

[Ground Handling Licence and Service Level] Agreement

between

AIRPORTS COMPANY SOUTH AFRICA SOC LIMITED

(Registration number 1993/004149/30)

and

[insert Handling Agent name]

(Registration number [insert])

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Ground Handling Licence and Service Level Agreement

Parties Airports Company South Africa SOC Limited, Registration number 1993/004149/30

[insert Handling Agent name], Registration number **[insert]**

1 Definitions and Preliminary

1.1 In this Agreement, unless the context otherwise requires, the following words and expressions shall have the meanings assigned to them hereunder:

- (1) **Act** means the Airports Company Act, Act 44 of 1993.
- (2) **Affected Party** has the meaning given in clause 30.1;
- (3) **Agreement** means the agreement contained in this document together with any Schedules hereto;
- (4) **ASOP** means the **Airfield Standard Operating Procedures Manual**, which are detailed policies and procedures to be followed by all parties operating at the Airports;
- (5) **Aircraft** means any machine that can derive support in the atmosphere from the reactions of the air other than the reactions of the air against the earth's surface;
- (6) **Airports** means the Airports operated by the Company, namely: O.R. Tambo International Airport, Cape Town International Airport, King Shaka International Airport, Chief Dawid Stuurman International Airport, Bram Fisher International Airport, Upington International Airport, King Phalo Airport, George Airport and Kimberley Airport, and **Airports** shall have a corresponding meaning;
- (7) **Airport Committees** means the committees and/or forums of the Company that deal with all issues and matters pertaining to the Airports, including but not limited to those dealing with safety and security;
- (8) **Airport Management Centre** means a centre managed by the Company where all operations, Aircraft movement as well as other activities of the Airport are managed and controlled;
- (9) **Airside** means the movement area of the Airport, including the Runway, Taxiway, Apron and adjacent terrain and buildings or portions thereof, access to which is restricted and/or controlled, but excluding any leased areas;
- (10) **Apron** means the area at the Airport intended to accommodate Aircraft for the purposes of loading and unloading passengers, cargo, fuelling, parking or preparation for flight;
- (11) **Authorised** means, in relation to the Handling Agent, any person who has been commissioned by the Handling Agent to render Ground Handling Services to the Company on behalf of the Handling Agent, whose name appears as such in the records of the Handling Agent and who has been issued with a valid security permit by the Company;
- (12) **Aviation Act** means the Civil Aviation Act 13 of 2009;
- (13) **Airport Security Programme** means the written measures adopted to safeguard civil aviation against acts of unlawful interference.

- (14) **Baggage Pilferage Plan** means the plan accepted by the Company in writing and attached as in Schedule 9, setting out a Handling Agent's plan regarding baggage pilferage prevention management, which must incorporate the baggage pilferage prevention policy and procedures, employee recruitment process and security background checks, employee baggage pilferage prevention campaigns, employee baggage pilferage prevention training, employee baggage pilferage prevention anonymous reporting and rewards programmes for reporting, employee surveillance (permit movement analysis, physical searches and CCTV monitoring), management oversight, programmes to partner with Company Security Services, risk assessment identifying baggage pilferage risks and controls to mitigate risks, and processes to measure effectiveness of controls to mitigate risks.
- (15) **B-BBEE** means Broad-Based Black Economic Empowerment;
- (16) **B-BBEE Act** means the Broad-Based Black Economic Empowerment Act 46 of 2003 (as amended from time to time);
- (17) **Business Day** means any day other than a Saturday, Sunday or official public holiday in South Africa;
- (18) **Carrier** means an airline with whom the Handling Agent has concluded a Carrier Agreement, and **Carriers** shall have a corresponding meaning;
- (19) **Carrier Agreements** means the agreement(s) concluded between the Handling Agent and one or more Carriers in terms of which the Handling Agent provides Ground Handling Services to the Carrier in accordance with the terms and conditions set out therein;
- (20) **Civil Aviation Authority** means the South African Civil Aviation Authority as defined in the South African Civil Aviation Authority Act 13 of 2009 as amended.
- (21) **Claims** means all and any claims, liabilities, payments, demands, actions, joinders, causes of action, damage, losses, interest and expenses, for all damages including any consequential, future and/or unascertained damages of whatsoever nature brought against any of the Indemnified Parties;
- (22) **Company** means Airports Company South Africa SOC Limited (Registration No. 1993/004149/30), a public company duly incorporated in accordance with the laws of South Africa;
- (23) **Company Contract Manager** means the person nominated by the Company from time to time to oversee the management of this Agreement and to monitor compliance by the Handling Agent with its obligations under this Agreement, provided that this shall include reference to the general manager for the time being of an Airport and any of his employees duly delegated, and any discretion allowed to the Contract Manager may be exercised by the General Manager;
- (24) **Confidential Information** means:
- (a) this Agreement;
 - (b) all material and/or information which by industry standards is proprietary and/or deemed and/or generally understood to be proprietary to that Party;
 - (c) information designated as confidential by Parties after consultation;
 - (d) information solely acquired by the other Party by virtue of this Agreement;
 - (e) all trade secrets of each Party;
 - (f) information in which either Party has Intellectual Property Rights;

- (g) consideration payable in terms of this Agreement;
 - (h) all forms of storage or presentation of the confidential information including, but not limited to, loose notes, diaries, memoranda, drawings, photographs, electronic storage and computer printouts;
 - (i) but excludes any information, or any portion thereof, which: -
 - (i) information at the time of disclosure is already in the public domain;
 - (ii) was known to either Party prior to its receipt from the other Party;
 - (iii) is developed by either Party independently of any disclosures previously made by the other Party;
 - (iv) is disclosed with the other Party's prior written consent; and
 - (v) is required by law to be disclosed;
- (25) **Crime Prevention Plan** means the plan accepted by the Company in writing and attached as in Schedule 10 , setting out a Handling Agent's plan regarding crime prevention management, which must incorporate the crime prevention policy and procedures, employee recruitment process and security background checks, employee crime prevention anti-bribery and corruption awareness campaigns, employee crime prevention anti-bribery and corruption training, employee crime anonymous reporting and rewards programmes for reporting, employee surveillance (permit movement analysis, physical searches and CCTV monitoring), management oversight, programmes to partnership with Company Security Services, risk assessment identifying crime prevention risks and controls to mitigate risks, and processes to measure effectiveness of controls to mitigate risks.
- (26) **Days** means a calendar days and **Day** shall have a corresponding meaning;
- (27) **Effective Date** means *[insert]*, the date which is *[insert]* months from the Signature Date or such other date notified in writing by Company to the Handling Agent;
- (28) **Emergency Situations** means hurricanes, fires, floods, operational emergencies and any other situation occurring at the Airports, the magnitude of which, as deemed by the Company in its discretion and notified to the Handling Agent, may create danger to Users or to the normal rendering of the Ground Handling Services within the Airports;
- (29) **Environmental Management Plan** Environmental Management Plan means the plan accepted by the Company in writing and attached as in Schedule 7, setting out a Handling Agent's plan regarding environmental management, which must incorporate environmental policy, strategy, risk assessment identifying environmental risks and controls to mitigate risks, processes to measure effectiveness of controls to mitigate risks, and measures to reduce carbon emissions;
- (30) **Excluded Services** means the following services which are excluded from the scope of the Licence:
- (a) baggage wrapping;
 - (b) baggage storage;
 - (c) aircraft fuelling;
 - (d) aircraft catering;
 - (e) aircraft technical support services; and

(f) passenger waiting lounges.

(31) **Force Majeure** means any act, event or circumstance or any combination of acts, events or circumstances which:

- (a) is beyond the reasonable control of the Affected Party;
- (b) is without fault or negligence on the part of the Affected Party and is not the direct or indirect result of a breach by the Affected Party of any of its obligations under this Agreement;
- (c) could not have been (including by reasonable anticipation) avoided or overcome by the Affected party, acting in accordance with the standards of a Reasonable and Prudent Operator; and
- (d) prevents, hinders or delays the Affected Party in its performance of all (or part) of its obligations under this Agreement.

Without limiting the generality of the foregoing, a Force Majeure Event may include any of the following acts, events or circumstances, but only to the extent that it satisfies the requirements set out in paragraphs (a) to (d) above:

- (i) an Act of God, including drought, fire, earthquake, volcanic eruption, landslide, flood, storm, cyclone, tornado, typhoon or other natural disasters;
- (ii) epidemic or plague;
- (iii) fire, explosion or radioactive or chemical contamination;
- (iv) air crash, shipwreck or train crash; or
- (v) any act, event or circumstance of a nature analogous to any of the foregoing;

(32) **Ground Handling Services** means collectively the Ramp Handling Services and the Passenger and Crew Services, excluding the Excluded Services;

(33) **Handling Agent** means *[Insert service provider name]*, Registration number *[insert]*, and shall by necessary reference be held to include the (i) the Handling Agent's employees, contractors, associates and agents and (ii) any of its sub-contractors, its employees, and its agents (as the case may be);

(34) **Handling Agent Contract Manager** means the person nominated by the Handling Agent and notified to the Company in writing from time to time who shall ensure that the Handling Agent complies with its obligations in terms of this Agreement, and who shall also oversee the overall planning, supervision and control of the Ground Handling Services provided by the Handling Agent;

(35) **IATA** means the International Air Transport Association;

(36) **ICAO** means the International Civil Aviation Organisation;

(37) **Indemnified Parties** means the Company, its underwriters and insurers and/or successors in title (all past and present), and **Indemnified Party** means, as the context requires, any one-off them;

(38) **Legislative Framework** means the Act, Aviation Act, Compensation for Occupational Injuries and Diseases Act 130 of 1993, Environmental Conservation

Act 73 of 1989, Labour Relations Act 66 of 1996, Immigration Act 13 of 2002, National Environment Management Act 107 of 1998, National Environment Management: Waste Act 59 of 2008, National Environment Management: Air Quality Act 39 of 2004, National Key Points Act 102 of 1980, Prevention and Combating of Corrupt Activities Act 12 of 2004, The Prevention of Organised Crime Act 121 of 1998, The Criminal Procedure Act 51 of 1977, National Road Traffic Act 93 of 1996, National Water Act 36 of 1998 and Occupational Health and Safety Act 85 of 1993, Protection of Personal Information Act 4 of 2013 including all the Regulations promulgated in terms of these Acts from time to time and any amendment(s) thereof and any other pieces of legislation and regulations not specifically listed herein and which would, by operation of law be applicable;

- (39) **Licence** means the rights granted by the Company to the Handling Agent to provide Ground Handling Services to Carriers at the Airports in terms of this Agreement;
- (40) **Licensees** means a panel of service providers that have been granted rights by the Company to provide Ground Handling Services as defined herein, or components thereof;
- (41) **Maintenance Plan** means the plan accepted by the Company in writing and attached as in Schedule 8, setting out a Handling Agent's plan regarding the maintenance of the vehicles and ramp handling equipment which incorporates the policy, strategy, procedures, procurement plan, maintenance and replacement cycles to ensure that corrective and preventative maintenance is carried out;
- (42) **Operator** means all entities and/or persons conducting operations at Airports, including but not limited to Airlines and Handling Agents;
- (43) **Party** means either the Company or the Handling Agent (as the case may be) and **Parties** means the Company and the Handling Agent collectively;
- (44) **Passenger and Crew Handling Services** mean the following services:
- (a) facilitation of Very Important People (VIP) and Commercial Important People (CIP) which may also be facilitated by the Company;
 - (b) station management;
 - (c) check-in;
 - (d) passenger escort;
 - (e) passenger loading and offloading;
 - (f) transport;
 - (g) ticket sales;
 - (h) Passenger Assistance Unit wheelchair service; and
 - (i) crew and passenger transport;
- (45) **Policy Guidelines** means the Company's Policy Guidelines referred to in ASOP which are published and updated on the Company's website and which may be amended from time to time, including the IATA Airport Handling Manual as amended, and which the Handling Agent is deemed to be fully acquainted with;
- (46) **Quality Management Plan** means Quality Management Plan means the plan accepted by the Company in writing and attached as in Schedule 6, setting out a Handling Agent's plan regarding quality management, which incorporates the

organisational structure and responsibility, quality management policy, and internal audit / management reviews;

- (47) **Ramp Handling Equipment** means the equipment employed by the Handling Agent at an Airport for the purposes of providing Ground Handling Services to Carriers, and includes, without limitation, container loading Vehicles, belt loaders, high-lift trucks, refuelling Vehicles, toilet trucks, water trucks, container dollies, aircraft pushback tugs, general purpose tugs, ground power units, engineering servicing Vehicles and any other equipment or Vehicles required to be used by the Handling Agent in the provision of the Ground Handling Services;
- (48) **Ramp Handling Services** mean the following services:
- (a) aircraft grooming;
 - (b) lavatory services;
 - (c) water services;
 - (d) aircraft weight and balancing;
 - (e) baggage loading and offloading;
 - (f) pushback and towing;
 - (g) airside bussing;
 - (h) mobile ground power where there is no fixed ground power provided by the Company;
 - (i) baggage handling (which may be carried out by the Company); and
 - (j) cargo handling.
- (49) **Reasonable and Prudent Operator** means a Party seeking in good faith to perform its contractual obligations and, in so doing, in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence, responsibility and foresight which would reasonably and ordinarily be expected of a skilled and internationally experienced operator complying with all applicable laws, engaged in the same or similar type of undertaking, in the same or similar circumstances and conditions;
- (50) **Regulations** means the Regulations promulgated in terms of any legislation, and including Regulations promulgated under the Act or the Aviation Act from time to time and any amendment(s) thereof;
- (51) **Relevant Activities** shall have the meaning ascribed to that term in the Act and includes Ground Handling Services;
- (52) **Runway** means the defined rectangular area at an airport constructed or demarcated for the landing and take-off of Aircraft along its length;
- (53) **Safety Management Plan** means the plan accepted by the Company in writing and attached as in Schedule 5, setting out a Handling Agent's plan regarding safety risk management, which plan must incorporate safety policies and objectives, safety assurance, risk management including risk identification and mitigation, and safety promotion activities;
- (54) **Schedule** means any schedules annexed to this Agreement, and **Schedules** shall have a corresponding meaning;

- (55) **Security Management Plan** means the plan accepted by the Company in writing and attached as in Schedule 4, setting out a Handling Agent's plan regarding security risk management to safeguard civil aviation from acts of unlawful interference, which must incorporate the security policy, strategy, risk assessment identifying security risks and controls to mitigate risks, and processes to measure effectiveness of controls to mitigate risks;
- (56) **Service Levels Standards** means the standard of service expected from the Handling Agent in terms of this Agreement, including the metrics by which that service is to be measured and the remedies or penalties, if any, should the agreed-upon levels not be achieved, as set out in Schedule 1;
- (57) **Signature Date** means the date of the last signature to this Agreement;
- (58) **Specialised Personnel** means personnel of the Handling Agent who are required to hold special permits to perform the following specialised services to the Carriers:
- (a) professional driver permits; and
 - (b) any other service that requires the Handling Agent's personnel to hold a special permit in terms of South African legislation;
- (59) **Taxiway** means that part of an airport used or intended to be used as the defined path for taxiing of Aircraft to provide a link between one part of an Airport and another part;
- (60) **Termination Date** means:
- (a) **[insert]** the date which is 5 (five) years calculated from the Effective Date;
 - (b) the date on which this Agreement is terminated in accordance with clause 32;
- (61) **Third Party** means any party who does not have a direct connection with, or is not a Party to this Agreement;
- (62) **Third Party Claims** means all and any Claims that any Third Party may have;
- (63) **Transformation Plan** means the plan approved by the Company in writing and attached as in Schedule 2, setting out a Handling Agent's plan to achieve a B-BBEE level 1 contribution status. Where the Handling Agent has a B-BBEE level 1 contribution status, the plan must detail how the B-BBEE level 1 contribution status will be maintained for the duration of the licence period.
- (64) at an Airport and/or any tenant or operator conducting business at the Airport or any third-party making use of the facilities at the Airport, and **Users** shall have a corresponding meaning; and
- (65) **Vehicle** means any mechanically, electrically or manually propelled conveyance or apparatus on wheels. It is recorded that manually propelled conveyances or apparatus on wheels are specifically excluded.

