

IATA STANDARD GROUND HANDLING AGREEMENT

STANDARD GROUND HANDLING AGREEMENT - SIMPLIFIED PROCEDURE
Annex B 1.0 – Locations, Agreed Services and Charges

To the Standard Ground Handling Agreement (SGHA) of January 2018 (the "**Main Agreement**")

Between: **Aerotransportes Rafilher S.A. de C.V. dba Aerus**

Having its principal office at: Carretera a Mexico 120, San Luis Potosi, 78390,
San Luis Potosi, Mexico

Hereinafter referred to as: (the "**Carrier**")

And: **The Laredo International Airport**

Having its principal office at: 5210 Bob Bullock Loop, Laredo, TX 78041

Hereinafter referred to as: (the "**City**")

The Carrier and the City may hereinafter be referred to as a "**Party**" or collectively as the "**Party(ies)**"

Effective from:

This Annex B1.0 for the location(s): (the "**Designated Airport(s)**") Is

valid from: November 1st 2024, 2024 to November 1st, 2026.

PREAMBLE:

This Annex B 1.0 (this "**Agreement**" or "**Annex B**") is prepared in accordance with the simplified procedure whereby the Parties agree that the terms of the Main Agreement and Annex A of the SGHA of **January 2018** as published by the International Air Transport Association ("**IATA**") shall apply as if such terms were repeated here in full. By signing this Annex B 1.0, the Parties confirm that they are familiar with the Main Agreement and Annex A.

PARAGRAPH 1 - HANDLING SERVICES AND CHARGES

1.1 For a single ground handling consisting of the arrival and the subsequent departure at agreed timings of the same aircraft, the City shall provide the following services (collectively the "**Services**") of Annex A non-exclusively and at the following rates:

1.1.1 Enumeration of Services:

Passenger and Ramp Handling Services

SECTION 1. MANAGEMENT FUNCTIONS

1.1 Representation

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

1.2 Administrative Functions

- 1.2.3 Prepare, forward, file and retain for a period specified in the Annex B, messages/reports/statistics/documents and perform other administrative duties in the following areas:
 - (a) station administration
 - (b) passenger services;
 - (c) ramp services;
 - (d) load control;
 - (e) flight operations
 - (h) support services
 - (i) Security;
- 1.2.4 Maintain the Carrier's manuals, circulars, and other operational documents connected with the performance of the Services.

1.3 Supervision and/or Co-ordination

- 1.3.1 (a) Supervise
 - (b) Co-ordinateServices contracted by the Carrier with third party(ies)
- 1.3.3 Ensure that third party(ies) is(are) informed about operational data and Carrier's requirements in a timely manner.
- 1.3.4 Liaise with the Carrier's designated representative
- 1.3.5 Verify availability and preparedness of personnel, equipment, loads, documentation of third party(ies)
- 1.3.6 Meet aircraft upon arrival and liaise with crew
- 1.3.7 Decide on non-routine matters
- 1.3.8 Verify dispatch of operational messages
- 1.3.9 Note irregularities and inform the Carrier

1.4 Station Management

- 1.4.8 Handle the contents of the Carrier's company mail pouches.

SECTION 2. PASSENGER SERVICES

2.1 General

- 2.1.1 Inform passengers and/or public about time of arrival and/or departure of Carrier's aircraft and surface transport.
- 2.1.2 Make arrangements for, transfer and transit passengers and their baggage and inform them about services available at the airport
- 2.1.3 When requested by the Carrier:
 - Arrange for special equipment, facilities and specially trained personnel, for assistance to
 - 1. persons with reduced mobility (PRMs)
 - 2. VIPs
 - 3. transit without visa passengers (TWOVs)

- 4. deportees
- 5. other, as specified in Annex B

- 2.1.4 (a) Provide passenger assistance when flights are interrupted, delayed or cancelled. Such assistance shall include:
- 1. Meal vouchers and meals
 - 2. Rebooking
 - 3. Personnel

- (b) Arrange for
- 4. Transportation (using Carrier's vouchers)
 - 5. Hotel accommodation (using Carrier's vouchers)

Services provided under Section 2.1.4 (b) shall be at the Carrier's expense. Should the City be requested to provide such services, the Carrier shall train the City's personnel on conducting said services.

