the Carrier.)*

1.3 Supervision and/or Co-ordination of Services Contracted by the Carrier with Third Party

- 1.3.1 (b) Co-ordinate services contracted by the Carrier with third party(ies)
- 1.3.2 Ensure that the third party(ies) is(are) are informed about operational data and Carrier's requirements in a timely manner.
- 1.3.3 Liaise with the Carrier's designated representative
- 1.3.5 Meet aircraft upon arrival and liaise with crew.
- 1.3.6 Decide on non-routine matters, *or according to written instructions from the carrier (in co-operation with airline operations).*
- 1.3.7 Verify dispatch of operational messages
- 1.3.8 Note irregularities and inform the Carrier

SECTION 2 PASSENGER SERVICES

2.1 General

- 2.1.1 Inform passengers and / or public about time of arrival and / or departure of Carrier's aircraft and surface transport.
- 2.1.2 Make arrangements for stopover, transfer and transit passengers and their baggage and inform them about services available at the airport.
- 2.1.3 When requested by the Carrier,
 - (a) Provide special equipment, facilities and specially trained personnel, for assistance to
 - (2) Persons with reduced mobility (PRMs).
- 2.1.4 Assist passengers when flights are interrupted, delayed or cancelled.
- 2.1.6 (a) Notify the Carrier of complaints and claims made by the Carrier's passengers.
- 2.1.7 Handle lost, found and damaged property matters
 - (a) accept baggage irregularity reports
 - (b) enter data into baggage tracing system
 - (c) maintain baggage tracing system files for period specified in Annex B (5 days)
 - (e) arrange for delivery of delayed baggage to passengers .
 - (f) handle communications with passengers
- 2.1.8 Report to the Carrier any irregularities discovered in passenger and baggage handling.
- 2.1.9 (b) Arrange for
 - (1) check-in position(s)

2.2 Departure

- 2.2.2 Check and ensure
 - (a) that tickets are valid for the flight(s) for which they are presented. The check shall not include the fare.
- 2.2.3
 - (a) *Check travel documents for the flight(s) concerned, but without handling company having any liability.*
 - (b) Enter required passenger and/or travel document information into Carrier's and/or government system.
- 2.2.4
 - (a) Weigh and/or measure checked and/or cabin baggage,
 - (b) Record baggage figures

For

 - (1) Initial flight.
 - (2) Subsequent flight(s).
- 2.2.6 Tag checked and/or cabin baggage for *[bag tags provided by the Handling Company]*
 - (a) initial flight.
 - (b) subsequent flight(s).
- 2.2.7 Effect conveyance of checked baggage to the baggage sorting area
- 2.2.8 Effect conveyance of oversized checked baggage to the baggage sorting area
- 2.2.10
 - (a) Carry out the Carrier's seat allocation or selection system
 - (b) Issue boarding pass(es) *[boarding cards provided by the Handling Company]*
 - (c) Detach applicable flight coupons

For

 - (1) initial flight.
 - (2) subsequent flight(s).
- 2.2.11 Handle
 - (a) denied Boarding process
- 2.2.12 Direct passengers through controls to departure gate
- 2.2.13 At the gate perform:
 - (c) Verification of travel documents
 - (f) Verification of cabin baggage
 - (g) manage the boarding process
 - (h) reconciliation of passenger numbers with aircraft documents prior to departure
- 2.2.14
 - (a) collect
 - (b) reconcile
 - (c) handle and forward to Carrier transportation documents (flight coupons, or other flight related documents) uplifted from departing passengers

2.3 Arrival

- 2.3.2 Direct passengers from aircraft through controls.

