

IATA STANDARD GROUND HANDLING AGREEMENT

SIMPLIFIED PROCEDURE

Annex B 2.0 - Location, Agreed Services and Charges

to the Standard Ground Handling Agreement (SGHA) of January 2004

between: **Lufthansa Cargo AG**
having its principal office at: Langer Kornweg 34i
65451 Kelsterbach
Germany
(hereinafter referred to as "the Carrier")

and: **Transaereo Ltda**
having its principal office at: Calle 100 # 8A-49, Torre B, Piso 8
A.A. 250.018
Bogota, Colombia
(hereinafter referred to as "the Handling Company")

This Annex B 2.0

for the location: El Dorado International Airport (BOG)

is valid from: March 1st, 2009

in connection with: Appendix 1 - Quality

and replaces: All previous Annexes

PREAMBLE:

This Annex B is prepared in accordance with the simplified procedure whereby the Carrier and the Handling Company agree that the terms of the Main Agreement and Annex A of the SGHA of January 2004 as published by the International Air Transport Association shall apply as if such terms were repeated here in full. By signing this Annex B, the parties confirm that they are familiar with the aforementioned Main Agreement and Annex A.

Paragraph 1 - Services and Charges

The Handling Company shall provide the following services of Annex A at the charges stated under subparagraph 1.2:

1.1 Services:

- Section 1: 1.1.1 / 1.1.2 / 1.1.3 / 1.1.4
1.2.1 / 1.2.2 / 1.2.3 / 1.2.4 / 1.2.6
- Section 4: 4.1.1 (Cargo Documents) / 4.1.2 (a,c) (Captains Load information and Cargo Manifest) / 4.1.3
4.2.1 / 4.2.2
- Section 5: 5.1.1 (a) (1,2,3,4) (c) / 5.1.2 (a) (1,2,3,4) / 5.1.3 (a) (1,2,3,4,5,6,7) / 5.1.4 / 5.1.5
5.2.1 / 5.2.2 (c) / 5.2.3 / 5.2.4
5.3.1 / 5.3.2 / 5.3.3 / 5.3.4 (a, b) / 5.3.5
5.4.1 / 5.4.2 / 5.4.3 (a) (1, 2)
5.5.1 / 5.5.2 / 5.5.3 / 5.5.4 / 5.5.5 / 5.5.6
5.6.1 / 5.6.2 / 5.6.3 (a) (1) / 5.6.4
5.7.1 / 5.7.2 / 5.7.3 (a) / 5.7.4 (a) (to be charged at cost price; on special request only) / 5.7.5 / 5.7.6 / 5.7.7 / 5.7.8 (a,b) / 5.7.9 / 5.7.10 / 5.7.11
- Section 6: 6.2.1 (a, c) (1) / 6.2.2 (a) (1, 6, 7 booking updates only, 8, 10)
6.3.1 (a) (2) / 6.3.2 / 6.3.3 (a) (weekly) (b) / 6.3.4 / 6.3.5
6.7.1 (a) (3,4),(5 - cargo documents) (b,c) / 6.7.2
Annotation: 6.3.2 The responsibility to prevent ULD theft and any illegal activities around the ULD lies with the carrier's hired security company.
- Section 7: 7.2.1 (a) (1, 4, 5)
7.5.1 (Security infrastructure, see paragraphs 2.18 and 2.19)

1.2 Charges

Export-, Import-, Transit-, Transfer-Cargo and Mail:

Up to 250,000 kg/month	USD 0.059 per kg
250,000 to 500,000 kg/month	USD 0.052 per kg
Above 500,000 kg/month	USD 0.049 per kg
Security Infrastructure Fee	USD 7.00 per AWB
ULD Transport to OAL facilities	USD 15.00 per ULD

Paragraph 2 - Additional Services

- 2.1 The Handling Company will perform handling of special cargo such as VAL/VUN-Cargo as directed by the Carrier. The Handling Company shall follow the VAL/VUN procedures and processes as communicated by the Carrier.
- 2.2 The Handling Company shall perform special handling of PER-shipments.
- 2.3 The Handling Company shall use plastic sheeting for all build-up pallets to protect cargo from weather. Plastic sheeting and all other type of loading materials shall be provided by the Carrier.
- 2.4 In case import shipments are found in bad condition the Handling Company shall re-tape them and complete the required reports i.e. CDS (Cargo Damage Survey) and Statement of Facts.