- 2.1.5 (a) Notify the Carrier of complaints and claims made by the Carrier's passengers.
(b) Process such claims, as specified in Annex B
- 2.1.6 Report to the Carrier any irregularities discovered in passenger and baggage handling.
- 2.1.7 (a) Provide
(b) Arrange for
- 1. check-in counter(s)
 - 2. service counter(s)
 - 3. set up of Carrier specific items, such as but not limited to carpets, mobile signage, queuing control stanchions (subject to airport regulations/restrictions)
- 2.1.8 Perform the following ticketing/sales functions
- (a) reservations
 - (b) issuance of transportation documents
 - (c) ancillary services
 - (d) e-ticketing
 - (e) other, as specified in Annex B

2.2 Departure

- 2.2.2 Check and ensure that tickets are valid for the flight(s). (The check shall not include the fare) at the following locations:
- (a) check-in area
 - (d) gate
- 2.2.3 (a) Check travel documents for the flight(s) concerned within the booking. The City shall be liable for Immigration fines in the following cases:
- 1. Expired Passports/Visas or Passports/Visas without the minimum required validity at the day of entry
 - 2. Non-Existence of Visa/Necessary Travel Document required by destination or transit station(s). (Excluding passports damaged or missing at point of transit or entry).

In the event that the City does not have access to information that verifies visa validities and entry conditions for the passenger's final destination and transit point(s), the City will not have liability.

The City shall not be liable for immigration fines in the event of non- bona fide travel documents or other events, which are outside of their control. In the event an immigration fine is announced or raised against the Carrier, the Carrier will make available to the City all supporting documents to investigate the matter.

(b) Enter passenger and/or travel document information into Carrier's and/or government system at the following locations:

1. check-in area
2. gate

- 2.2.4 (a) Weigh and/or measure checked and/or cabin baggage
(b) Record baggage figures

For

1. initial flight
2. subsequent flight(s)

At the following locations:

- (i) check-in area
- (iv) gate

- 2.2.5 Excess baggage

- (a) Determine excess baggage
- (b) Issue excess baggage ticket
- (c) Collect excess baggage charges
- (d) Detach applicable excess baggage coupons

At the following locations:

1. check-in area
2. gate

- 2.2.6 Tag

- (a) checked baggage
- (b) cabin baggage

For

1. initial flight
2. subsequent flight(s)

at the following locations:

- (i) check-in area
- (iv) gate

- 2.2.7 Effect conveyance of checked baggage to the baggage sorting area at the following locations:

- (a) check-in area
- (b) gate

- 2.2.8 Effect conveyance of Out of Gauge (OGG) checked baggage to the baggage sorting area at the following locations:

- (a) check-in area
- (b) gate

- 2.2.9 Collect airport and/or any other service charges from departing passengers at the following locations:
 - (a) check-in area
 - (b) gate
- 2.2.10 (a) Carry out the Carrier's seat allocation or selection system
 - (b) Issue boarding pass(es)
 - (c) Detach applicable flight couponsFor
 - 1. initial flight
 - 2. subsequent flight(s)At the following locations:
 - (a) check-in area
 - (b) gate
- 2.2.12 Direct passengers
 - (a) through controls to departure gate
- 2.2.14 Handle standby list
 - At the following locations:
 - (a) check-in area
 - (d) gate
- 2.2.15 At the gate perform
 - (a) verification of cabin baggage
 - (b) boarding process
 - (c) reconciliation of passenger numbers with aircraft documents prior to departure
- 2.2.16 (a) Collect
 - (b) Reconcile
 - (c) Handle and forward to CarrierTransportation documents (flight coupons, or other flight related documents) uplifted from departing passengers
- 2.2.17 Perform post-flight editing

2.3 Arrival

- 2.3.1 (a) Perform
 - (b) Arrange forOpening/closing of aircraft passenger doors
- 2.3.2 Direct passengers
 - (a) from aircraft through controls
- 2.3.3 (a) Provide
 - 3. baggage recheck
- 2.3.4 Handle lost, found and damaged property matters.
 - (a) Provide
 - 1. acceptance of baggage irregularity reports
 - 2. entering of data into baggage tracing system
 - 3. maintaining and monitoring baggage tracing system files for period specified in Annex B
 - 6. handling of communications with passengers