SECTION 3 RAMP SERVICES

3.1 Baggage Handling

- 3.1.1 Handle baggage in the baggage sorting area.
- 3.1.2 Prepare for delivery onto flights
 - (a) bulk baggage
- 3.1.3 Establish the number and/or weight of
 - (a) bulk baggageand provide the load control unit with the information
- 3.1.4 Offload
 - (a) bulk baggage
- 3.1.5 Prioritize baggage delivery to claim area
- 3.1.6 Deliver to claim area
 - (a) baggage
 - (b) oversize baggage
- 3.1.7 Transfer baggage
 - (a) Provide
 - (1) Sorting of transfer baggage.
 - (2) Storage of transfer baggage prior to despatch (storage time limits to be specified in Annex B).
 - (3) Transport of transfer baggage to the sorting area of the receiving carrier.

3.2 Marshalling

- 3.2.1 (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 Position and/or remove
 - (f) other items as specified in Annex B (*safety cones*)
- 3.3.3 (a) Provide
 - (c) Operate*ground power unit included when fixed installation at stand, when mobile GPU needed 30 min included.*

3.5 Ramp to Flight Deck Communication

- 3.5.2 Perform ramp to flight deck communication
 - (a) during tow-in and/or push-back.
 - (b) during engine starting.

3.6 Loading and Unloading

- 3.6.4 (a) Provide delivery and pick-up
 - (1) Baggageat aircraft doors or other agreed points to be specified in Annex B.
- 3.6.5 (a) Provide
 - or
 - (b) Arrange for Assembly of transport of
 - (1) baggage
 - (5) 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
- 3.6.7 Redistribute Loads in aircraft.

- 3.6.8 Open, close and secure aircraft hold doors.
(a) aircraft lower deck

3.8 Safety Measures

- 3.8.1 (b) Arrange for
Fire-fighting and other protective equipment
- 3.8.2 Perform safety/ground damage inspection
(a) Immediately upon arrival
(b) Immediately prior departure
(1) Doors and panels
And communicate the results to flight crew or Carrier's representative

3.9 Moving of Aircraft – Görs ejll

- 3.9.1 (a) Provide tow-in and/or push-back tractor
- 3.9.2 (b) Towbar to be provided by the Operator
(c) Store and maintain towbar(s) provided by the Carrier
- 3.9.3 (a) Tow-in and/or push-back aircraft
(b) Tow aircraft between other agreed points (*on request, on additional charge*)

3.12 Toilet Service (*on request, at additional charge*)

- 3.12.1 (a) Provide
toilet service.

SECTION 4 LOAD CONTROL, COMMUNICATIONS AND FLIGHT OPERATIONS

4.1 Load Control

- 4.1.1 Convey and deliver flight documents between the aircraft and appropriate airport buildings.
- 4.1.2 (a) Prepare
(c) Distribute
(d) Clear/process
(e) File (*for a period of 90 days*)
documents, including but not limited to, loading instructions, load sheets, weight and balance charts, Captain's load information and manifests where:
(2) Load Control is performed by the Carrier

4.2 Communications

- 4.2.1 (a) Compile
(b) Receive, process and send
all messages in connection with the services performed by the Handling Company, using the Carrier's originator code or double signature procedure
- 4.2.2 (a) Provide
(b) Operate
means of communication between the ground station and the Carrier's aircraft.

4.3 Flight Operations – General

- 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 After consideration of the Carrier's instructions, suggest the appropriate action to pilot-in-command in case of operational irregularities, taking into account the meteorological conditions, the ground services and facilities available, aircraft servicing, possibilities and the overall operational requirements.

4.4 Flight Operations - Flight Preparation at the Airport of Departure

- 4.4.1 (b) Arrange
meteorological documentation and aeronautical information for each flight
- 4.4.2 Deliver documentation to the aircraft
- 4.4.4 (e) Monitor
(2) the Carrier's slot time allocation with the appropriate ATS

4.6 Flight Operations – En-route Flight Assistance

- 4.6.1 Monitor movement of the flight
- (a) Within VHF range and provide all possible assistance as necessary. Inform the Carrier of flight progress, any irregularities and actions taken.