- 2.5 AWB data capture will be performed by the Handling Company on behalf of the Carrier at no additional cost. The Handling Company shall not be liable for any customs fines arising from wrong documentation issued by the Carrier, its agents, its customers or its suppliers. Nor will the Handling Company be held responsible for any untimely delivery of documentation by the Carrier, discrepancies between actual weights and reported weights in the transportation documents, arrival of cargo without documents, missing cargo, and other mistakes created by the Carrier, its agents, its customers or its suppliers, neither for the wrong, missing, or incomplete input of data in the Colombian Customs system by the Carrier, its agents or its suppliers other than the Handling Company.
- 2.6 In addition to Sub-Section 5.3.4 (a) the Handling Company shall notify the Carrier of all complaints and claims submitted to the Handling Company, giving supporting data within a reasonable time period after receipt of such complaint or claim.
- 2.7 No extra charges will be made for providing the services at night, on weekends and legal holidays or for overtime labor. The Handling Company may charge for overtime labor only with prior written authorization of the Carrier's representative.
- 2.8 All storage procedures shall comply with all IATA, ICAO, and the Carrier's regulations.
- 2.9 The Handling Company shall provide disposition of ULDs as directed by the Carrier.
- 2.10 The Handling Company shall provide telephone equipment and telephone lines at no costs.
- 2.11 DGR checks are performed by the Handling Company at 50 % of the published LCAG DGR Check Fee.
- 2.12 The scale used for establishing the weight of each shipment shall be calibrated every 6 (six) months and a report shall be sent to the Carrier when requested.
- 2.13 The Handling Company shall collect on behalf of the carrier all Freight Charges Collect ("CC-Charges") and transmit same to the carrier in accordance with the Carrier's Cash and Credit Policy. \ The Handling Company shall prepare Counter Sales Report (CSR) and submit the report to the Carrier (MEX GB / SAO FG-Z).
- 2.14 Agreed rates do not include airport concession fees or airport taxes (other than the taxes referred to in paragraph 2.17) which will be borne by the Carrier.
- 2.15 The Handling Company will provide the security infrastructure and equipment such as scanners, CCTV, etc., so that the Carrier's security provider has the means to perform its tasks. The Handling Company will cooperate with the third party security company as advised by the Carrier. The Handling Company ensures the security of the facility and its perimeter by controlling access.
- 2.16 The Carrier will provide security services to screen and physically examine the export cargo upon acceptance. The Carrier's security service provider will also monitor import and export activities to protect the cargo during the handling process from tampering. The ULD/loading material storage area will be guarded by the Carrier's security provider.
- 2.17 The Handling Company will contract at its own cost, with a ground transportation company to ensure the transfer and transport of import cargo from the airport warehouse to corresponding Customs warehouses on behalf of the Carrier and under the Carrier's liability (due to Colombian Customs law). No additional charges will be applied to the Carrier for these services. The liability of the ground transportation companies is limited by the customary market offerings by the local transportation companies for the transfer between the Handling Company's warehouse and the Customs warehouse and the guidelines provided by Colombian law.
- 2.18 Carrier will provide necessary EDP-equipment (including maintenance and service provider as decided by the Carrier), required forms and printed matters, as well as needed manuals required for the Carrier's handling procedures. This equipment and material cannot not be used for any other carrier handled by the Handling Company, without approval from the Carrier.

Paragraph 3 - Additional Charges and Fee Distribution

- 3.1 All services not included in this Annex B will be charged for at current local rates. The applicable price list will be made available to the Carrier and shall be part of this Annex B.
- 3.2 Terminal charges shall accrue to the Handling Company.