- (b) Arrange for
- 5. delivery of delayed baggage to passengers

SECTION 3. RAMP SERVICES

3.1 Baggage Handling

- 3.1.1 Handle baggage in
 - (a) baggage sorting area
- 3.1.4 Prepare for delivery onto flights
 - (a) bulk baggage
- 3.1.5 Establish the number and/or weight of
 - (a) bulk baggageand provide the load control unit with the information
- 3.1.6 Offload
 - (a) bulk baggage
- 3.1.7 Deliver to claim area
 - (a) baggage
 - (b) Out of Gauge (OGG)
- 3.1.9 Handle crew baggage

3.2 Marshalling

- 3.2.1 (a) Provide
 - Marshalling at arrival and/or departure
- 3.2.2 Operate automated guidance systems

3.3 Parking

- 3.3.1 (a) Provide
 - (b) Position and/or removeWheelchocks
- 3.3.2 (a) Provide
 - (b) Position and/or remove6. Safety cones
- 7. other items, as specified in Annex B

3.4 Ancillary Items

- 3.4.1 (a) Provide
 - (c) Operate1. Ground power unit (*at additional charge*)

3.6 Loading and Unloading

- 3.6.4 (a) Provide
 - delivery and pick-up of
 - (1) Baggage
 - (2) Mobility devicesat aircraft doors or other agreed points
- 3.6.5 (a) Provide
 - Assembly and transport of
 - 1. Baggagebetween agreed points on the airport
- 3.6.6 (a) Unload aircraft, returning lashing materials to the Carrier
 - (b) Segregate loads at the aircraft
 - (c) Load and secure Loads in the aircraft
 - (d) Redistribute Loads in aircraft
 - (f) Report final load distribution to the Load Control Unit
- 3.6.7 Open, close and secure aircraft hold doors

- (a) aircraft lower deck

3.7 Safety Measures

- 3.7.1 (a) Provide
 - 1. Portable fire extinguisher on motorized/self-propelled ramp equipment
 - (b) Arrange for
 - 1. attendance of airport fire services at aircraft
 - 2. ramp fire extinguisher
 - 3.7.2 Perform visual external safety/ground damage inspection of
 - (a) doors and panels and immediate surroundings
 - (b) other inspection items, as specified in Annex B
 - 1. immediately upon arrival
 - 2. immediately prior to departure
- And communicate the results to flight crew or Carrier's representative
- 3.7.3 Check that all doors and access panels are properly closed and locked

SECTION 4. LOAD CONTROL AND FLIGHT OPERATIONS

4.1 Load Control

- 4.1.2 (a) Process
- (b) Sign
 - Documents and information, including but not limited to, loading instructions, load and trim sheets. Captain's load information and manifests where:
 - 2. The City is performing inputs/updates when Load Control is performed by the Carrier or third party

4.2 Communications

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

4.3 Flight Operations

- 4.3.1 Inform the Carrier of any known project affecting the operational services and facilities made available to its aircraft in the areas of responsibility as specified in Annex B.
- 4.3.2 (b) Arrange for
 - Meteorological documentation and aeronautical information
 - 1. at the airport location, as defined in Annex B.
- 4.3.3 (a) Provide
 - Delivery of flight operations related documentation to the aircraft and obtain signature of the pilot-in-command, where applicable
 - 1. at the airport location as defined in Annex B

SECTION 6. SUPPORT SERVICES

6.2 Automation/Computer Systems

- 6.2.1 (c) Operate
 - computer hardware and other equipment (if specified in this Annex B) to enable access to:
 - 1. The Carrier's system
 - 3. Other system
- 6.2.2 Perform the following functions in

- (a) The Carrier's system for
 - 1. Training
 - 3. Passenger service
 - 4. Baggage reconciliation
 - 5. Baggage tracing
 - 6. Operations, load control
 - 4. Baggage reconciliation
- (c) Other system
 - 5. Baggage tracing

6.5 Ramp Fuelling/Defuelling Operations

6.5.1 Liaise with ramp fuel suppliers

SECTION 7. SECURITY

7.1 Passenger and Baggage Screening and Reconciliation

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

7.4 Ramp

- 7.4.1 (a) Provide
 - Control of access to
 - 1. aircraft
 - 2. designated areas

1.1.2 Passenger and Ramp Handling Services

The rates for Passenger and Ramp Handling Services are based on the expected flight activity on the effective date of this Annex B as provided by the Carrier. For the performance of the Carrier's requested services listed in Sub-Paragraph 1.1.1 for its scheduled flight(s), consisting of the arrival and subsequent departure of the same aircraft within agreed timings, the City will charge the Carrier a flat fee of Two Hundred and Ninety Five Dollars (\$295.00) per flight that will be serviced Monday thru Sunday.