1.2 In this Agreement, unless the context otherwise requires, any reference to:

- (1) the masculine gender includes the other genders and vice versa;
- (2) the singular includes the plural and vice versa;
- (3) Handling Agent's personnel includes the Handling Agents' employees, agents, sub-contractors, invitees and any persons deployed by the Handling Agent to perform Ground Handling Services at the Airports.

- 1.3 Words applying to natural persons similarly apply to legal persons and, where the context so requires, it shall include the State, local authority or other Government institutions, inclusive of a Minister of the State and division of any Ministerial Department, and any association of persons irrespective of whether such association has been incorporated.
- 1.4 Marginal notes or headings to clauses are for reference purposes only and do not bear upon the interpretation of this Agreement.
- 1.5 The rule of construction that in the event of ambiguity a contract shall be interpreted against the Party responsible for its drafting or preparation, shall not apply to the interpretation of this Agreement.
- 1.6 Where applicable, the provisions of clause 1 shall impose substantive obligations on the Parties as provided in the provision concerned.
- 1.7 The clause headings in this Agreement have been inserted for convenience only and shall not be taken into account in its interpretation.
- 1.8 Words and expressions defined in any sub-clause shall, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.
- 1.9 In the event of any conflict and/or discrepancies between:
 - (1) the content of this Agreement and the Schedules, the wording and meaning of this Agreement shall prevail;
 - (2) the contents of this Agreement and any policy guidelines, the wording and meaning of this Agreement shall prevail;
 - (3) this Agreement and the terms and conditions of any other document regardless of the form and manner in which they have been made available, including but not limited to electronic format or in print, this Agreement shall prevail; and
 - (4) the content of any legislation including regulations, where applicable, the provisions of such legislations or regulations shall prevail.

2 Recordal

It is hereby recorded that:

- 2.1 the Company owns and operates the Airports and must render the Relevant Activities at the Airports;
- 2.2 the Company wishes to grant a Licence to the Handling Agent in order to enable the Handling Agent to provide Ground Handling Services at the Airports to the Carriers upon such terms and conditions as described in this Agreement and the Carrier Agreement(s); and
- 2.3 the Parties have agreed to enter into this Agreement to set out the terms and conditions of the Licence granted by the Company to the Handling Agent.

3 Conditions Precedent

- 3.1 Save for this clause 3 and clauses 1, 2 and 30 to 41, inclusive (**Surviving Clauses**), which shall immediately be binding on the Parties as from the Signature Date, this Agreement is subject to the fulfilment of the following conditions on or before the Effective Date:-
 - 3.1.1 the furnishing by the Handling Agent to the Company:

- (a) Proof of insurance cover in accordance with the provisions of clause 28.3;
- (b) Proof that it has procured the requisite Ramp Handling Equipment necessary for it to render the Ground Handling Services;
- (c) Proof of the necessary and required permits for personnel and Ramp Handling Equipment; and
- (d) Copies of the Carrier Agreement(s) it has concluded with Carriers.

3.1.2 If any Condition Precedent is not fulfilled for any reason whatsoever or waived by the Company in writing on or before the Effective Date, then:

- (a) this Agreement, save for the Surviving Clauses, shall be of no force and effect; and
- (b) the Parties shall be entitled to be restored as near as possible to the positions in which they would have been had this Agreement not been entered into.

3.2 The Company, in its sole discretion, may at any time prior to the Effective Date, and to the extent permissible at law, waive or extend the date for the fulfilment of any of the Conditions Precedent by written notice to the Handling Agent and such Condition Precedent shall be deemed to have been fulfilled or its date of fulfilment deemed to have been extended, as the case may be.

3.3 The Company shall be entitled, after it is satisfied that all of the Conditions Precedent have been fulfilled or waived, to issue a notice in writing to the Handling Agent stating that all of the Conditions Precedent have either been fulfilled or waived, and upon the issue of that notice, all of the Conditions Precedent shall be deemed to have been fulfilled or to the extent to which they have not been fulfilled, their fulfilment is waived by all of the Parties.

3.4 The information/documents required to be provided in terms of clause 3.1 shall be submitted to the Company in terms of this Agreement notwithstanding that they may have been part of the documents submitted by the Handling Agent in response to the Tender.

4 Duration

4.1 With effect from Effective Date, the Company grants a Licence to the Handling Agent as part of a panel of Licensees that will provide Ground Handling Services at the Airports.

4.2 This Agreement shall be for a period of 5 (five) years calculated from the Effective Date and terminate on the Termination Date.

4.3 No exclusivity is afforded to the Handling Agent by this Agreement. The Company further records that it reserves its right to award or grant additional Licences, in accordance with international best practice, to other persons to conduct Ground Handling Services on an Airport in its sole discretion, save that any such additional licences comply in all respects with the Licences then in operation.

4.4 The Company further records that it reserves its right to award or grant additional Licences to other persons to conduct Ground Handling Services at any of the Airports, having considered the Company's legislative mandate and objectives, policy guidelines, international best practice and any other considerations which in the Company's sole discretion necessitate the granting of additional Licences.

5 Presence at Airports

- 5.1 The Handling Agent shall ensure that at all times during the duration of the Licence it maintains an operational presence at O.R. Tambo International Airport, Cape Town International Airport and King Shaka International Airport for the duration of the Licence.
- 5.2 The Handling Agent shall ensure that at all times during the duration of the Licence it maintains an operational presence at Chief Dawid International Airport, Bram Fischer International Airport, George Airport, Kimberley Airport, King Phalo Airport and Upington International Airport taking into consideration the contractual obligations with the Carrier's.

6 General obligations of the Company

The Company shall:

- 6.1 allow the Handling Agent and its duly authorised personnel access to all such areas of the Airport to which it may be necessary to have access for the proper conduct of the Handling Agent's business;
- 6.2 do its utmost to expedite any security or other checks to which it requires the Handling Agent to subject its personnel and Ramp Handling Equipment in order to minimize disruption to the operations of the Handling Agent;
- 6.3 inform the Handling Agent without any undue delay of any changes to management rules which might affect the operations of the Handling Agent;
- 6.4 where possible, make available to the Handling Agent, subject to the conclusion of the appropriate leases between the Company and the Handling Agent, premises and facilities at the Airports as are reasonably necessary for the Handling Agent to conduct its business; and
- 6.5 make available to the Handling Agent any documentation that the Handling Agent requires to perform its obligations in terms of this Agreement.

7 Rights of the Company

- 7.1 The Company may promulgate such further or additional rules as may be necessary for the proper management of the Airports;
- 7.2 The Company may on notice to the Handling Agent, require the Handling Agent:
 - 7.2.1 to install in any or all of its Vehicles and Ramp Handling Equipment a device to limit the maximum speed attainable by the said Ramp Handling Equipment;
 - 7.2.2 a transponder or a tracking device to monitor movements of Vehicles and Ramp Handling Equipment on the Airport; and
 - 7.2.3 to withdraw any Airside Vehicle permit or Airport Security Permit should the holder thereof, in the sole discretion of the Company acting reasonably, no longer be fit or suitable to be in possession of such permit or should the Company consider it necessary in the interests of safety and security;
- 7.3 The Company may impose fines for traffic and safety violations on the Handling Agent in addition to any penalties the Company may impose in terms of clause 29;
- 7.4 The Company may direct that any of the personnel of the Handling Agent be removed from the Airport.
- 7.5 The Company reserves the right to facilitate Very Important People ("VIP") and

Commercially Important People (“CIP”); at its discretion.

7.6 The Company reserves the right to provide baggage handling, at its discretion

8 General obligations of the Handling Agent

The Handling Agent shall:

- 8.1 obtain all necessary and required permits for personnel and Ramp Handling Equipment from the Company and pay the charges in respect thereof;
- 8.2 ensure that authorisations and/or permits and/or Licences of Specialised Personnel performing services for the Carrier are kept up to date. If any time the Handling Agent is unable to provide Specialised Personnel as requested by the Company or the Carrier, the Handling Agent shall inform the Company immediately;
- 8.3 provide the Company with a copy of the Carrier Agreement(s) it has concluded with Carriers and immediately notify the Company, at its own instance, of any amendments the Carrier Agreement(s), if such requested changes may affect the Handling Agent’s operations and/or result in a breach of this Agreement;
- 8.4 pay the costs of any direct damage or harm caused to the Company and/or any User, which includes, the cost of any repairs to or cleaning of the surface of any Apron, where the need for such repairs or cleaning has arisen as a result of any act, omission, negligence or fault of the Handling Agent or its personnel;
- 8.5 obtain all necessary Licences and other permissions which may be necessary for its business activities at the Airport, and the obligation and associated cost of obtaining such will at all times rest on the Handling Agent; examples include but are not limited to flammable certificates, occupancy certificates, effluent discharge, waste management handling, transport and/or disposal certificate;
- 8.6 comply with all procedures and/or permissions relating to airport access control and Ramp Handling Equipment usage on the Airport;
- 8.7 use the Aprons as and when necessary for the discharge of its obligations to the Carrier and in accordance with the terms of this Agreement, save that the Company shall at all times retain full possession and control of the Aprons, including the right to give such direction(s) relating to the use of the Aprons as may be appropriate or necessary;
- 8.8 ensure strict compliance by itself and its personnel with the applicable Legislative Framework including all directives, local authority bylaws and guidelines published by the Company and/or the Airport Committees or other similar or equivalent body at the Airport from time to time. It is the sole responsibility of the Handling Agent to acquaint itself, its employees and contractors or agents with the applicable Legislative Framework, directives and guidelines;
- 8.9 have ISAGO accreditation or demonstrate how this will be achieved at each Airport Site within one (1) year of the Licence Agreement effective date. The accreditation shall be valid for the entire duration of the licence;
- 8.10 not, without the express prior written approval of the Company, bring or permit the introduction into or on to the Airport of any offensive, hazardous, noxious, toxic or dangerous substance, save where the aforementioned are required for normal business operations;
- 8.11 not drop waste or litter anywhere on the Airport other than an area duly authorised by the Company for that purpose. All foreign objects shall be disposed of in the receptacles identified by the Company for that purpose and the Handling Agent shall use its best endeavours to ensure that the Apron is at all times kept clean and tidy;

- 8.12 not, without the prior written approval of the Company, use any portion of the Apron for the purposes of refuelling, cleaning, servicing or repairing any of its Ramp Handling Equipment other than on that portion of the Apron which has been specially designated by the Company for that purpose;
- 8.13 in respect of its presence at the Airside, only utilise the services of Airside support service providers which are Licenced by the Company to provide services to Carriers;
- 8.14 comply with the directives of the Company from time to time in the provision of appropriate diversion services at the Airports;
- 8.15 immediately report to the Company, the User and/or the Carrier's representative (as may be applicable) any loss, damage or harm caused to, as the case may be, whether threatened or actual, any Aircraft, loads or User which loss, damage or harm comes to the attention of the Handling Agent in the course of rendering the Ground Handling Services or which in any other way comes to the knowledge of the Handling Agent;
- 8.16 participate in local emergency response plan(s) in order to provide support to both the Company, its emergency committees and the Carrier in the event of an emergency including but not limited to, forced landings, accidents or acts of violence;
- 8.17 comply, in Emergency Situations, with the relevant emergency plan then in force, except in the event that the Emergency Situation is attributable to an event of Force Majeure;
- 8.18 ensure that its personnel working at the Airports are familiar with their responsibilities in terms of the emergency plan;
- 8.19 supervise and manage its own activities; and
- 8.20 annually on the anniversary of the Effective Date, submit to the Company:
 - 8.20.1 an updated Security Management Plan;
 - 8.20.2 an updated Safety Management Plan;
 - 8.20.3 an updated Quality Management Plan;
 - 8.20.4 an updated Environmental Management Plan;
 - 8.20.5 an updated Maintenance Plan;
 - 8.20.6 an updated Baggage Pilferage Prevention Plan;
 - 8.20.7 an updated Crime Prevention Plan;
 - 8.20.8 an updated Transformation Plan;
 - 8.20.9 a valid South African Revenue Services tax clearance certificate;
 - 8.20.10 a valid B-BBEE verification certificate, as set out in clause 16;
 - 8.20.11 a valid certificate of insurance. as set out in clause 28; and
 - 8.20.12 audited and signed annual financial statements.