Paragraph 4 - Disbursements

- 4.1 Any disbursements made by the Handling Company on behalf of the Carrier will be reimbursed by the Carrier at cost price plus a 3.5% administrative surcharge. Prior written authorization from the Carrier's representative is required for all disbursements.

Paragraph 5 - Training Requirements

- 5.1 The Handling Company shall ensure that all personnel is provided with the necessary uniforms, gloves, girdles and all other necessary work accessories to adequately perform the services set forth herein.
- 5.2 The Handling Company shall, at its expense, provide its own training to all its personnel assigned to the handling of the Carrier.
- 5.3 Before the start of the operation, the Handling Company has reviewed the Carrier's training requirements and confirms in writing that it is in compliance with all Carrier's requirements as well as all applicable local and federal government safety and security regulations within a reasonable time frame. Nonetheless, the Carrier may at any time review the Handling Company's compliance and/or revise its training standards, rules and regulations. Similarly, government or IATA training regulations may change at any time. Therefore, the Carrier may at any time propose new and binding training requirements. The Handling Company shall always ensure compliance with the current Carrier's, governmental and IATA training requirements within a reasonable time frame.
- 5.4 In the instance where the Carrier insists on a Carrier specific training, the Carrier will cover training costs and travel expenses. Should re-training be necessary within the timeframe of 1 year, the Handling Company will cover all training related expenses.

Paragraph 6 - Liability and Indemnity

- 6.1 Article 8 of the Main Agreement (IATA SGHA 2004) shall apply.

Paragraph 7 - Limitation

- 7.1 The parties agree that, as permitted by applicable law, the parties hereto are entitled to assert all claims arising from this contract within a period of two years after the event giving rise to the claim. The parties hereby waive any right or defense, which may limit this period of time.
- 7.2 If any discrepancies between the regulation above and the applicable law arises, the parties hereto will agree to such provision, which causes an effect as similar as possible to the regulation as per Sub-Paragraph 7.1 above.

Paragraph 8 - Handling Requirements

- 8.1 The Handling Company must possess all necessary permits, licenses and authorizations to perform ground handling services at BOG or alternatively arrange for the services. Any assignment of services has to be mutually agreed by the parties.
- 8.2 It will be the Handling Company's responsibility to pay all social contributions (fees, charges, taxes etc.) resulting from social legislation, labor and foresight of the Handling Company's directors, officers, agents, servants, employees, subcontractors etc. including insurance and work accidents.
- 8.3 It will be the Handling Company's responsibility to guarantee to the Carrier that the Handling Company's directors, officers, agents, servants, employees, subcontractors etc. are security checked and fully comply with all mandated security and safety regulations. Such mandates shall include but may not be limited to the following issuing authorities: All federal agencies such as IATA, ICAO, the Airport Authority, local and state authorities.
- 8.4 The Carrier might contract /has contracted other Carriers to be handled by the Handling Company with the Carrier's supervision. The Handling Company will handle all existing Carrier's customers' freight as if it was the Carrier's own freight. All terms and conditions defined in this agreement shall extend to such Carrier's customer's freight. For the purpose of monthly handling charges calculation, Handling Company will add the Carrier's customer's cargo volumes to the Carrier's volumes. The applicable tier price under sub-paragraph 1.2 will be determined by the sum total of Carrier's and Carrier's customer's handled volumes.
- 8.5 The Carrier conducts a global continuous improvement program (CIP) to optimize handling standards and performance. The Handling Company agrees to participate in all reasonable efforts under such program to improve handling services in close cooperation with the Carrier.
- 8.6 The Carrier shall hand over to the Handling Company a detailed description of all Handling Procedures (CHM). The Handling Company shall ensure compliance with all procedures.