The charges as per this Paragraph 1.1.2 are subject to flights operating within sixty (60) minutes of the scheduled time of arrival or departure. Any flight not operating within sixty (60) minutes of the scheduled time of arrival or departure are subject to surcharges in accordance with Paragraph 2 of this Annex B.

PARAGRAPH 2 ADDITIONAL CHARGES

- 2.1 No manpower, equipment and/or services requested by the Carrier over and above that necessary to carry out the services set forth in Sub-Paragraph 1.1 shall be provided.
 - 2.1.1 Should any additoinal services be required by the Carrier, an additional charge of \$300 per occurance will be added to the flat fee described in Section 1.1.2.
- 2.2 No extra charges shall be made for providing the Services at night, during peak hours, on legal holidays, weekends, turnarounds or overnight stops. Should the Carrier need to change the approved Schedule, the Carrier must advise the City one month in advance before implementing changes.
- 2.3 **Technical Landings.** Handling in case of technical landing for other than commercial purposes shall be charged at fifty percent (50%) of the basic turnaround rates, provided that a physical change of load is not involved.
- 2.4 **Return to Ramp.** Handling in case of return to ramp for the first sixty (60) minutes will not be charged extra, provided that a physical change of load is not involved. For any time thereafter, additional labor hours shall apply per Sub-Paragraph 2.1. For handling in case of return to ramp where a physical change of load is required, an additional 50% of the applicable turn rate shall be charged.
- 2.5 **Aircraft Inop.** In the event of an AOG situation requiring additional hours, the City will administer its duties in respect of the Carrier's aircraft. In this event, the City will charge an overtime rate as listed in sub-paragraph 2.1 if the aircraft remains grounded more than one (1) hour beyond scheduled departure time.
- 2.6 **Canceled Flights.** If less than 12 hours' advance notice is received, fifty percent (50%) of the above rates shall apply. Flight cancellations will not be charged when notice is provided 12 hours in advance.
- 2.7 **Delayed Flights.** Should any flight be delayed over sixty (60) minutes beyond its originally scheduled operating time, the Carrier shall be charged for the additional labor involved in addition to the basic turnaround rate. Labor rates as provided in Sub-Paragraph 2.1 shall be applied for the additional labor involved in physically performing the services after a grace period of the first sixty (60) minutes of delay.

PARAGRAPH 3 - ADDITIONAL SERVICES AND CHARGES

- 3.1 All services required and/or requested by the Carrier which are not included in Paragraph 1 or Paragraph 2 of this Annex B are subject to prior written approval of the Carrier, including with respect to the cost of such services, and will be invoiced on the basis of current local rates.

PARAGRAPH 4 - DISBURSEMENTS

- 4.1 Any disbursement made by the City shall be reimbursed by the Carrier at cost price plus ten percent (10%) provided that the disbursement was incurred properly in the provision of the Services for the Carrier. The City will provide the supportive documentation with the invoice.

PARAGRAPH 5 - STANDARD OF WORK

- 5.1 The City shall perform the Services in a good and workmanlike manner, using duly qualified, trained and skilled personnel. In addition to Sub-Article 1.1 and Article 3 of the Main Agreement, the City represents and warrants that its employees and third parties upon whom the City rely to perform the Services, have the capacity, including necessary personnel, equipment and supplies, to perform all their obligations to the Carrier.
- 5.2 In addition to the other requirements of this Annex B, the City's equipment shall be maintained by the City in accordance with all applicable standards and manufacturers' specifications.
- 5.3 The City shall possess and maintain at its sole expense all applicable regulatory certifications and approvals.

PARAGRAPH 6 - ACCOUNTING AND PAYMENT TERMS

- 6.1 Notwithstanding Sub-Article 7.1 and 7.2 of the Main Agreement, the City shall submit invoices twice per month (on the sixteenth day of the month and the first day of the following month) with the charges arising from the provision of the services provided under this Annex B, which shall be payable within fifteen (15) days after date of receipt of invoice. Requirements for Carrier station review, and approval of the invoice shall not extend the payment period
- 6.2 The City shall review the credit terms in six (6) months from the effective date of this Annex B, based on successful payment record. Upon such review, the City, in its sole discretion, may amend the payment terms and monthly invoice.