9 Operational obligations of the Handling Agent

The Handling Agent shall:

- 9.1 provide the Ground Handling Services in accordance with the Service Levels Standards;
- 9.2 provide, at all times, the Ground Handling Services in the manner provided for in this Agreement and the Carrier Agreements. In so far as it is possible, this clause shall be extended to include non-scheduled flights, flights whose safety and security is threatened and / or all cases of Emergency Situations;
- 9.3 not, without informing the Company in writing within 72 (seventy two) hours, withhold the provision of any services with any Carrier on the grounds of any dispute. At all times the operational functions of the Airport must continue and the Handling Agent shall ensure that the services contracted in terms of this Agreement are performed;
- 9.4 while conducting its business, give due consideration to other Users at the Airports;
- 9.5 subject to the provisions of clauses 25, 29 and 32 and notwithstanding the provisions of clause 9.3, provide the Ground Handling Services in accordance with the terms and conditions of the Carrier Agreements. Should the Handling Agent refuse or fail to perform any of the Ground Handling Services, then the Company shall, without prejudice to any of its other rights under this Agreement, be entitled to appoint a third party to render and carry out such Ground Handling Services to the Carrier;
- 9.6 implement operational and personnel measures to ensure that the Ground Handling Services can be performed efficiently and that the Handling Agent does not impair or compromise the operational safety, environmental sustainability or compromise the security of the Airports;
- 9.7 contribute to the safe, smooth and expeditious handling of air traffic at the Airports under all operational conditions;
- 9.8 within 5 (five) Business Days of demand by the Company, provide written policies and procedures, incident reports, emergency response plans, and any other documents that the Ground Handling Agent is required to provide in terms of this Agreement;
- 9.9 without delay, ensure strict compliance by itself, its employees, contractors and agents with this Agreement, the Regulations, the Legislative Framework and ASOP, as amended from time to time. The Handling Agent must ensure that its employees, contractors and agents are registered on the Company's website and have been allocated a password from the Company's administrator of the site in order to gain access to ASOP;
- 9.10 upon request by the Company, demonstrate to the satisfaction of the Company that the Handling Agent's personnel are familiar with the Regulations, the Legislative Framework and ASOP, as amended from time to time;
- 9.11 comply with all instructions and/or directives and rules prescribed by the Company for the proper management of the Airport;
- 9.12 conduct its operations with and support the requirements of the Company's commitments relating to its ISO14001 Environmental Management System, and Airports Council International Carbon Accreditation and Carbon Reduction programme and generally, conduct its operations in a manner that will not compromise the environment, safety and security at the Airports;
- 9.13 nominate a Handling Agent Contract Manager to represent the Handling Agent on the Airport Committees with a view to continually monitor and improve safety and security standards on the Airside and the Airports generally in compliance with this Agreement;
- 9.14 at all times maintain, at its own cost, continued representation at all the Handling Agent's operational areas. These representatives shall ensure that the Ground Handling Services

are performed in accordance with this Agreement and the Carrier Agreement and must advise and assist the Handling Agent's employees, contractors and agents to render to the Carrier's clients assistance premier service that is in accordance with any applicable ASOP;

9.15 Ensure that:

- 9.15.1 Service Levels Standards are communicated to all levels of employees particularly operational staff who are required to implement the standards;
- 9.15.2 standard operating procedures are regularly accessed on the website to ensure that the Handling Agent is up to date with any changes or newly developed standards;
- 9.15.3 updates or amendments or notifications from the Company are communicated to all its personnel;
- 9.15.4 persons living with disabilities or with reduced mobility flying to and from any of the Company's Airports are treated in a good, professional and dignified manner at all times. When requested by the Carrier to provide or arrange for special equipment, facilities and specially trained personnel to assist disabled passengers, these passengers are adequately assisted when flights are interrupted, delayed or cancelled;
- 9.15.5 Where required by the Company the Ground Handling Agent will be required to provide a wheelchair and Passenger Aid Unit (PAU) service from landside (curbside) to aircraft for departing passengers;
- 9.15.6 Where required by the Company the Ground Handling Agent will be required to provide a wheelchair and Passenger Aid Unit (PAU) service from landside (curbside) to aircraft for arriving passengers;
- 9.15.7 all personnel facilitating passengers living with disabilities and /or reduced mobility receive compulsory disability awareness training as specified by the Company. The training will be dedicated to serving and meeting the variety of requirements and needs of passengers living with different types of disabilities and reduced mobility. The personnel must attend a compulsory annual refresher training. The cost of training will be paid for by the Handling Agent. The dress code must be reviewed to ensure that appropriate clothing (and shoes) are worn when handling/facilitating passengers with special needs and/or living with a disability; and its policies are aligned with this Agreement, the Company's policies and ASOP;
- 9.15.8 where there are onsite maintenance facilities for Vehicles and Ramp Handling Equipment, the Handling Agent will be obliged to utilise onsite facilities for maintenance at a cost;
- 9.15.9 Foreign Object Debris (FOD) is removed prior to departure and arrival of the aircraft;
- 9.15.10 A monthly report is submitted, which shall contain the following:
 - 9.15.10.1 Number of operators and airlines serviced for domestic and international, scheduled and non-scheduled operations;
 - 9.15.10.2 Number of turn-arounds for operators and airlines for domestic and international, scheduled and non-scheduled operations;
 - 9.15.10.3 Tonnes of perishable and non-perishable cargo handled for domestic and international, scheduled and non-scheduled operations;

- 9.15.10.4 Tonnes of freight and mail handled for domestic and international, scheduled and non-scheduled operations;
 - 9.15.10.5 Safety and security violations and non-conformances to Company ASOP's;
 - 9.15.10.6 Safety and security non-compliances to Civil Aviation Regulations;
 - 9.15.10.7 Safety and security accidents and incidents;
 - 9.15.10.3 Occupational Health and Safety accidents, incidents, injuries and fatalities;
 - 9.15.10.4 Environmental non-compliance to the Environment Management Act;
 - 9.15.10.5 Number of employee polygraph testing conducted (and as a percentage of total staff compliment) and number of employees failing tests, as set out in clause 10.14;
 - 9.15.10.6 Number of part time staff employed (and as a percentage of total staff compliment), as set out in clause 10.17;
 - 9.15.10.7 Number of Baggage Pilferage and theft;
 - 9.15.10.8 Number of mishandled baggage;
 - 9.15.10.9 Number of criminal incidents/events;
 - 9.15.10.10 Number of times passengers are dropped off at the incorrect terminal buildings;
 - 9.15.10.11 Number of Third-Party Claims arising, as set out in clause 26;
 - 9.15.10.12 Service Levels achieved, as set out in Schedule 1; and
 - 9.15.10.13 A report tracking seasonal plans.
- 9.15.11 The Handling Agent's staff comply with the Personal Protection Equipment Regulations at all times.

10 Handling Agents Personnel

The Handling Agent shall:

- 10.1 provide the Company with a copy of a register of all personnel as well as their security records within 5 (five) Business Days of demand by the Company;
- 10.2 deploy only duly trained, qualified and properly authorised personnel which personnel shall at all times wear the uniform of the Handling Agent and be readily identifiable as the Handling Agent personnel;
- 10.3 ensure that its personnel at all times are in possession of a valid permit issued by the Company which is appropriate for the area in which such personnel are deployed and that

the said personnel at all times wear and display such permit in a visible and prominent position;

- 10.4 subject its personnel deployed at its operations on the Airside to security checks conducted by or on behalf of the Company from time to time, whether such checks are routine or otherwise;
- 10.5 ensure that there are sufficient staff on duty to operate its Ramp Handling Equipment and to efficiently deal with present and/or anticipated Ground Handling Services demands without undue delay(s) or disruption(s) to Carriers, the operation of the Airports or to other Users at the Airports;
- 10.6 ensure that all drivers are in possession of valid, drivers licences appropriate to the category of Ramp Handling Equipment which they are required to operate, and provided with sufficient practical training on the equipment they operate; in addition, ensure that all Airside drivers possess an ACSA Airside Vehicle Operator's Permit prior to undertaking any driving duties on the Airside;
- 10.7 require all ground handling employees to undergo regular testing, at the Handling Agent's cost, to ensure that they comply with the minimum standards with regard to eyesight, hearing and general health as stipulated in the ASOP;
- 10.8 in the interests of combating criminal activity at the Airports, conduct background checks in respect of all its personnel irrespective of seniority, before any such personnel are deployed at an Airport. A background check shall be a mandatory pre-employment condition. All the Handling Agent's personnel shall have clean criminal records and the Handling Agent shall obtain the necessary clearance certificates from the South African Police Service (**SAPS**) in respect of each of its personnel deployed at the Airport. Any criminal checks undertaken by SAPS must be shared in confidence with the Company, in the interest of national security of the Airport. Any costs occasioned by such tests shall be borne and paid for by the Handling Agent. Should a report reflect any form of criminal activity or involvement, then the Handling Agent shall ensure that such personnel is removed from the Airport immediately and shall notify the Company accordingly. The Company shall ensure that no permit is issued to such personnel, and if already issued, the permit shall be withdrawn. The Handling Agent shall, at its cost, continue to conduct background checks on all its personnel once every 12 (twelve) months or otherwise as directed by the Company in writing;
- 10.9 ensure that operators of Ramp Handling Equipment (including specialised equipment) are trained and certified prior to being permitted to operate such equipment on the Airside. Personnel must be able to prove that they are trained and are able to drive and operate Vehicles and specialised ground support equipment;
- 10.10 submit its personnel, at its cost, to regular certified training to improve their skills and efficiency with a view to increase their awareness of the special needs of the ground handling industry and ensure that they are in possession of the necessary qualifications, certificates, permits and/or Licences (whichever is applicable), required for the performance of their duties. The Company reserves the right to audit the training provided and either accept or reject any training certificates issued pursuant thereto. In this regard, the Company may from time to time prescribe institutions that should be used for training purposes and will not accept certificates issued by institutions not approved by it;
- 10.11 comply with relevant labour legislation and additionally, proactively promote and encourage compliance with the Employment Equity Act and, in particular, not discriminate against any person on the basis of race, colour, sex, religion, age, national or ethnic origin, political beliefs, veteran status or handicap in admission to, access to, treatment of or employment with the Handling Agent in any or all of its activities;
- 10.12 ensure that its internal policies provide that, for a period of at least 12 (twelve) hours before driving any Vehicles and Ramp Handling Equipment, its personnel shall refrain from the consumption of any drugs or intoxicating substances, whether medically indicated, prescribed or otherwise and which might have the effect of impairing such personnel's

performance of their duties. The Handling Agent shall keep proof of testing and which will be made available to the Company upon request. The Company reserves the right, in its sole discretion, to conduct random substance abuse testing in terms of this clause and the cost thereof shall be borne by the Company;

- 10.13 ensure, that its personnel do not make use of or occupy facilities exclusively provided by the Company for use by passengers and/or members of the public e.g. terminal seating, toilets etc.;
- 10.14 ensure that its personnel have agreed in writing to submit themselves to polygraph testing which can be conducted either by the Handling Agent at its own cost on the instructions of the Company. The polygraph testing will be conducted by a professionally registered polygraph service provider independent of the Handling Agent. The Handling Agent shall ensure that 10% of personnel are tested every month, if an employee fails the polygraph test he/she must be removed from the restricted area and the airport permit returned to the Company permit office;
- 10.15 in carrying out the Ground Handling Services, act as a principal and not as the agent of the Company. Accordingly, the Handling Agent shall ensure that its representatives and personnel refrain from saying or doing anything which might lead any other person to believe that the Handling Agent is acting as an agent for the Company;
- 10.16 ensure that the Handling Agent's Contract Manager is present at each Airport during normal operational hours and provide the Company with the name of such persons and details of where and how they can be contacted at all times;
- 10.17 not employ temporary staff on the Airside. Where the Handling Agent deems it necessary, due to operational requirements and seasonality, to employ part time staff, the ratio of such staff may not exceed 10% (ten percent) of its staff complement. Where the ratio of temporary staff may exceed 10% (ten per cent), then the Handling Agent must obtain written approval of the Company prior to the employment of such additional part time staff and must submit statistics relating to such staff to the Company on a monthly basis. The Handling Agent shall not make use of staff through labour brokers without the express prior consent of the Company;
- 10.18 provide the Company with evidence, upon request, that its personnel possess the following knowledge and skills:
 - 10.18.1 an ability to communicate in the English language; and
 - 10.18.2 good knowledge and understanding of the directives and standard operating procedures issued by the Company;
- 10.19 ensure that its personnel entrusted with specific key functions, especially towing or push back of aircrafts, hold Licences to confirm (or be able to provide proof) that they are qualified to carry out such functions at all times;
- 10.20 only employ employees who are citizens, residents of the Republic of South Africa, or are duly authorised to perform such services in the Republic of South Africa in accordance with the Legislative Framework;
- 10.21 ensure that there are no incidents of theft, pilferage of baggage and damage to property at the Airports by its employees and immediately report such incident to the Company in accordance with the provisions of clause 23; and
- 10.22 in consultation with the Company, ensure that unauthorised persons do not obtain access to the Airside via the Handling Agent's facilities and / or take objects or goods onto the Airside which may endanger airport operations and vice versa.