SECTION 5 CARGO AND MAIL SERVICES

5.3 Irregularities Handling

- 5.3.1 Take immediate action in respect of irregularities, damage or mishandling of dangerous goods and other special shipments.
- 5.3.2 Report to the Carrier any irregularities discovered in cargo handling

SECTION 6 SUPPORT SERVICES

6.2 Automation / Computer Systems

- 6.2.1 (b) Arrange for
and
(c) Operate
equipment to enable access to
(2) Handling Company's system
- 6.2.2 Access the following functions in
(c) Other system
(5) baggage tracing.

6.5 Ramp Fuelling / Defuelling Operations

- 6.5.1 Liaise with ramp fuel suppliers.

6.7 Catering Services – Liaison and Administration

- 6.7.1 Liaise with the Carrier's catering supplier.

SECTION 7 SECURITY

7.1 Passenger and Baggage Screening and Reconciliation

- 7.1.1 (a) Provide
(2) security questioning
- 7.1.2 (b) Arrange for
(1) screening of checked baggage.
(2) screening of transfer baggage.
(3) screening of mishandled baggage.
(4) physical examination of checked, transfer and mishandled baggage
- 7.1.3 (b) Arrange for
(1) screening of passengers.
(2) screening of cabin/unchecked baggage.
(3) physical examination of passengers and cabin/unchecked baggage
- 7.1.4 (a) Provide
(1) identification of passengers prior to boarding.
(2) reconciliation of boarded passengers with their baggage.
(3) positive baggage identification by passengers
(4) offloading of baggage for passengers who fail to board the aircraft.

7.4 Aircraft

- 7.4.1 (b) Arrange for
Control access to
(1) Aircraft
(2) designated areas

Paragraph 2 -

Paragraph 3 - ADDITIONAL CHARGES

- 3.1 All other services and equipment not included in Sub-Paragraph 3.5 of this Annex will be charged for at local rates, prevailing at the time such services are performed.
- 3.2 In the event of cancellation of a flight, the Handling company will charge the Carrier:
- 100 % of the agreed rate, if cancellation has been received less than 24 hours before scheduled time of departure.
- 3.3 In case of delays outside normal operation hours the Handling Company has the right to charge the Carrier for staff overtime costs. This paragraph is applicable when delay exceeds one hour after latest dep or arr on published timetable.
- 3.4 The Handling Company shall provide, on request, the services of Annex A listed below at the following rates, se below:

ANNEX A SECTIONS	TYPE OF SERVICE OR EQUIPMENT	PER (UNIT)	CHARGE, SEK
3.3.3 (a)(c)	G P U (mobile) after 30 minutes.	30 min	■
3.6.9	Ballast (if returned to KSD a full credit will be sent)	25 kg	■
3.9.3 (b)	Towing between 2 agreed points	Movement	■■■■■
3.12	Cleaning included Toilet service	daily	■
3.17.2, 3.17.3, 3.17.5, 3.17.6, 3.17.7, 3.17.8	De-icing/anti-icing service*	Fixed Price Type 1 & 2 Ltr	■■■

Paragraph 4 - DISBURSEMENTS

- 4.1 Any disbursement made by the Handling Company on behalf of the Carrier will be reimbursed by the Carrier at the cost price plus an accounting surcharge of 10 %.

Paragraph 5 - LIMIT OF LIABILITY

- 5.1 The limit of liability referred to in Sub-Article 8.5 (2008) of the Main Agreement shall be as follows other aircrafts not specified below shall have limits according to SGHA published standards by IATA:

Aircraft Type	Limit (per incident) USD
J32	25 000

Paragraph 6 - CONFIDENTIALITY

- 6.1 Each party shall maintain the terms of this Agreement and all information from the other party which is clearly designated in writing as confidential in strict confidence by using the same degree of care, but no less than a reasonable degree of care, as it takes to preserve and safeguard its confidential information of

similar nature. Confidential information shall only be used for the purpose for which it was disclosed, and may be shared internally only on a need to know basis.