The City's payment instructions are the following:

BANK:

BANK ADDRESS:

ABA# for ACH:

ACCOUNT#:

BENEFICIARY:

SWIFT:

Payment Remittance to:

- 6.3 The City shall submit invoices and supportive documentation to the Carrier via email to: hiram.trevino@flyaerus.com, ever.murillo@flyaerus.com
Carrier's address for invoicing shall be as follows:

Aerotransportes Rafilher S.A. de C.V.
VAT No. : ARA900320NF4
Carretera a Mexico 120, San Luis Potosi, 78390,
San Luis Potosi, Mexico
Attn: Ever Murillo
Email: ever.murillo@flyaerus.com

- 6.3 It is acknowledged that all amounts due hereunder are specified in and shall be payable in local currency (USD).
- 6.4 All fees payable by the Carrier to the City for Services pursuant to this Annex B are exclusive of any applicable state sales and use taxes or any similar taxes (collectively "**Taxes**"). Where applicable, the City shall be responsible for charging, collecting and remitting applicable Taxes to the appropriate taxing authority. The Carrier shall be responsible for paying applicable Taxes. Any applicable Taxes shall be disclosed and itemized separately on invoices issued to the Carrier by the City. Neither Party shall be responsible for the payment of any taxes imposed on the gross or net income and/or gross or net receipts of the other Party, or taxes which are capital, property, doing business, excess profits, net worth, franchise or other similar taxes (including any interest and penalties thereon) of the other Party.
- 6.5 **Airport Concession fees**, when applicable, shall be passed through to the Carrier as a separate line item on the invoice.
- 6.6 **Billing Disputes.** If Carrier disagrees with any item(s) on City's submitted invoice, Carrier shall promptly communicate in writing to the City the item(s) under dispute within five (5) days of date of said invoice. Carrier may withhold only that disputed amount, and Carrier shall pay all items not under dispute in accordance with this Paragraph. Carrier and the City shall make good faith efforts to resolve all disputed items in a prompt manner, and Carrier shall pay such disputed amounts within ten (10) days of resolution. Both Parties will work diligently to resolve all such disputes within fifteen (15) days.
- 6.7 **Late Fee.** Any amount payable under this Agreement that is not paid when due will thereafter bear interest until paid or repaid, as the case may be, at a rate of interest that in no event will exceed the maximum rate of interest allowed by applicable law, but otherwise will be equal to two percent (2%) per annum more than the United States Prime Rate as of the date such amount was due.

PARAGRAPH 7 - NOTIFICATION

- 7.1 All notices required or permitted by this Agreement shall be in writing. Notice shall be deemed to have been duly given: when received, if personally delivered or delivered by a nationally recognized overnight delivery service with subsequent tracking confirmation; when transmitted, if transmitted by electronic fax, telecopy, e-mail or similar electronic transmission method (provided customary evidence of receipt is obtained); and five (5) days after it is sent, if mailed first class U.S. Mail, postage prepaid. In each case, notice shall be sent to the Parties at the addresses set forth below:

The Carrier:

**Aerotransportes Rafilher S.A.
de C.V. AGI Ground, Inc.**

Attn: Ever Murillo, CFO

Carretera Miguel Aleman Kilometro 24
Apodaca, Nuevo Leon
C.P. 66600, Mexico

Email: ever.murillo@flyaerus.com

The City:

Laredo International Airport

Attn: Office of the Airport Director

5210 Bob Bullock Loop
Laredo, TX 78041

Email: gsanchez@ci.laredo.tx.us

PARAGRAPH 8 - GOVERNING LAW

- 8.1 In accordance with Article 9 of the Main Agreement, this Annex B shall be governed by and interpreted in accordance with the laws of the State of Texas.
- 8.2 In accordance with Article 9 of the Main Agreement, courts for the resolution of disputes shall be the Courts of the State of Texas.
- 8.3 In addition to the requirements specified in Sub-Article 1.1 of the Main Agreement, the City shall comply at all times with all applicable laws during the term of this Agreement (including, without limitation, any applicable data privacy and anti-bribery and corruption laws).