11 Vehicles and Ramp Handling Equipment

The Handling Agent shall:

- 11.1 ensure that the Company policy and guidelines for Vehicle and Ramp Handling Equipment access and egress is complied with;
- 11.2 install a tracking and monitoring device in its Vehicles and Ramp Handling Equipment to monitor driver behaviour;
- 11.3 ensure that it applies for and is issued with valid permits in respect of all the Vehicles and Ramp Handling Equipment it uses in the conduct of its operations. The permits must be appropriate for the purpose and areas in which such Vehicle(s) are required to operate;
- 11.4 not operate Vehicles powered by combustion engines in basements, internal baggage sorting areas and other closed areas of the terminal buildings;
- 11.5 use battery powered ground support Vehicles and luggage handling equipment where feasible, unless another more eco-friendly option is offered (financial consideration is not considered sufficient reason to exclude their use); Handling Agents shall implement an upfront agreed upon programme with the Company for the active conversion of Vehicle fleets and other Aircraft serving Ramp Handling Equipment to newer, cleaner fuels and technology that is less harmful and polluting to the environment;
- 11.6 ensure, by taking into account at all times its required capacity in terms of the Carrier Agreements, that it has and operates sufficient serviceable Ramp Handling Equipment to efficiently deal with Ground Handling Services demands, without causing any undue delay or disruptions to Carriers, the operation of the Airport or to other Users of the Airport;
- 11.7 ensure that all Vehicles used by it in its operations are:
 - 11.7.1 in a roadworthy condition; and
 - 11.7.2 in possession of and display, in a prominent position, the appropriate Airside Vehicle permit issued by the Company;
- 11.8 ensure that there is no sharing of Vehicles and Ramp Handling Equipment between the Handling Agents and any other service providers at the Airport without the prior written consent of the Company;
- 11.9 ensure that any Vehicles required to be operated on the Apron is equipped with warning strobe lights and radio equipment as required and/or approved by the Company;
- 11.10 cause all Vehicles required to be used by it in its operations to undergo regular service and maintenance inspections, including annual tail pipe emission testing. The Parties acknowledge that, in the interests of safety, the Company may at any time require the Handling Agent to:
 - 11.10.1 produce proof to its satisfaction that service inspections have been carried out, and the Company may summarily withdraw the Airside Vehicle permit of any Vehicle which, in the sole discretion of the Company, may pose a threat to other Users of the Airport by virtue of such Vehicle not being in a fit and proper state of repair;
 - 11.10.2 produce an inventory list of all Vehicles and Ramp Handling Equipment that it uses for operating on the Airside together with the maintenance records at all times; and
 - 11.10.3 display registration and designation decals appropriately placed on its Vehicles in line with the Company's ASOP;

- 11.11 subject all the Vehicles and Ramp Handling Equipment used by it in its operations on the Apron to safety and security checks by the Company, whether such checks are routine or otherwise;
- 11.12 display on each Vehicle on the Airside, in sufficient size and description, the Handling Agent's name and/or trade name so as to identify the Handling Agent's vehicles and paint:
 - 11.12.1 certain Vehicles and Ramp Handling Equipment or categories of Vehicles (selected by the Company) in colours allocated to such Vehicles or categories of Vehicles as notified to the Handling Agent by the Company; and
 - 11.12.2 all Vehicles other than those Vehicles or categories of Vehicles contemplated in clause 11.12.1 in its corporate colours;
- 11.13 of its own accord, or as directed by the Company, repair without undue delay any Ramp Handling Equipment and Vehicles that are not in proper working order, alternatively remove such equipment from the Apron;
- 11.14 ensure that the Ramp Handling Equipment introduced for its operations complies with the latest technical standards as documented in the latest IATA Airport Handling Manual;
- 11.15 ensure, where applicable, that Vehicles and Ramp Handling Equipment comply with the National Road Traffic Act, 93 of 1996, and meet all licensing and roadworthy requirements as prescribed;
- 11.16 ensure that all Vehicles and Ramp Handling Equipment are registered with the Company's permit offices prior to their introduction on the Airside;
- 11.17 ensure that the lifespan of Ramp Handling Equipment and Vehicles does not exceed the following limits:
 - 11.17.1 Light commercial passenger vehicles (up to twelve (12) passengers) – maximum age eight (8) years
 - 11.17.2 Heavy commercial passenger vehicles (up to twenty-three (23) passengers) – maximum age eight (8) years
 - 11.7.3 Light commercial load vehicles (Gross Vehicle Mass not exceeding 3500 kg) – maximum age eight (8) years
 - 11.7.4 Heavy commercial load vehicles (Gross Vehicle Mass exceeding 3500 kg) – maximum age eleven (11) years
 - 11.7.5 Non-motorised equipment – maximum age eleven (11) years
 - 11.7.6 Specialised motorised equipment – maximum age thirteen (13) years
 - 11.7.7 Specialised vehicles – maximum age thirteen (13) years
- 11.18 ensure that all Ramp Handling Equipment and Vehicles in respect of which the lifespan stipulated in clause 11.17 above have expired are de-commissioned and removed from the Airside;
- 11.19 ensure that all Ramp Handling Equipment and Vehicles operated by the Handling Agent, is maintained according to the original equipment manufacturer specifications and the Handling Agent shall submit on an annual basis a Maintenance Plan to the Company;

- 11.20 ensure that all load and passenger carrying equipment is load tested in terms of the Occupational Health and Safety Act 85 of 1993 or any other relevant legislation;
- 11.21 ensure that all Vehicles built on a road-going chassis or any Vehicle used to carry passengers are of the right-hand drive configuration, without exception;
- 11.22 procure Ramp Handling Equipment in line with IATA Airport Handling Manual and other applicable regulations taking into consideration infrastructure limitations at the Airports. The Company reserves the right to request the Handling Agent, to remove any Ramp Handling Equipment that does not comply with this requirement, a risk assessment must also be conducted;
- 11.23 ensure that all passenger carrying Vehicles, including reduced mobility Vehicles, crew Vehicles and buses are equipped with air-conditioners. All Ramp Handling Equipment must comply with the requirements set out in the IATA Airport Handling Manual, and specifically AHM 900 relating to the requirement and functional specifications of Airport handling ground support equipment. Airport passenger buses must meet the standards set out in the IATA Airport Handling Manual and must include standing space for four standing passengers per square metre. Seating arrangements are to be such as not to impede passenger flow during embarkation and disembarkation. The bus doors are to be sufficiently wide to accommodate at least 2 (two) passengers at a time. The location of the doors must allow quick and safe embarkation and disembarkation of passengers on both sides of the Vehicles. The Handling Agent shall comply with all the detailed specifications as further set out in the IATA Airport Handling Manual referred to above;
- 11.24 No diesel or petrol-powered equipment will be allowed in the departures or arrivals baggage hall. The Ground Handler will use eco-friendly equipment, specifically battery powered equipment.

12 Rules for Airside driving

- 12.1 The National Road Traffic Act, 93 of 1996 and the regulations promulgated in terms thereof, as amended from time to time, will apply on Airside.
- 12.2 Additionally, all drivers of Vehicles and other Ramp Handling Equipment in, on or about the Airport, including the Apron, shall:
 - 12.2.1 operate as such only within the approved area of operation specifically designated for that purpose;
 - 12.2.2 give way at all times to any manoeuvring aircraft or an aircraft under tow;
 - 12.2.3 give way to passengers moving towards or away from an aircraft for the purposes of embarking or disembarking from an aircraft;
 - 12.2.4 not in any manner obstruct, disrupt or interfere with the activities of other Users;
 - 12.2.5 obey all speed limits applicable at the Airport and only park Vehicles and Ramp Handling Equipment at such specially designated areas where provided;
 - 12.2.6 obey all road signs, road markings and instructions from the Company's security and safety personnel;
 - 12.2.7 ensure that all loose materials, equipment and waste materials carried by any of the Handling Agent's Vehicles and Ramp Handling Equipment are properly covered or secured so as to prevent spillage, damage or harm;
 - 12.2.8 when operating Vehicles and Ramp Handling Equipment at night or in period(s) of poor visibility, ensure that Vehicles use their lights and that headlights are dimmed, and taillights are displayed;

- 12.2.9 park Vehicles and Ramp Handling Equipment only in areas specially designated for that purpose. At the Handling Agent's cost, the Company shall be entitled to direct the immediate removal of any non-compliant Vehicle or Ramp Handling Equipment to any location directed by the Company.
- 12.2.10 take cognisance of the height restrictions applicable on the Airside service road;
- 12.2.11 refrain from operating any Vehicle on any Runway or Taxiway, unless such Vehicle is in radio contact with Air Traffic Control or the relevant ground control office and that the driver is in possession of an appropriate radio telephone licence, alternatively that such Vehicle is under escort by a Company Vehicle which is so equipped;
- 12.2.12 refrain from operating, anywhere on the Apron or on any Airside service road, any Vehicle train which is longer than that prescribed in ASOP or in the Policy Guidelines published from time to time; and
- 12.2.13 comply with the rules and procedures set out in the ASOP.

13 The Company's safety enforcement system

- 13.1 The Handling Agent shall ensure that it complies with the Company's safety enforcement system, as contained in ASOP, the contents and importance of which the Handling Agent confirms that it understands, and will further ensure that its staff, contractors, and other persons under its control, comply therewith.
- 13.2 The Handling Agent shall ensure that all temporary and permanent personnel, who are required to enter the Airside for whatever reason, attend the Airside Safety Induction training to ensure that personnel have been provided with the appropriate training in order to perform their respective duties safely.
- 13.3 The onus is on the Handling Agent to ensure that its personnel have been trained by an accredited trainer from an accredited training institution as per the standards set out by the Company. The Company reserves the right not to recognise any certificates issued by trainers or institutions that are not accredited.
- 13.4 The Handling Agent is encouraged to participate in an award system at the Airports as a motivational tool to improve safety awareness.
- 13.5 The Handling Agent shall:
 - 13.5.1 institute a monitoring system and audit system regarding its employees' violations of the Company's policies, ASOP and other applicable directives to prevent non compliance. and submit monthly reports thereon to the Company; and
 - 13.5.2 pay the costs of any damage or harm caused to the Company and/or User, which includes the cost of any repairs to or cleaning of the surface of any Apron, where the damage or harm or the need for such repairs or cleaning has arisen as the result of any act, omission, negligence or fault of the Handling Agent and/or its personnel.

14 Duty to report accidents and incidents

- 14.1 Notwithstanding any statutory obligations that may be incumbent upon the Handling Agent from time to time, the Handling Agent shall report in writing to the Company every safety and security accident or incident on or in connection with the performance of its obligations in terms of the Carrier Agreement, immediately upon occurrence.

- 14.2 Any report, made in terms of this clause 14, shall be in writing and shall contain full details of the occurrence. The Company shall have the right to conduct its own investigations as to the cause and results of any such accident or incident, and the Handling Agent shall give the Company its full and immediate co-operation in this regard, and promptly supply all the necessary documentation and/or information required for such investigation.
- 14.3 A preliminary report shall be submitted by the Handling Agent within 48 (forty eight) hours with adequate corrective measures for immediate implementation. A final report shall be submitted within 14 (fourteen) Days after the occurrence.
- 14.4 Accidents, incidents and occurrences affecting aviation security breaches shall be reported immediately by the Handling Agent to the Company and the Airport Security Manager or Airport Manager, where applicable.
- 14.5 The Handling Agent shall notify the Company of any planned visit or inspection by Department of Labour 36 hours prior to the visit. The Company safety representative may attend any inspections undertaken by the authority.
- 14.6 The Handling Agent shall avail the inspection report and any notice issued by department of labour immediately after receiving such a report or notice.

15 Service Standards and Quality

- 15.1 The Handling Agent shall:
- 15.1.1 observe the Service Levels Standards set out in Schedule 1 without prejudice to its overall obligation to perform the services in an efficient, safe and secure manner and shall not impair the operational safety or compromise the security of the Airports in any way;
 - 15.1.2 install and maintain a quality monitoring system in order to monitor and control whether the Service Levels Standards are within target. The Handling Agent must provide monthly reports to the Company which compare its daily and monthly performance with the Service Levels Standards. Key quality indicators will be published to Carriers and passengers in order to establish satisfaction levels and allow for a transparent comparison between handling agents. The Company is entitled to perform quality audits or to appoint third party consultants to audit the quality monitoring system of the Handling Agent on a regular basis;
 - 15.1.3 supply to the Company a copy of all audits received from the Carriers on a regular basis, which reports must be true copies signed by the Carrier;
 - 15.1.4 install and maintain a structured complaint handling system to ensure that passengers are able to lodge complaints directly with the Handling Agent in respect of Carriers handled by that Handling Agent. The Handling Agent agrees that the contact details for the complaints service will be published at the arrival baggage carousels and other appropriate areas of the Airport. The Handling Agent further agrees that the complaints desk and telephone line will always be available at all operational hours; and
 - 15.1.5 commit its organisation to fulfil the right of equal services and treatment for disabled passengers and customers.
- 15.2 The Service Level Standards are not exhaustive and additional requirements may be imposed from time to time by the Company Contract Manager and shall at all times be on the same basis as all the Handling Agents at the Airport unless the circumstances necessitating the additional requirements are unique to the Handling Agent or are as a consequence of the Handling Agent's performance in terms of this Agreement.

- 15.3 Failure to comply with the Service Levels Standards will amount to a breach of this Agreement.
- 15.4 The Handling Agent shall attend all Airport meetings and training exercises which the Company considers relevant and important for maintenance of service standards. Such meetings will include operations, health and safety, security, and emergency and contingency planning meetings. The training exercises will include emergency exercises. The Handling Agent's representative at any such meeting or training exercise will always be a senior person within the Handling Agent's organisation, with the necessary experience and qualifications to contribute to the meeting

16 Transformation

- 16.1 The Handling Agent shall provide a Transformation Plan, attached as scheduled 2, to achieve a B-BBEE level 2 contribution status. Where the Handling Agent has a B-BBEE level 1 contribution status, the plan must detail how the B-BBEE level 2 contribution status will be maintained for the duration of the licence period.
- 16.2 The Handling Agent shall comply with their Transformation Plan attached as in Schedule 2.
- 16.3 The Handling Agent shall annually, on the anniversary of the Effective Date, submit a valid B-BBEE verification certificate to the Company.
- 16.4 Notwithstanding anything else otherwise provided in this Agreement, the Handling Agent shall immediately notify the Company in writing of any envisaged changes in its B-BBEE status level of contribution.
- 16.5 In the event of a failure by the Handling Agent to comply with the transformation imperatives as contemplated in this clause 16, the Company may terminate this Agreement and to revoke the Licence.
- 16.6 The Handling Agent has not been evaluated for Price and Preference points. However, handling agents will be expected to comply with PPPFA regulations of 2017, as amended from time to time. This shall include subcontracting where feasible in compliance with regulation 4 and 9 of the PPPFA regulations.

17 Nominated Personnel

- 17.1 During the term of this Agreement the Handling Agent shall nominate a Handling Agent Contract Manager, who will be responsible for the overall planning, supervision and control of the Ground Handling Services provided by the Handling Agent.
- 17.2 During the term of this Agreement the Company shall nominate a Company Contract Manager at the Airports, who will be responsible for the overall planning, supervision and control, monitoring and general management of the Ground Handling Services provided by the Handling Agent.

18 Industrial or strike action involving the Handling Agent

- 18.1 The Parties recognise the principle of freedom of association and the right of employees in certain circumstances to strike. The Parties also acknowledge that, given the nature of their respective businesses, considerations of safety, security and service are of paramount national importance. The Airport is classified as a National Key Point (Strategic Installation), and is of strategic importance to the economy of South Africa and is regulated by the National Critical Infrastructure Protection Act 8 of 2019.
- 18.2 The Handling Agent shall act in good faith to maintain harmonious labour relations with its employees at the Airport and, in particular, prevent them from engaging in any activities in, on or about the Airport which may in any way prejudice safety or security or adversely

interfere with the rights or operations of other Airport Users. The Handling Agent shall provide the Company with its contingency plans and ensure in its collective agreements with organised labour that the demarcated picketing areas are clearly identified as prescribed by the Company.