Paragraph 7 - STANDARD OF WORK, SERVICE DELIVERY

- 7.1 The Carrier shall have the right to audit the processes and organization relevant to the ordered services. The Carrier shall specify the areas to-be audited (Scope of Audit). Results from such audits shall be reviewed in quality meetings between The Carrier and the Handling Company. Agreed non-conformities shall be promptly handled by the Handling Company's Quality Manager and corrective actions shall be taken as required and notified in written form to the Carrier.
- 7.2 If the handling Company fails to provide a consistently satisfactory level of service by failing to meet repeatedly the agreed standards, then the Carrier reserves the right to give the Handling Company notice by requesting specific corrections within 30 days. If after 30 days the requested corrections have not been made, the Carrier shall warn the Handling Company in writing, and if 30 days following this warning (giving at total of 60 days), the Handling Company failed to completely solve this issue, the Carrier shall have the right to request renegotiations of the agreed handling charges or terminate this agreement.

Paragraph 8 -

Paragraph 9 -

- 9.1 This agreement cannot be terminated during ordinary circumstances earlier than by 31st of December 2014 by either party giving 90 days previous notice in writing to the other party.

Paragraph 10 - NOTIFICATION

- 10.1.1 Notwithstanding Sub-Article 11.3 of the Main Agreement, any notice or communication to be given hereunder shall be deemed properly given to the addresses of the respective parties as recorded below, it being understood that any notice or communication referred to under Article 11 of the Main Agreement and Paragraphs 6 and 11 of this Annex shall only be deemed properly given if sent by registered letter or by other means where proof of receipt or acknowledgement is obtained:

To the Carrier:

Svenska Direktflyg AB
Överstevägen 50
784 63 Borlänge
Sweden
Attn: Mr Karl-Oskar Tollsten / Director Ground Operations
Tel: +46 733 777 410
E-mail: karl-oskar.tollsten@direktflyg.com

To the Handling Company:

Karlstad Airport AB
Våldalen 570
655 91 Karlstad,
Sweden
Attn: Conny Gagnefalk
Tel: +46 54 540 77 03
E-mail: conny.gagnefalk@karlstad.se

Paragraph 11 – FORCE MAJEURE

- 11.1 The Parties are released from their obligations under this Agreement due to contingencies that are – natural calamity, fire, military actions of any character, Government embargo for such kind of activities likewise weather conditions and any other circumstances which are beyond control of the Parties, not depending upon the Parties and therefore cannot be foreseen or prevented but which caused non-fulfillment of the terms under the present Agreement.
- 11.2 The Party that cannot fulfill its obligations under this Agreement due to such circumstances is obliged to notify in writing the other Party within 3 days about above circumstances. In confirmation of above circumstances and their duration the Party suffering them shall submit a document issued by the authorized bodies.
- 11.3 Should the above circumstances last more than a month the Party suffering contingencies has the right to cancel the Agreement unilaterally.
- 11.4 In case of breach of the obligations under this Agreement in view of impossibility of further execution the parties shall settle the mutual payments to cover the existing indebtedness with respect to each other.


Paragraph 12 – ARBITRATION, JURISDICTION, APPLICABLE LAW

- 12.1 This Agreement shall be deemed to have been made in Sweden.
- 12.2 All disputes arising between the Carrier and the Handling Company from the provision of handling services will be settled in a Court of the Kingdom of Sweden.
- 12.3 Amendment and supplements to this Agreement shall be considered valid if made in written and signed by both parties being thus an integral part of the Present Agreement.

Done in duplicate, each party acknowledging receipt of its copy.

Signed the 06th of November 2011
at Borlänge
For and on behalf of Svenska Direktflyg AB

Signed the 06th of November 2011
at Karlstad
For and on behalf of Karlstad Airport AB


by
Karl-Oskar Tollsten
Director Ground Operations


by
Peter Landmark
CEO/Airport Manager
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