PARAGRAPH 9 - DURATION, MODIFICATION AND TERMINATION

- 9.1 This Annex B shall be effective from November 1st 2024, and continue for two (2) years until November 1st, 2026, and shall remain in full force and effect thereafter on a month-to-month basis unless terminated by either party by giving at least 30 days' written notice.
- 9.2 Notwithstanding sub-paragraph 9.1 above, either Party may terminate this Agreement at any time upon providing the other Party with sixty (60) days' written notification, without any further liability, except for the Carrier's payment for Services provided prior to termination.
- 9.3 Notwithstanding Sub-Articles 11.4 and 11.5 of the Main Agreement, if, in the opinion of the Carrier, the City fails meet its obligations contained in this Agreement, upon written notice from the Carrier stating that the City is in breach of this Agreement and detailing the nature of the default, the City must remedy such default within thirty (30) days of such notification. Where the City fails to remedy such breach within the cure period outlined in the Carrier's notice, the Carrier reserves the right to terminate this Annex B, upon providing the City with a thirty (30) day written notice of termination.
- 9.4 Any modification or amendment of this Annex B must be made by written amendment signed by both Parties.

Minimum Wage/Living Wage Ordinances. Notwithstanding any provision to the contrary in this Agreement, in the event the City becomes subject to applicable Federal, State, local laws, regulation, or ordinances related to the required wages, taxes or benefits to be paid in the employment of its personnel performing the services during the term of this Agreement, and such laws, regulation or ordinances cause an increase in the City's direct manpower costs of performing the Services to the Carrier, then the City shall increase handling charges at a rate equal to the increased cost of labor. For example, if the labor rate increases by 1%, the handling charges increase by 1%.

The Carrier shall automatically accept the increase upon receiving written notification by the City.

- 9.5 If, during the term of this Annex B, there is a change in any of the Carrier's requirements that materially affects the City's cost structure, the Carrier agrees to enter into good faith negotiations with the City for an adjustment in the City's charges, as set forth in this Annex B. Such negotiations shall be based only on the recovery of the City's costs of such changes.
- 9.6 Each Party has the right to request a price adjustment should there be any material changes to the Carrier's flight schedule, aircraft type, frequency, or other material changes to the required handling process.

PARAGRAPH 10 - LIABILITY, INDEMNITY AND INSURANCE

10.1 INSURANCE

Prior to the conduct of its business Operations on the premises, Carrier, at its sole expense, shall obtain and cause to be kept in force at all times during the term of this Agreement, liability insurance issued by a company or companies of sound and adequate financial responsibility authorized to do business in the State of Texas, by policies meeting the requirements of the laws of the State of Texas a general commercial liability policy of insurance or similar policy as described and agreed to in Article 10 of the Airline Lease Agreement between the City and the Carrier.

10.2 CERTIFICATES AND DUPLICATES OF INSURANCE

Certificates, in duplicate, of all insurance coverage required of the Carrier shall be filed with the City. Such Certificates shall provide therein that the policies of insured referred to in such certificates shall not be subject to cancellation by insured except after delivery of written notice by certified mail to the City at least thirty days prior to the effective date of cancellation. In such event the Carrier shall procure the insurance required by this Agreement prior to the cancellation of the existing insurance policy(s). The Carrier shall provide the City with all certificates of insurance complying with this Agreement.

10.3 RIGHTS AND REMEDIES OF LESSOR

Should the Carrier fail or refuse to obtain and keep in full force and effect the insurance required by this section, the City may either cancel this Agreement or suspend Carrier's rights hereunder.

The City reserves the right to increase the amounts of insurance coverage described in Article 10 of the Airline Lease Agreement between the City and the Carrier, and to require any additional riders or provisions in said policies or certificates as shall be considered reasonably necessary by the City and consistent with the terms and conditions of the Airline Lease Agreement, provided, however, that the City may only exercise its right under the foregoing upon six (6) months' notice to the Carrier and any such change must be in line with requirements at comparable facilities at comparable airports and, in any event, not more burdensome than applicable to comparable tenants at the Airport.

10.5 NON-LIABILITY OF LESSOR FOR THIRD PARTIES

The City shall not in any event be liable to the Carrier for any acts or omissions of, or for any condition resulting from, the operations or activities of any third person, firm, corporation, or the agents, servants, employees or independent contractors of any such person, firm or corporation, that results in injury, loss or damage to the Carrier or to any other person, or loss or damage to any personal property installed or stored on the leased premises.