- 18.3 Should any dispute arise between the Handling Agent and any of its employees which, in the Company's opinion, may and/or does in any way prejudice the safety and/or security of the Airport and/or adversely interfere with the operation of the Airport and/or the rights and/or the operations of any other Airport User, the Company may take such steps as it deems necessary in its sole discretion for the protection of its interests and those of other Users.
- 18.4 In the event contemplated in clause 18.3, the steps the Company may take include but are not limited to the following:
- 18.4.1 require, through the Company's own security personnel or with the assistance of the South African state security services, any or all of the employees of the Handling Agent to vacate the Airport Airside area, or to withdraw completely from the Airport until resolution of the dispute;
 - 18.4.2 deny, in the interests of safety and security, any or all of the Handling Agent's employees access to the Airport until resolution of the dispute;
 - 18.4.3 temporarily take control of the Ramp Handling Equipment of the Handling Agent, in instances where the Handling Agent is incapable of providing Ground Handling Services in a timely and high quality manner. In this event the Company will have the right to provide the Ground Handling Services itself, to commission a third party to do so, or to grant permission to the Carriers to handle their Aircraft themselves, and to recover the cost of doing so from the Handling Agent on demand; and
 - 18.4.4 initiate such legal steps as may be appropriate.
- 18.5 While all reasonable commercial endeavours will be made by the Company to consult the Handling Agent prior to taking any action detailed in clause 18.4 above, the Company shall not be liable to compensate the Handling Agent for any loss or damage of any nature whatsoever, whether direct, indirect, contingent, consequential or otherwise, which the latter may suffer as a result of any action taken by the Company pursuant to this clause.

19 Advertising

The Handling Agent shall not advertise or display any signs on motorised Vehicles, Ramp Handling Equipment, buildings and/ or any other structure, movable or immovable, without the express prior written permission and consent of the Company, which permission or consent will not unreasonably be withheld. All markings on the Vehicles and signage are to comply with the Company's ASOP. The Company may in its discretion consent to advertising on appropriate commercial terms and conditions. No advertising shall be displayed on the windows, opening doors, aircraft steps or other areas which, in the opinion of the Company, could constitute a safety hazard.

20 Rights of inspection and audits

- 20.1 The Handling Agent shall maintain all records and accounts pertaining to the Ground Handling Services performed by it for a period of 36 (thirty six) months from the Termination Date. The Company or its authorised representatives shall have the right, on reasonable notice and at its cost to audit, copy and inspect the said records and accounts at all reasonable times during the term of this Agreement or the aforementioned 36 (thirty six) month period.
- 20.2 The Company shall have, the right to conduct an audit or a number of audits on, but not limited to, the safety compliance, environmental compliance, security, equipment, training

records, operational records, training programs, transformation imperatives and operational conduct of the Handling Agent in terms of the Licence issued. The dates, times and process of the audits will be at the Company's discretion. Such audits shall include within their scope the right of the Company to access such documentation as the Company may deem necessary from time to time upon reasonable request to the Handling Agent. The Handling Agent shall not obstruct or deny the Company the right to conduct such audits. The Company agrees that at all times any information obtained from the Handling Agent will be held strictly confidential and will not be disclosed to any third party unless the circumstances warrant such disclosure.

21 Airport Management Centre

- 21.1 The Company has an Airport Management Centre at O.R. Tambo International Airport, Cape Town International Airport and King Shaka International Airport, wherein all operations and aircraft movements as well as other activities of the Airport are managed and controlled. The provisions of this clause 21 will apply in respect of any other Airport Management Centres set up by the Company in future.
- 21.2 The Airport Management Centre will have the right to receive data from all Operators (including the Handling Agent) of the Airport in real time and will in a collaborative manner improve efficiencies at the Airport and reduce aircraft delays. Data required from such Operators will include data in relation to declared operational equipment and manpower resources and any deviations to these in real time.
- 21.3 The Handling Agent shall deploy a staff member to be permanently located within this Airport Management Centre for purposes of enhancing operations of the Airport as well as those of the Handling Agent. The person nominated shall be of a senior level, competent and have the ability to make decisions of an operational nature on behalf of the Handling Agent.

22 Supply of information

- 22.1 The Handling Agent shall on an ongoing basis provide to the Company all information which is necessary for Airport processes as well as information relating to monitoring and improving services at the Airports. The Handling Agent is obliged to provide to the Company as required from time to time upon request and without charge to the Company, all data relating to the Ground Handling Services carried out by the Handling Agent for each flight or consolidation of flights within a specified time frame. The information must be provided in a format stipulated by the Company.
- 22.2 The Handling Agent shall on an ongoing basis provide the Company with all data concerning the handling of passengers, baggage, Aircraft and cargo for each flight for purposes of operational planning, monitoring and efficiencies.
- 22.3 The Handling Agent shall, in consultation with the Company, set up connections with computer systems to interface with the Company and transmit information / data concerning operational performance and services to the Company.

23 Security in respect of Ground Handling

- 23.1 **Security Services: means services as classified hereunder;**
- a) screening of hold baggage
 - b) screening of interline baggage
 - c) screening of unaccompanied baggage
 - d) screening of passengers / crew and staff

- e) screening of cargo / mail and other express items
- f) searching of an aircraft
- g) guarding of an aircraft
- h) passenger / hold baggage reconciliation
- i) security of catering operations
- j) prevention of theft and pilferage
- k) access / egress control
- l) car park guarding
- m) weapons handling (compliant to Firearms Control Act)

23.1.1 Valuable Cargo / Items

- a) handling firearms / harmful articles
- b) securing of valuable cargo
- c) escorting valuable cargo
- d) courier service for valuable cargo

23.1.2 Miscellaneous Security Service

- a) documentation verification (passport / visas)
- b) passenger behavioral detection
- c) security consultancy (audits, threat announcements, etc.)
- d) aviation security training
- e) The above list is not exhaustive and includes all security services.

23.2 Comply with all procedures and/or permissions relating to Airport Access Control and vehicle usage on the Airport

23.3 Ensure strict compliance by itself, its employees and agents with any directive published by the Local Airport Security Committee (LASC) or other similar or equivalent body at the airport.

23.4 Not without the express approval of the Company, bring or permit the introduction into or unto the airport of any offensive, hazardous, noxious, toxic, or dangerous substance.

23.5 Use any portion of the apron for the purposes of refueling, cleaning, servicing, or repairing any of its vehicles other than on that portion of the apron that has been specially designated by the Company for that purpose.

23.6 The Handling Agent shall use its best endeavors to ensure that none of its employees engage in any criminal activity at the airport. In the event of any employee or employees of the Handling Agent being charged for any criminal offences at the Airport, the Handling Agent shall remove or replace such an employee on written request of the Company as soon as reasonably possible.

23.7 Compliance by the Handling Agent

- 23.7.1 Ensure strict compliance by itself, its employees, and agents with all relevant legislation, as well as the Airfield Operations Manual as amended from time to time.
- 23.7.2 Conduct its operations in a manner that will not compromise safety and security at the airport nor jeopardize the national interest and will adhere to all applicable procedures, policies, and regulations.
- 23.7.3 Comply with all applicable International Civil Aviation Organization (ICAO) and International Air Transport Association (IATA) standards and recommendations as promulgated from time to time.
- 23.7.4 Comply with all applicable regulations promulgated from time to time, by the Department of Transport: South African Civil Aviation Authority or other competent authority.
- 23.7.5 Ensure that its employees visibly wear the security permit on outer garment at chest height, as issued by the Company and wear the permit holder's uniform as required by the Company.
- 23.7.6 The Handling Agent shall ensure that none of its employees have any criminal conviction and shall remove any employees from the airport premises should they be suspected, charged, or convicted of any criminal offence. The Handling Agent shall ensure that each employee has been vetted by the South African Police and/or State Security Agency in respect of their criminal record status, prior to deployment at the airport.
- 23.7.7 Not to render an end-to-end service for the same client in activities that involve valuable cargo and/or similar activities.
- 23.7.8 Ensure the need for a segregation of functions so that the integrity of the airside boundary is not compromised and that it may not offer services where such risk exists

23.8 Baggage Pilferage

- 23.8.1 The Handling Agent shall ensure that its personnel are sufficiently profiled, briefed and monitored on a continuous basis to minimize the possibility of baggage pilferage by its staff, either directly, indirectly or by partaking in syndicates that pilfer baggage.
- 23.8.2 Should any member of the security staff personnel be found to be involved in any way in baggage pilferage, the Handling Agent shall immediately remove such individuals from the Site and replace them with suitable qualified individuals. The Handling Agent must lay a charge with the South African Police Service, do all that is necessary to ensure successful prosecution. Such person shall be "black-listed" with the ACSA permit office and proof provided to ACSA accordingly.
- 23.8.3 The Handling Agent shall have in place a detailed plan with counter measures to pro-actively monitor and eradicate baggage pilferage activities within its operations. This must include investigations and covert and overt monitoring mechanisms. A monthly report would need to be provided to ACSA Security.
- 23.8.4 A random sample size of 10% of all staff need to be polygraphed monthly. A monthly report would need to be provided to ACSA Security.
- 23.8.5 The Handling Agent must submit all staff of a specific shift/team for polygraph testing, in the event of any suspicious and/or criminal activity identified in their activities.

23.8.6 Where it is found that frequent theft by Handling Agent's staff is reported, ACSA will consider this to be a material breach, ACSA may at its discretion consider summary termination of this agreement, when there is credible verifiable written evidence to support such allegations.

23.8.7 In the event that there are incidents of bag pilferage and theft and/or mishandled bags and cargo in relation to the provision of the Ground Handling Services by the Handling Agent, the Handling Agent shall inform the Company of such incident in writing, promptly but in any event not later than within 24 hours following the relevant incident. In respect of each incident contemplated in clause 23.8, the Handling Agent shall, within 12 hours of notifying the Company of such incident but in any event not later than 48 hours after such incident, provide a report to the Company detailing the results of its investigation into the matter, including:

- full details steps taken to mitigate and/or remedy the loss;
- the full details of the victim thereof;
- the measures taken by the Handling Agent to assist the victim;
- compensation to the victim; and
- the timelines the Handling Agent requires to resolve the matter;
- the details of its personnel that were on duty at the relevant areas and at time of the incident occurred;
- whether any of the Handling Agent's personnel were involved in the incident and if so, steps taken against such personnel, including laying criminal charges to the extent necessary; and
- any other information that the Company may deem necessary.

23.9 Following the receipt of such report contemplated in clause **Error! Reference source not found.**, the Company shall be entitled to carry out its own investigation and to take any action it deems appropriate and necessary including imposing penalties in accordance with the provisions of clause 29

23.10 **Uniforms**

23.10.1 With the aim of distinguishing the License contract security Company from any other security service provided by the Handling Agent, their uniforms shall not be the same as or resemble any other uniform of the Handling Agent and shall be solely designed and used for Licensed contract ground handling companies staff only. ACSA must approve the uniform prior to its use.

23.10.2 The Handling Agent's insignia must be clearly visible, on the right and left shoulder, including the left chest, displaying "baggage handler".

23.10.3 In the case of reflective jackets, the Handling Agent staff shall be required to wear designated reflective jackets, uniquely numbered to easily identify staff, as per ACSA procedures.

23.11 **Vetting, integrity testing and document verification**

- 23.11.1 In the interests of combating criminal activity at the airport, especially airside, where the parties acknowledge that a serious problem exists, or could in future arise, employ in its operations only persons of good character who do not have criminal records. In the event of a dispute arising as to the suitability of any employee of the Handling Agent, the Handling Agent shall allow the Company access to its employee records, including relevant recruitment information for purposes of verifying whether any employee has a criminal record, provided that the Company shall give an undertaking not to disclose any confidential information to third parties.
- 23.11.2 The Handling Agent shall ensure that its employees are subjected to a random voice stress and/or polygraph testing process, as conducted by a professionally registered polygraph or voice stress test company, independent of the Handling Agent. In the event an employee (s) conduct being of a suspicious nature or where such employees may have participated directly or indirectly in any form of criminal activity whilst in the employ of the Handling Agent, then the Handling Agent will immediately ensure that such employees do undertake a polygraph test, as conducted by a professionally registered polygraph company, independent from the Handling Agent. All such costs borne out of the polygraph testing and voice stress process will be for the account of the Handling Agent. In addition, the Handling Agent shall be obliged to conduct such polygraph testing and/or voice stress upon request by ACSA, and to implement same within 10 days of the request. Reports on all testing are to be submitted to ACSA within 5 days of the test.
- 23.11.3 The Handling Agent will conduct a full-scale background check on each employee, irrespective of seniority within the Handling Agent. A background check is a mandatory pre-employment condition. Subject to having been employed, all employees of the Handling Agent will be obliged to consent to a bi-annual background check. Should the results of such test conducted reflect an adverse report, then the Handling Agent is compelled to immediately ensure that the employee(s) is removed from the airport and redeployed at an area which is not in any way related to any activity as performed at an aerodrome or an airport.
- 23.11.4 As a precondition in order to establish grounds for a renewal of this said license, the Handling Agent will undertake to process all employees for a comprehensive South African Police clearance certificate per employee, stationed at the airport. The criminal check undertaken by the South African Police Service may be shared in confidence with the Airports Authority in the interest of national security of the airport. Any costs associated with these tests will be for the account of the Handling Agent. Should an employee(s) receive a report which reflects any form of criminal activity or polygraph or voice stress report deviation, then the Handling Agent is compelled to immediately ensure that the employee(s) is removed from the airport and redeployed at an area which is not in any way related to any activity as performed at an aerodrome or an airport.

23.12 **Use of Alcohol and drugs**

- 23.12.1 Use best endeavors to ensure that each of its employees refrain from the consumption of any drugs or intoxicating substance for a period of at least 12 (twelve) hours before driving, whether medically indicated, prescribed or otherwise, and which might have the effect of impairing such employee's judgement.

23.13 Facilitation, Meet and Greet Services

23.13.1 No meet and greet services are to be provided at the Aircraft Boarding Gates for International and Domestic departure and arrival flights.

23.13.2 No meet and greet or personalized/VIP collection from the Tarmac.

23.13.3 No Passenger facilitation at State Agencies processing points

- Immigration
- Customs
- Border Police
- Inadmissible Facility

24 Subcontracting

24.1 No subcontracting of Ground Handling Services will be permitted without the express prior consent of the Company.

24.2 Where sub-contracting has been approved in terms of this Agreement:-

24.2.1 the Handling Agent must provide copies of all its sub-contracting agreements in respect of the provision of the Ground Handling Services to the Company, and any amendments thereto from time to time;

24.2.2 the Handling Agent shall ensure that the standards agreed upon in terms of this Agreement for the rendering of the Ground Handling Services at the Airports are met at all times under the relevant sub-contracting agreement;

24.2.3 the Handling Agent shall at all times be the principal contractor in terms of this Agreement and shall be liable in full for all the violations of this Agreement by its sub-contractors;

24.2.4 the Company reserves the right to communicate directly with any subcontractor or agent contracted to the Handling Agent on any issue relevant to this Agreement whether related or unrelated to the Handling Agent or such subcontractor's or agent's core business. Such issues may include and are not limited to;

- (a) incident and accident investigation;
- (b) operational training;
- (c) safety and security;
- (d) crime prevention;
- (e) progress on transformation imperatives;
- (f) compliance with any of the applicable Legal Framework; and
- (g) compliance with any of the Handling Agent's obligations and undertakings in terms of this Agreement

- 24.3 The Company reserves the right to engage any such subcontractor in scheduled or unscheduled meetings.
- 24.4 The Company reserves the right to, for its own benefit, engage such subcontractor or agent contracted to the Handling Agent.

25 Warranties and undertakings by the Handling Agent

The Handling Agent warrants and undertakes that:

- 25.1 it is a **[private]** company duly incorporated in accordance with the laws of **[Insert]**;
- 25.2 it has full corporate power and authority to carry on its business as proposed to be conducted under this Agreement, and to enter into, legally bind itself by, and perform its obligations under this Agreement;
- 25.3 the Agreement has been duly authorised, executed, and delivered by it and constitutes legal, valid, binding and enforceable obligations against it;
- 25.4 the execution, delivery and performance of the Agreement does not constitute a violation of:
 - 25.4.1 any statute, judgment, order, decree, regulation, rule or judgment of any court, third party rights or other competent authority; and
 - 25.4.2 its constitutional documents and any other documents or any binding obligation, contract or agreement to which it is a party or by which it or its assets are bound.
- 25.5 it has the capacity to carry out its obligations in terms of this Agreement in accordance with the Service Levels Standards;
- 25.6 it has the capacity to provide Ground Handling Services to all the Carriers with whom it enters into a Carrier Agreement and that it has all the necessary permissions and/or preapprovals to conclude this Agreement, including but not limited to, the requisite board resolutions, permits, Licences, and meets all the statutory compliance requirements and any other requirements ancillary thereto;
- 25.7 it will provide the Ground Handling Services to the Company and Carriers with due care, skill, diligence and service standards based on best practice and international guidelines as would be expected of a ground handling agent and accordingly, it possesses the requisite skills and has the necessary capacity to execute its obligations in terms of this Agreement;
- 25.8 it will comply with the Legislative Framework, and shall ensure that third parties, including subcontractors who carry out all or part of its obligations under this Agreement, comply with same;
- 25.9 it shall not directly or indirectly engage in any activity or practice which has an effect, directly or indirectly, to unfairly discriminate against any User or any person making use of any facilities at an Airport;
- 25.10 It shall conduct its operations in such a manner as to ensure that it does not engage in any restrictive practice as defined in Section 1 of the Competition Act 89 of 1998;
- 25.11 it shall promote the safe, efficient, economical and profitable operations of the Airports;
- 25.12 by concluding this Agreement, it agrees with all the provisions of this Agreement and confirms that the terms thereof are fair and therefore binding to it without exception;
- 25.13 it bears the sole responsibility to ensure that it submits its reports strictly within the time period and in the manner provided for in this Agreement and that the reports so submitted

have been received and acknowledged by the Company Contract Manager or such other person nominated by the Company Contract Manager from time to time;

- 25.14 it will subject itself to any audit that may be carried out by the Company or its nominee on any portion of the Ground Handling Services including, Vehicles, equipment, personnel background checks and generally the Handling Agent's compliance with this Agreement; and
- 25.15 it shall cooperate with the Company at all times and will immediately undertake any corrective action required by the Company.

26 Liability and indemnity

26.1 Without prejudice to any of the Indemnified Parties' rights, the Handling Agent hereby assumes liability to the Indemnified Parties for all and any damages of whatsoever nature which the Indemnified Parties may suffer arising from, following or in any way connected to the following:

- 26.1.1 this Agreement;
- 26.1.2 the Handling Agent's use of or operation at the Airport/s;
- 26.1.3 the Ground Handling Services; and
- 26.1.4 the acts or omissions of the Handling Agent, including negligence and gross negligence.

26.2 The effect of this clause is that in addition to other rights which the Indemnified Parties may have, the Handling Agent is liable to the Indemnified Parties for all damages arising from, following or in any way connected to the items listed at clause 26.1.

26.3 The Handling Agent hereby agrees to waive and hold harmless the Indemnified Parties for and against all Claims, arising from, following or in any way connected to the following:

- 26.3.1 this Agreement;
- 26.3.2 the Handling Agent's use of or operation at the Airport/s;
- 26.3.3 the Ground Handling Services;
- 26.3.4 the acts or omissions of the Handling Agent, including negligence and gross negligence;
- 26.3.5 all and any statutory or strict liability of the Indemnified Parties;
- 26.3.6 the acts or omissions of the Indemnified Parties, including negligence and gross negligence;
- 26.3.7 the acts or omissions of any other party, including negligence and gross negligence; and
- 26.3.8 all and any extraneous events including but not limited to rain, storm water, hail, lightning, fire, riots and strikes.

The effect of this clause is that the Handling Agent abandons any Claims that it may have against the Indemnified Parties arising from, following or in any way connected to the items listed at clause 26.1.

26.4 The waivers by the Handling Agent in favour of the Indemnified Parties contained in this Agreement shall continue in full force and effect notwithstanding any breach by the Company, the Indemnified Parties or the Handling Agent of the terms of this Agreement, the

termination or cancellation of this Agreement, the repudiation by either Party of this Agreement, or the expiration of this Agreement by effluxion of time or otherwise.

26.5 The Handling Agent hereby agrees to indemnify the Indemnified Parties from, for and against all Third Party Claims, arising from, following or in any way connected to the following:

26.5.1 this Agreement;

26.5.2 the Handling Agent's use of or operation at the Airport/s;

26.5.3 the Ground Handling Services;

26.5.4 the acts or omissions of the Handling Agent, including negligence and gross negligence;

26.5.5 all and any statutory or strict liability of the Indemnified Parties;

26.5.6 the acts or omissions of the Indemnified Parties, including negligence and gross negligence;

26.5.7 the acts or omissions of the Third Party, including negligence and gross negligence;

26.5.8 the acts or omissions of any other party, including negligence and gross negligence; and

26.5.9 all and any extraneous events including but not limited to rain, storm water, hail, lightning, fire, riots and strikes.

The effect of this clause is that if any Third Party brings a Third Party Claim against the Indemnified Parties arising from, following or in any way connected to the items listed at clause 26.5, the Handling Agent will be responsible to pay to the Indemnified Party the value of the Third Party Claim as settled by the Indemnified Party or its appointed representatives directly with the Third Party or as ordered to pay by judgment.

26.6 The Handling Agent hereby agrees to indemnify the Indemnified Parties from, for and against any legal or other expenses which may be incurred as a result of and/or in consequence of any Third Party Claim arising from, following or in any way connected to the items listed at clause 26.5.

The effect of this clause is that if any Third Party brings a Third Party Claim against the Indemnified Parties in addition to being responsible to pay the value of the Third Party Claim, the Handling Agent will be responsible to pay to the Indemnified Party the cost of any legal or other expenses that may be incurred as a result of the Third Party Claim.

26.7 The Indemnified Party shall notify the Handling Agent of any Third Party Claim which is made against it for which the Handling Agent may be liable in accordance with the provisions of clause 26 within a reasonable time of the Indemnified Party becoming aware thereof, to enable the Handling Agent to take appropriate steps in respect of such claim.

26.8 Neither the notification noted in clause 26.7 nor the contents thereof shall in any way limit or restrict the right of the Indemnified Parties to make further or additional or increased demands on the Handling Agent in respect of the matter so notified or in respect of any other matter which is or may become the subject of a claim by the Indemnified Parties on the Handling Agent under this Agreement.

26.9 The failure or delay by the Indemnified Party in giving such notification noted in clause 26.7 shall in no way affect, limit or restrict the rights or entitlement of the Indemnified Parties under this Agreement or the exercise of such rights in relation to the matter in question or to any other matter which is or may become the subject of a claim by the Indemnified Parties on the Handling Agent under this Agreement.

- 26.10 Within 30 (thirty) days of the notification noted in clause 26.7, the Handling Agent must make an election as to whether to take control the proceedings in regard thereto, and in so doing shall notify the relevant Indemnified Parties in writing of its election. In the event that the Handling Agent takes control of the proceedings, this is at the cost of the Handling Agent. If the Handling Agent fails to notify the Indemnified Parties in writing of its election within 30 (thirty) days of the notification noted in clause 26.7, it shall be assumed that the Handling Agent has elected not to take control of the proceedings.
- 26.11 Should the Handling Agent elect to take control of the proceedings as contemplated in clause 26.10, the Handling Agent shall indemnify the Indemnified Parties from, for and against any legal or other expenses which may be incurred as a result of and/or in consequence of such election.
- 26.12 Should the Handling Agent elect to take control of the proceedings as contemplated in clause 26.10, the Indemnified Party shall render reasonable assistance to the Handling Agent (at the cost of the Handling Agent) in relation to the proceedings.
- 26.13 The indemnities by the Handling Agent in favour of the Indemnified Parties contained in this Agreement shall continue in full force and effect notwithstanding any breach by the Company, the Indemnified Parties or the Handling Agent of the terms of this Agreement, the termination or cancellation of this Agreement, the repudiation by either Party of this Agreement, or the expiration of this Agreement by effluxion of time or otherwise.
- 26.14 Monies becoming due by the Handling Agent to an Indemnified Party under the indemnities contained in this clause 26 shall be paid on demand made by the Indemnified Party.
- 26.15 The Handling Agent shall not have a claim of any nature whatsoever, whether for cancellation, damages, remission or otherwise against the Company for any loss or damage or costs sustained or incurred by the Handling Agent as a result of the Company deciding for any reason whatsoever to change the name of the Airport/s.

27 Disputes between the Handling Agent and Carriers

- 27.1 Should a dispute of any nature arise between the Handling Agent and a Carrier/Carriers and which dispute impacts on the provision of Ground Handling Services by the Handling Agent and therefore this Agreement, the Handling Agent shall immediately take all reasonable steps to commence the dispute resolution process in accordance with the relevant terms of the Carrier Agreement.
- 27.2 Should the Handling Agent elect to withhold its services to a Carrier pursuant to the outcome of the dispute resolution process envisaged in clause 27.1, then the Company may, in its sole discretion and depending on the circumstances, take any action it deems appropriate and necessary at the time, including but not limited to appointing a third party, to render the Ground Handling Services as per clause 9.5.

28 Insurance

- 28.1 The Handling Agent shall, at its sole cost and expense, effect or cause to be effected, in full force and effect, insurances in the form and substance prescribed herein.
- 28.2 The Handling Agent shall, at its sole cost and expense, maintain or cause to be maintained, in full force and effect, insurances in the form and substance prescribed herein.
- 28.3 The insurances required to be effected and maintained by the Handling Agent must provide cover against any loss, damage and liability (and associated expenses) arising from or connected to this Agreement, the Ground Handling Services, the Handling Agent's use of or operation at the Airport/s, including but not limited to:
- 28.3.1 Third party motor liability insurance for an amount of not less than R50 000 000 (fifty million rand); and

- 28.3.2 Aviation liability insurance, including war risk insurance, for an amount of not less than USD500 000 000 (five hundred million United States dollars) against all risks associated with the Handling Agent's activities, operations at or use of or operation at the Airport/s.
- 28.4 The Handling Agent shall ensure that the insurances prescribed in this Agreement:
 - 28.4.1 include the Company as an additional insured for its respective rights and interests;
 - 28.4.2 include a severability of interest clause which provides that the insurance, except for the limit of liability, shall operate to give each insured the same protection as it there was a separate policy issued to each insured;
 - 28.4.3 include a provision to the effect that any cover afforded to the Company shall not be invalidated by any act or omission of the Handling Agent (including but not limited to any misrepresentation or non-disclosure) unless the Company was a party to the act or omission;
 - 28.4.4 include a first loss payee clause in favour of the Company;
 - 28.4.5 include a provision confirming that the policy is primary without right of contribution and the liability of the insurers shall not be affected by any other insurance of which the Company may have the benefit of so as to reduce the amount payable to the Company under such policy;
 - 28.4.6 contain a waiver of all rights of subrogation against the Company; and
 - 28.4.7 pre-approved by the Company.
- 28.5 The Handling Agent shall ensure that the insurances prescribed in this Agreement at any given time are valid and effective for a period of 12 (twelve) consecutive calendar months.
- 28.6 The Handling Agent shall ensure that the insurances prescribed in this Agreement are to be placed and carried with a recognised and reputable insurance service provider that underwrites insurance risk products that cover the risks noted in clause 28.2, bearing a current minimum level of security rating of A- as rated by Standard and Poor's. Should such security be downgraded below this level at any time, the Handling Agent must take immediate steps to replace that line with an insurer bearing a current minimum rating of A- by Standard and Poor's.
- 28.7 The Handling Agent shall not do anything or omit to do anything which may reasonably invalidate the insurances prescribed in this Agreement or part thereof, cause the premiums payable under any such insurances to be increased, and/or entitle the insurer to repudiate any claim by the Company under any such insurances.
- 28.8 The Handling Agent shall within 30 (thirty) days of the Effective Date, deliver to the Company:
 - 28.8.1 a certificate of insurance;
 - 28.8.2 a confirmation of coverage from its broker to the effect that the Handling Agent is fully insured in terms of this Agreement;
 - 28.8.3 proof that the premiums for the forthcoming period of insurance have been fully paid;
 - 28.8.4 copies of insurance policies prescribed in this Agreement; and
 - 28.8.5 an undertaking from its broker to the effect that it will immediately inform the Company of any breach by the Handling Agent of the insurances prescribed in

this Agreement or failure to pay any premium due in terms thereof, within their knowledge.