10.4 INDEMNIFICATION OF CITY

Carrier shall keep and hold harmless the City, its officers, agents, servants, and employees from any and all costs, liability, damages and expenses including, costs of suit and reasonable expenses of legal services, claimed or recovered by anyone by reason of injury to or death of any person or persons and damage to, destruction or loss of use of property caused by or resulting from any act or omission of Carrier, its agents, servants, employees, or contractors, excepting such liability as may be proximately caused by the acts or omission of City. Provided, however, that upon the filing by anyone of a claim against City for damages arising out of incidents for which Carrier herein agrees to indemnify and hold City harmless, City shall notify Carrier of such claim within 10 days of receipt of same. In the event that Carrier does not settle or compromise such claim, then Carrier shall undertake the legal defense of such claims both on behalf of Carrier and on behalf of the City.

It is specifically agreed, however, that City, at its option, may have its personal counsel participate in the legal defense of any such claim-However, Carrier is not responsible for any such cost associated herewith. Carrier or its insurance carrier has the right to choose counsel for City. Any final judgment rendered against City for any cause for which Carrier is liable hereunder shall be conclusive against Carrier as to liability and amount upon the expiration of the time appeal. In addition to Carrier's undertaking, as stated in this Section, and as means of further protecting City, its officers, agents, servants, and employees, Carrier shall at all times during the term of this Agreement obtain and maintain in effect the insurance coverage required under the provisions of this Article hereof City shall in no way compromise the defense of any claim or lawsuit.

PARAGRAPH 11 - TRAINING

- 11.1 The Carrier shall provide all training of the City's personnel as may be required in connection with the provision of the services hereunder. The training location shall be Brownsburg International Airport or its immediate vicinity.

- 11.2 The City shall be responsible for the expenses and compensation of its personnel while they are in training. There shall be no charge to the Carrier for time spent in training by City's personnel.

PARAGRAPH 12 - AREA OF RESPONSIBILITY

- 12.1 In the absence of technical instructions from the Carrier, the City shall promptly seek such technical instructions from the Carrier and shall take no action pending receipt of such technical instructions.
- 12.2 The City will not be held responsible for any flight delay resulting from a lack of technical instructions from the Carrier.
- 12.3 It is mutually agreed and understood that the responsibility for ensuring the terms and conditions in this Agreement are acceptable to the appropriate authorities resides with the Carrier.
- 12.4 The Carrier expressly acknowledges and agrees that under no circumstances shall the City assume responsibility for the airworthiness of the Carrier's aircraft receiving Services under the terms of this Annex B, provided the aircraft is loaded and/or handled as per the Carrier's instructions.

PARAGRAPH 13 - INDEPENDENT CONTRACTOR

- 13.1 The relationship between the Carrier and the City shall be that of independent contractors for all purposes and in no event shall persons employed or retained by either party, irrespective of the type of uniform worn, be held or construed to be employees or agents of the other. All persons performing work hereunder and the manner and details of performance thereof shall be under the exclusive control of the City and City shall have the sole right to direct such persons.

PARAGRAPH 14 - FORCE MAJEURE

- 14.1 Neither Party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments to the other party hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the affected party's reasonable control, including, without limitation: (a) acts of God; (b) flood, fire, earthquake, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (d) government order or law; (e) actions, embargoes, or blockades in effect on or after the date of this Agreement; (f) action by any governmental authority; and (h) strikes, labor stoppages or slowdowns, or other industrial disturbances (each such event, a "Force Majeure Event"). The party suffering a Force Majeure Event shall give notice within five (5) days after the Force Majeure Event has occurred to the other party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized.

PARAGRAPH 15 – COUNTERPARTS

15.1 This Annex B may be executed in one or more counterparts (including via electronic signature, pdf or fax copies) at the same or at different times and such counterparts as are so executed shall together form one original agreement and shall be read together and construed as if all the signing parties hereto had executed one copy of this Annex B at the same time.

Date Signed: October 24th 2024

Date Signed: _____

At Monterrey, NL, Mexico

At Laredo, TX

On behalf of (The Carrier)

On behalf of (The City)

**AEROTRANSPORTES RAFILHER S.A.
DE C.V.**

**CITY OF LAREDO, A MUNICIPAL
CORPORATION**

By:  _____

By: _____

Name: Javier Herrera

Name: Joseph W. Neeb

Title: CEO

Title: City Manager