- 28.9 The Handling Agent shall within 30 (thirty) days of the renewal of any of the insurances prescribed in this Agreement, deliver to the Company:
- 28.9.1 a certificate of insurance;
 - 28.9.2 a confirmation of coverage from its broker to the effect that the Handling Agent is fully insured in terms of this Agreement;
 - 28.9.3 proof that the premiums for the forthcoming period of insurance have been fully paid; and
 - 28.9.4 copies of insurance policies prescribed in this Agreement.
- 28.10 The Handling Agent shall on written request from the Company, deliver to the Company:
- 28.10.1 a certificate of insurance;
 - 28.10.2 a confirmation of coverage from its broker to the effect that the Handling Agent is fully insured in terms of this Agreement;
 - 28.10.3 proof that the premiums for the forthcoming period of insurance have been fully paid;
 - 28.10.4 copies of insurance policies prescribed in this Agreement; and
 - 28.10.5 an undertaking from its broker to the effect that it will immediately inform the Company of any breach by the Handling Agent of the insurances prescribed in this Agreement or failure to pay any premium due in terms thereof, within their knowledge.
- 28.11 The Handling Agent shall ensure that the Company is given 30 (thirty) days prior written notice of the cancellation of any of the insurances prescribed in this Agreement.
- 28.12 If the Handling Agent fails to maintain the insurance prescribed in this Agreement or fails to produce proof of the relevant premiums having been paid by it on due date or fail to pay such premiums, the Company shall, without prejudice to any of its other rights under this Agreement, be entitled to effect such insurances and/or effect payment of such premiums on the Handling Agent's behalf and to recover the cost of so doing from the Handling Agent on demand.
- 28.13 The existence of any of the insurances prescribed in this Agreement will not release or relieve the Handling Agent of any of its obligations in terms of or arising from this Agreement.
- 28.14 The Handling Agent's liability shall not, under any circumstances, be limited to the extent of the insurances effected and maintained by it.
- 28.15 Notwithstanding any other provision to the contrary in this Agreement, the Company shall be entitled, without any penalty or pecuniary liability being imposed or incurred, with immediate effect to terminate the Agreement should the Handling Agent not comply with the provisions of this clause 28, all of which shall be deemed material.

29 Penalties

- 29.1 Without waiving any of its rights in terms of clause 32 and without prejudice to the Company's rights in terms of this Agreement, the Company shall be entitled to impose fines as penalties should the Handling Agent or its personnel fail to perform any of the Handling Agent's obligations in terms of this Agreement or commit any of the offences listed Schedule 3,

subject to the provisions of the Conventional Penalties Act 15 of 1962 as amended from time to time.

- 29.2 Penalties levied in terms of this clause and Schedule 3 may be issued along with any notice of suspension issued in terms of clause 31.1 or notice of breach contemplated in clause 32.4.
- 29.3 Penalties shall be payable within 14 Business Days.
- 29.4 Unpaid penalties shall accrue interest in accordance with clause 38.7.
- 29.5 The Company's rights in terms of this clause shall not preclude the Company from recovering damages, should it so desire.
- 29.6 The Handling Agent agrees and accepts that the Company is under a statutory duty to maintain the highest standards at the Airport and that the levying of penalties is a means of ensuring that the Handling Agent maintains these standards and that the penalties are reasonable and fair in the circumstances.

30 Force majeure

- 30.1 If a Party (**Affected Party**) is unable to perform all or part of its obligations under this Agreement by reason of Force Majeure, the Affected Party shall, within 48 (forty eight) hours, notify the other Party in writing (**Force Majeure Notice**) setting out:
 - 30.1.1 full particulars of the Force Majeure Event;
 - 30.1.2 the impact of the Force Majeure Event on the Affected Party's obligations under this Agreement;
 - 30.1.3 the Affected Party's reasonable estimate of the length of time by which its performance has been and will be affected by such Force Majeure Event; and
 - 30.1.4 the steps which it is taking or intends to take or will take to remove and mitigate the adverse consequences of the Force Majeure Event on its performance hereunder.
- 30.2 The Affected Party shall have the burden of proving both the existence of any Force Majeure Event and the effect (not as to nature and extent) with any such Force Majeure Event has on its performance.
- 30.3 If the Parties are, on the basis of the Force Majeure Notice and any supporting documentation, unable to agree as to the existence or as to the effect of a Force Majeure Event by the date falling 48 (forty eight) hours after the receipt by the non-Affected Party of the Force Majeure Notice, either Party shall be entitled to refer the matter as per clause 33.
- 30.4 If it is agreed or determined that a Force Majeure Event has occurred, the Affected Party shall, provided that it has complied with the requirements of this clause not be liable for any failure to perform an obligation under this Agreement as a consequence of such Force Majeure Event to the extent that:
 - 30.4.1 such performance is prevented, hindered or delayed by Force Majeure; and
 - 30.4.2 such failure could not have been mitigated by the Affected Party (acting as a Reasonable and Prudent Operator).
- 30.5 If the Affected Party's performance of all (or part) of its obligations under this Agreement is prevented, hindered or delayed by a Force Majeure Event then, provided that the Affected Party has complied with the requirements of this clause, the time limit for the performance of that obligation (or any date by which performance of that obligation is to be achieved) shall

be extended by a period equal to the period by which its performance is prevented, hindered or delayed.

- 30.6 The Affected Party shall use all reasonable efforts to mitigate, rectify and overcome the effects of such Force Majeure Event(s) and to minimise the effect thereof, and shall give the other Party (i) regular reports on the progress of the mitigation measures and (ii) notice promptly on the cessation of the Force Majeure Event(s).
- 30.7 Should a Party/ies be unable to fulfil a material part of its obligations under this Agreement for a period in excess of 30 (thirty) Days from the Force Majeure Notice, the other Party may cancel this Agreement forthwith by written notice.
- 30.8 Should this Agreement be terminated in accordance with clause 30.7 neither Party shall be liable to the other for indirect or consequential damages or loss, to the extent that such damage or loss was caused by a Force Majeure Event.

31 Suspension of the Licence

- 31.1 Without prejudice to any of its rights in terms of this Agreement, the Company may, for a period of 3 (three) months or any other such period that the Company determines in its sole discretion (**Suspension Period**), suspend the Handling Agent's Licence if the Handling Agent commits one or more of the following acts and fails to rectify its conduct within 30 (thirty) days of receipt of a written notice to that effect from the Company or such other period specified by the Company:
- 31.1.1 failure to render the Ground Handling Services in accordance with the Service Levels Standards;
- 31.1.2 failure to adhere to any of its Operational Obligations in Clause 9;
- 31.1.3 failure to comply with the provisions of clause 19.15.10.1;
- 31.1.4 failure comply with the provisions of clause 11
- 31.1.5 failure to pay any penalty imposed by the Company levied against the Handling Agent in terms of clause 29.

32 Breach and termination

- 32.1 A Party shall be in breach of this Agreement if it:
- 32.1.1 is subjected to any of the following:
- (a) a receiver, liquidator, curator, business rescue practitioner, trustee or similar official is appointed over any of the assets or undertaking of the Party;
- (b) the Party suspends payment of its debts generally;
- (c) any of the assets of such Party are subjected to judicial attachment and such Party thereafter failing to procure the release of such asset(s) from attachment within 20 Business Days of their attachment, except that if such Party provides evidence on an ongoing basis to the reasonable satisfaction of the other Party that steps have been initiated within 20 Business Days to appeal, review or rescind the attachment and that such steps are being expeditiously pursued, the period of 20 Business Days shall run from the date the attachment order becomes final or the attempt to procure suspension of the attachment fails;

- (d) the Party appears to be reasonably unlikely to be able to pay all of its debts as they become due and payable within the immediately ensuing six months;
 - (e) the Party appears to be reasonably likely to become insolvent within the immediately ensuing six months;
 - (f) the Party commits an act of insolvency in terms of section 8 of the Insolvency Act, 1936, and, if such act is capable of remedy, such act is not remedied within 10 Business Days of such Party receiving a written notice from the other Party requiring it to remedy such act;
 - (g) the Party enters into any arrangement, scheme or compromise with, or assignment for the benefit of, its creditors generally or any class of them; or
 - (h) an application or order is made for the winding-up, sequestration or dissolution of, or the appointment of a provisional liquidator to, the Party, or a resolution is passed or steps are taken to pass a resolution for the winding-up, sequestration or dissolution of the Party otherwise than for the purpose of an amalgamation or reconstruction which has the prior consent of the other Party, or steps are taken to commence business rescue proceedings under the Companies Act, 2008; or
- 32.1.2 gives any notice or takes any steps to convene a meeting of its shareholders or board of directors, as the case may be, to adopt a resolution in pursuit of any of the steps in clause 32.1.1;
- 32.1.3 it fails to rectify its conduct following a suspension of its Licence pursuant to clause 31.
- 32.2 Notwithstanding clause 32.1 the Handling Agent shall be in breach of this Agreement if:
- 32.2.1 it fails or neglects to comply with any of its obligations, warranties or undertakings in this Agreement;
 - 32.2.2 it breaches any term of this Agreement;
 - 32.2.3 it fails to adhere to the provisions of clause 16;
 - 32.2.4 it fails to perform and adhere to the Service Levels Standards;
 - 32.2.5 it fails to adhere to operational, safety and security procedures or any other conditions set out in the ASOP;
 - 32.2.6 it fails to provide adequate and timely data regarding the handling activities;
 - 32.2.7 it allows to lapse any of the insurance policies that the Handling Agent is required to procure in terms of clause 28 and/or uses Insurance Underwriters/Brokers/Agents that have not been approved by the Company or generally fails to comply with the provisions of clause 28;
 - 32.2.8 it fails or neglects to provide reports or provides reports that do not meet the minimum reporting standard as directed by the Company Contract Manager or his nominee;
 - 32.2.9 it wilfully conceals material information which it is obliged to supply to the Company;

- 32.2.10 it sub-contracts or assigns any of its obligations in contravention of clause 24;
 - 32.2.11 it fails or neglects to ensure that it is represented at all times as envisaged in this Agreement;
 - 32.2.12 it fails or neglects to honour any of its undertakings or warranties in terms of clause 25;
 - 32.2.13 it fails or neglects to report any accidents, incidents or security breaches which it is required to report in terms of this Agreement;
 - 32.2.14 the Handling Agent's personnel is found to have been involved in (schedule 6 SAPS offences) or endemic criminal activities relating to airport activities for which criminal charges have been laid or where said personnel have been convicted or any such criminal activity, notwithstanding any effort or preventative measures by the Handling Agent to prevent such activities; and
 - 32.2.15 it fails to adhere to the provisions of clause 8.9;
 - 32.2.16 it's personnel is found to have been involved in any act(s) of Unlawful Interference;
 - 32.2.17 it fails or neglects to ensure corrective action on security breaches and criminal activity.
- 32.3 In the event of a breach contemplated in clause 32.1, either Party may immediately terminate this Agreement, on 30 (thirty) days written notice to the other Party.
- 32.4 In the event of a breach listed in clause 32.2, above, the Company shall notify the Handling Agent of such default or failure, and the Handling Agent shall within 30 (thirty) days of receipt of such notice, remedy such default or failure, or institute a plan of action as approved by the Company in writing, addressing the default or failure, failing which the Company shall be entitled, if it so elects and notwithstanding any previous waiver or anything to the contrary herein provided or without waiver of any of its rights in law including the right to claim damages, to either:-
- 32.4.1 cancel this Agreement forthwith, revoke the Licence, eject the Handling Agent from the Airport and recover from the Handling Agent any direct damages suffered by the Company as well as all amounts which became due for payment by the Handling Agent under this Agreement prior to the date of such cancellation; or
 - 32.4.2 cancel this Agreement and permit the Handling Agent to continue to conduct business at the Airport on a month to month basis, which will be terminable by the Company (but not by the Handling Agent) on 1 (one) month's written notice, but subject otherwise to all the terms and conditions, *mutatis mutandis*, of this Agreement.
- 32.5 Notwithstanding anything contained in this Agreement, the Company shall be entitled to immediately and without notice eject the Handling Agent from the Airport when the Agreement has terminated through effluxion of time. The Handling Agent herewith expressly waives any rights it may have had at law, but for the provisions of this clause.
- 32.6 Where this Agreement has been terminated, the Handling Agent shall return to the Company all material disclosed, including the reference material, equipment and any other property of the Company that was used by or made available to the Handling Agent pursuant to this Agreement and which is still in possession or under the control of the Handling Agent.

33 Dispute resolution

The procedure set out in this clause (the 'Dispute Resolution Procedure') shall apply to any dispute, claim or difference between the Parties arising out of or relating to this Agreement including disputes arising from:-

33.1 Negotiation

The Parties shall try to resolve the dispute by negotiation. This entails that the one Party invites the other in writing to a meeting. This attempt to resolve the dispute shall take place within 7 (seven) days from date of the written invitation.

33.2 Mediation

33.2.1 If the Parties fail to resolve the dispute in accordance with clause 33.1 then either Party may refer the dispute to mediation by an independent mediator appointed by the Parties or, in the absence of an agreement within 5 (five) working days of either Party calling for mediation, either Party may approach the Arbitration Foundation of Southern Africa ("AFSA") to appoint an independent mediator.

33.2.2 The mediation shall be completed within 10 (ten) working days of such referral and any agreement arising there from shall be binding.

33.3 Arbitration

33.3.1 Should the dispute remain unresolved after mediation, any Party may refer the dispute for arbitration. The arbitrator shall be agreed on between the Parties and failing agreement within 7 (seven) days after the arbitration has been demanded, the Party referring the matter to arbitration may approach the Chairman of AFSA to appoint an arbitrator.

33.3.2 The arbitration shall be held:-

- (a) with only the Parties and their representatives present thereat;
- (b) in Johannesburg;
- (c) unless otherwise agreed in writing, it being the intention that the arbitration shall, where possible, be held and concluded within 21 (twenty one) working days after it has been demanded; and
- (d) *mutatis mutandis* in accordance with the Rules promulgated in terms of the Superior Courts Act 10 of 2013, and the rules of practice of the High Court of South Africa, Gauteng Local Division, Johannesburg or its successor in title.

33.3.3 The arbitrator shall have the fullest powers and freest discretion with regard to the proceedings, and his award shall be final and binding on the Parties to the dispute. Furthermore, the arbitrator:-

- (a) shall be a senior counsel;
- (b) may dispense wholly or in part with formal submissions or pleadings; and
- (c) shall include such order as to costs as he deems just.
- (d) Shall have full powers, to the extent allowed by the Arbitration Act 42 of 1965, unless the Parties agree in writing to limit his powers

- 33.3.4 The Parties shall be entitled to have the award made an order of court of competent jurisdiction. The Parties' record that they consent to the jurisdiction of the High Court of South Africa Gauteng Local Division, Johannesburg or its successor-in-title in which implementation area the consultancy service is being rendered.
- 33.3.5 Notwithstanding anything to the contrary contained herein, this clause shall not preclude any Party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator or from instituting in any court of competent jurisdiction any proceedings for an interdict or any other injunctive relief.

34 Confidential Information

- 34.1 Without the prior written consent of the other Party, the Parties will keep confidential and will not disclose to other parties:
 - 34.1.1 the details of this Agreement, the details of the negotiations leading to the Agreement which such Parties become privy to during the course of negotiations, as well as details of all transactions and arrangements contemplated in the Agreement; and
 - 34.1.2 all information relating to the business operations and affairs of the Company and the Parties (together "confidential information").
- 34.2 The Parties hereby agree to keep all such confidential information confidential and to disclose it only to its officers, directors, employees, consultants and professional advisers of the recipient who:
 - 34.2.1 have a need to know and then only to the extent that each such person has a need to know;
 - 34.2.2 are aware that the confidential information should be kept confidential;
 - 34.2.3 are aware of the disclosing Party's undertaking in relation to such information in terms of the Agreement; and
 - 34.2.4 have been directed by the disclosing Party to keep the confidential information confidential and have undertaken to keep such confidential information confidential.
- 34.3 The obligations of a Party in relation to the maintenance and non-disclosure of confidential information in terms of this Agreement does not extend to information that:-
 - 34.3.1 is disclosed to the receiving Party in terms of the Agreement, but at the time such disclosure and information is known to be in the lawful possession or control of that Party and not subject to an obligation of confidentiality;
 - 34.3.2 is or becomes public knowledge, otherwise than pursuant to a breach of this Agreement by the Party who disclosed such confidential information or through any other negligent or intentional conduct or omission of the Party who disclosed such confidential information; or
 - 34.3.3 is required by the law, rules or regulations of any recognised stock exchange to be disclosed and the Party required to make the disclosure has taken all reasonable steps to oppose or prevent the disclosure, to limit, as far as reasonably possible, the extent of such disclosure and has consulted with the other Party prior to making the disclosure
- 34.4 The Handling Agent shall:-

- 34.4.1 establish and maintain reasonable security measures to safeguard confidential information from access or use not authorised by this Agreement;
- 34.4.2 upon termination of this Agreement, transfer confidential information under its control to the Company; and
- 34.4.3 immediately notify the Company of any suspected or actual unauthorised use, copying or disclosure of confidential information of the Company of which the Handling Agent is aware.

35 Domicilium citandi et executandi

35.1 Each of the Parties chooses domicilium citandi et executandi for purposes of delivery of any notice, payment of any amount, the service of any process and for any other purposes in terms of this Agreement, as follows:

35.1.1 The Company:

The Maples
Riverwood Office Complex
24 Johnson Road
Bedfordview

(Marked for the urgent attention of the Group Executive: Operations Management)

35.1.2 The Handling Agent:

[insert Handling Agent address]

35.2 The Parties agree that any notice, document or process sent by way of e-mail to a Party at the following address, shall be considered as proper delivery/service:

35.2.1 The Company:

E-mail address: **[insert ACSA's e-mail address]**

(Marked for the urgent attention of the Group Executive: Airports Management)

35.2.2 The Handling Agent;

E-mail address: **[insert Handling Agent's e-mail address]**

(Marked for the urgent attention of the Managing Director)

35.2.3 Each of the Parties will be entitled at any time by way of written notice to the other to change the information contained in either or both clauses 35.1 and 35.2. Such change will become effective on the 7th (seventh) day after receipt by the other Party of the notice which is referred to in this clause.

35.3 Any notice in terms of this Agreement must be either:

35.3.1 delivered by hand;

35.3.2 sent by electronic transmission (e-mail).

35.4 A notice in terms of this Agreement will be considered to be duly received:

35.4.1 if hand delivered, on the date of delivery; and

- 35.4.2 if sent by way of e-mail in terms of clause 35.2 on the date of dispatch, unless the contrary is proved.

36 Assignment

The Handling Agent shall not assign, in whole or in part, its obligations to perform under this Agreement and the Carrier Agreement, except with the Company's prior written consent.

37 Restraints

- 37.1 If the Handling Agent is a company whose shares are not listed on a recognised Stock Exchange then:
 - 37.1.1 none of the shares in the Handling Agent shall be transferred or allocated to any person after the Effective Date without the prior written notification to and approval by the Company which approval shall not unreasonably be withheld; and
- 37.2 The Handling Agent may not, without the prior written approval of the Company, which approval shall not unreasonably be withheld:
 - 37.2.1 sell its business or any part thereof;
 - 37.2.2 enter into a management agreement that will influence the management and/or control of the Handling Agent business;
 - 37.2.3 subcontract to an unapproved third party to perform Ground Handling Services or any part thereof.
- 37.3 Should the Handling Agent merge or amalgamate its business with any other ramp handler, which is also granted a Licence to perform Ground Handling Services at the same Airport, (or should their businesses or the conduct thereof be joined in effect as a single entity or as entities closely associated with each other, by virtue of shared control or administration, or financial support or corporate relationship) then the Company reserves the right, after consultation with such ramp handlers, to cancel its agreement with one ramp handler to be agreed upon, and in the event of failure to so agree, such ramp handler will be identified by the Company. In such event, the Company reserves the right to allocate such ramp handler's Licence to a third party, either by way of tender or in such manner as the Company may decide.

38 General

- 38.1 Signature of documents:

The Parties undertake to do all such things as are necessary and to sign all documents from time to time in order to give effect to the terms of this Agreement.
- 38.2 Whole Agreement:
 - 38.2.1 This document and any Schedule hereto contains the entire Agreement between the Parties and neither Party shall be bound by any undertakings, representations or warranties not recorded herein.
 - 38.2.2 No alteration, cancellation, variation of, or addition hereto or revival of this Agreement shall be of any force or effect unless reduced to writing and signed by the Parties or their duly authorised representatives.
- 38.3 Indulgences:

No indulgence, lenience or extension of time which either Party (**the Grantor**) may grant to show to the other (**the Grantee**) shall in any way constitute a waiver of any of the rights of the Grantor, who shall not thereby be precluded from exercising any rights against the Grantee which may have arisen in the past or which might arise in the future.

38.4 No Warranties:

The Handling Agent records that it has not entered into this Agreement by reason of any warranty or representation made to it by or on behalf of the Company, other than as set out in this Agreement.

38.5 Authority:

By signing this Agreement, the signatory for the Handling Agent, if the Handling Agent is a legal person, confirms, on behalf of the Board of Directors of such legal person, that he is duly authorised to enter into this Agreement on behalf of the Handling Agent.

38.6 Value Added Tax:

The Handling Agent shall pay Value Added Tax, calculated on the applicable tariff as from time to time, in addition to any payment to be made in terms of this Agreement.

38.7 Late Payments:

Interest shall accrue on all late payments due to the Company, from due date to date of payment, at the percentage rate charged by Nedbank Limited to its prime clients, plus 2 (two) percentage points.

38.8 Governing Law:

This Agreement shall be construed, and the legal relationship between the Parties determined, in accordance with the Laws of the Republic of South Africa.

39 Agreement binding on successors-in-title

This Agreement shall be binding on the administrators, liquidators, judicial managers and other successors-in-title of the Handling Agent, and any successor-in-title of the Company.

40 Survival of Agreement

Each Party acknowledges and agrees that the undertakings given in relation to confidential information and any other provisions of this Agreement, which by virtue of their nature survive termination, shall survive the termination of this Agreement.

41 Signatures

41.1 This Agreement and Schedules are signed by the Parties on the dates and at the place indicated above their respective names.

41.2 This Agreement and Schedules may be executed in one or more counterparts, each of which shall be deemed an original and all of, which shall be taken together and deemed to be one instrument.

41.3 The signatories to this Agreement warrant that they are duly authorised to sign this Agreement.

THUS DONE AND SIGNED BY THE DULY AUTHORISED REPRESENTATIVE OF AIRPORTS COMPANY SOUTH AFRICA

AT _____ ON _____ IN THE PRESENCE OF THE UNDERSIGNED WITNESSES.

AS WITNESSES:

1. **FULL NAME :**

2. **FULL NAME :**

THUS DONE AND SIGNED BY THE DULY AUTHORISED REPRESENTATIVE OF [INSERT HANDLING AGENT NAME] AT _____ ON _____ IN THE PRESENCE OF THE UNDERSIGNED WITNESSES.

AS WITNESSES:

1. **FULL NAME :**

2. **FULL NAME :**

Schedule 1: Service Levels

- (a) The Handling Agent shall not be entitled to contract on lower service levels than what is contained in this Schedule 1.
- (b) Subject to the provisions of clause (c) below, the Target for each service tabulated in this Schedule 1 shall be maintained by the Handling Agent at all times.
- (c) The service levels stipulated in this Schedule 1 shall at all times be assessed in terms of what is reasonable having regard to the particular circumstances prevailing at the time.
- (d) The service levels below shall be reviewed annually at the discretion of the Company in line with the its operational performance objectives.

1.	General	Target
1.1	Delay hours performance relating to activities controlled by the Handling Agent	5% reduction year on year
1.2	Mishandled baggage - maximum allowed number of mishandled bags per bags handled and, we should aim to improve the IATA recommendation	≤2 per 1000 originating bags ≤2 per 1000 for transfer bags
1.3	Mishandled / incorrect travel documents. In light of aviation security and safety, no allowances will be made for mishandled / incorrect documentation. The Handling Agent must commit to ensuring that at all times travel documents will not be mishandled and incorrect travel documents will not be accepted in processing passengers	≤1 incidents per month on average for the year.

2.	Passenger Handling	Target
2.1	Queue time	
2.1.1	Maximum allowed queuing time at Business Class Counters will be 5 minutes	95%
2.1.2	Maximum allowed queuing time at Economy Class Counters will be 15 minutes	95%
2.2	Gate Functions	
2.2.1	Gate opened/manned prior to boarding time.	10 minutes (international),
		5 minutes (domestic)
2.2.2	Maximum waiting time of passengers in the bus prior to departure to the aircraft.	15 minutes

2.2.3	Activate Go to Gate before boarding commences.	10 minutes (international) 5 minutes (domestic)
2.2.4	Activate the boarding remark and ensure it is displaying as an indication of live boarding. This must be activated on commencement of boarding	100%
2.3	Arrival	
2.3.1	Aircraft to be met by passenger services staff when aircraft door(s) open. Passenger services staff to be at the arrival gate not less than 10 minutes prior to Scheduled Time of Arrival (STA) /Estimated Time of Arrival (ETA)	99% of all arrivals
2.3.2	Arrival services staff (Lost and Found) to be available before passengers arrive in baggage hall.	99% of all arrivals

3.	Ramp Handling	Target %
3.1	Baggage Handling – Arrival	
3.1.1	First bag to be delivered on the carousel within 10 minutes from the chock time of the domestic or international arrival aircraft. Target is percentage of flights handled.	99%
3.1.2	(i) Domestic Arrivals – Last bag to be delivered on the carousel within 20 minutes of arriving aircraft chocks on. Target is percentage of flights handled. (ii) International Arrivals – Last bag to be delivered on the carousel within 30 minutes of arriving aircraft chocks on. Target is percentage of flights handled.	95% 95%
3.1.3	Transfer bags to be delivered to transfer lines within 15 minutes from chock time.	99%
3.2	Baggage Handling – Departure	
3.2.1	Last baggage to be delivered to the aircraft 20 minutes (domestic) and 35 minutes (International) prior to STD/ETD. Target is percentage of flights handled.	99%
3.3	Ramp – Arrival	
3.3.1	Appropriate Ground Support Equipment ("GSE") to be available at the parking bay 10 minutes before expected time of arrival ("ETA"). Target is percentage of flights handled	99%
3.3.2	The Handling Agent to conduct a pre-arrival Foreign Object Debris ("FOD") inspection and clearance of parking bay 10 minutes before ETA and if required acknowledge this on the Automatic Docking System.	100%
3.3.3	Steps / Airbridge to be positioned within 2 minutes of chock time. Target is percentage of flights handled.	99%
3.3.4	Buses to be at parking bay 5 minutes prior to ETA. Target is percentage of flights handled	99%
3.4	Ramp – Departure	
3.4.1	Pushback equipment to be available 10 minutes prior to STD/ETD.	99%

3.4.2	Buses to be available at departure gates 10 minutes prior to boarding commencement.	99%
3.4.3	Passenger Assistance Unit ("PAU"), for passengers, to be available 10 minutes prior to boarding commencement.	99%
3.4.4	The Handling Agent to conduct a full FOD inspection and clear parking bay 5 minutes prior to push back	100%
4.	Safety	Target
4.1.	The Handling Agent shall not exceed more than 1 aircraft ramp incident per 10 000 air traffic movements.	≤1 aircraft ramp incident per 10 000 movements
4.2	The Handling Agent shall not exceed more than 0.8 vehicle/equipment ramp incidents per 1000 air traffic movements	0.8 vehicle/equipment ramp incidents per 1000 movements
4.3	The Handling Agent shall not exceed more than 24 number of non-compliances to ASOP's.	≤ 24 per year

Schedule 2: Transformation Plan

[insert]

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Schedule 3: Offences and Penalties

In accordance with the provisions of clause 29, the Handling Agent shall incur the penalties for each offence committed as set out in this Schedule 3.

Offence	Penalty per event
Baggage Pilferage	R5000
Dropping passengers at the incorrect passenger terminal	R5000
Storage or parking of vehicles and equipment at unauthorised locations	R5000
Employing part time staff in excess of 10% of the Handling Agent without prior approval by the company as per clause 10.17	R5000

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Schedule 4: Security Management Plan

[insert]

DRAFT

Schedule 5: Safety Management Plan

[insert]

DRAFT

Schedule 6: Quality Management Plan

[insert]

DRAFT

Schedule 7: Environmental Management Plan

[insert]

DRAFT

Schedule 8: Maintenance Plan

[insert]

DRAFT

Schedule 9: Baggage Pilferage Prevention Plan

[insert]

DRAFT

Schedule 10: Crime Prevention Plan

[insert]

DRAFT