Paragraph 9 - Adjustment of charges

- 9.1 The handling charges as mentioned under Sub-Paragraphs 1.2 and 3 of this Annex B shall be valid for a period of 3 years commencing March 1st, 2009 through February 29th, 2012.
- 9.2 The exchange rate is perceived as normal between 2,000.00 COP and 2,500.00 COP for 1.00 USD. If the exchange rate is below or above the aforementioned, the additional costs respectively profits (in COP) shall be split 50/50 between the Handling Company and the Carrier.
- 9.3 The Handling Company may increase its per kg handling charges on an annual basis at a rate not to exceed seventy percent (70%) of the officially published annual Colombian Price Index increase.

Paragraph 10 - Duration and Termination

- 10.1 Notwithstanding sub-article 11.4 of the Main Agreement and sub-paragraph 9.1 of this Annex B if in the opinion of the Carrier the Handling Company fails to provide a consistently satisfactory level of service, the Carrier reserves the right to provide the Handling Company with written notice to the effect that correction is required within 30 (thirty) days. If the Handling Company fails to correct the situation within 30 (thirty) days, the Carrier may terminate this Annex B upon an additional 30 (thirty) days prior written notice.

- 10.2 Notwithstanding sub-article 11.4 of the Main Agreement and sub-paragraph 9.1 of this Annex B, the Carrier shall have the right to terminate the agreement with 30 (thirty) days written notice in case of cancellation of regular scheduled flights to BOG.
- 10.3 After termination of the contract by either party (with the exception of termination with immediate effect) the Handling Company shall be responsible to fully comply with the quality standards of the Carrier until the termination of the contract becomes effective. The Handling Company has to ensure that the contracted service quality is reached by providing sufficient quantity and qualification of staff until the termination becomes effective. In case the service quality is reduced, the Carrier shall have the right to seek reimbursement for any additional costs the Carrier might incur to ensure the necessary quality (including but not limited to staff overtime, hiring of additional staff,...). The Carrier reserves the right to seek further reimbursement due to the reduction in quality within the liability as per Article 8 of IATA SGHA 2004.
- 10.4 Notwithstanding Sub-Article 11.4 of the Main Agreement this Annex B shall continue in force until terminated by either party giving 90 days prior notice to the other party, without incurring any costs and / or liability in connection with such termination.

Paragraph 11 - Settlement

- 11.1 The Handling Company may invoice the Carrier bimonthly. Notwithstanding Sub-Article 7.2 of the Main Agreement, settlement of account shall be effected in USD on a monthly n/20 basis after receipt of invoices through the Carrier's office.
- 11.2 Settlement between the Carrier and the Handling Company will be handled as an "off-set" on the monthly handling invoice.

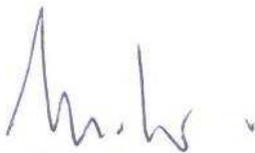
Paragraph 12 – Governing law

- 12.1 Governing law and courts as per Article 9 of the Main Agreement: This agreement shall be governed by and interpreted in accordance with the laws of Colombia (without giving effect to conflicts of law). The parties agree that any legal action or proceeding between them arising out of the Agreement, or any of the transactions contemplated hereby, may be brought in the court of Bogota, Colombia and the parties hereby agree to submit to jurisdiction in such court.

Date _____	Date _____
signed in Atlanta, GA / Frankfurt, Germany	signed in _____
for and on behalf of	for and on behalf of

Lufthansa Cargo Aktiengesellschaft

Transaereo Ltda



Klaus Holler
Vice President
The Americas



Thomas Sonntag
Vice President Corporate
Procurement and Facility
Management



Hans Timcke
Managing Director

APPENDIX 1 to ANNEX B 2.0

SERVICE STANDARDS AND TRAINING REQUIREMENTS

Handling Company's performance will be monitored in accordance with the agreed performance standards and targets as set out in this Service Level Agreement. It is further agreed that the Handling Company should work according Carriers specific procedures and requirements. The below described Standards and Targets may be revised periodically as per mutual agreement. It is agreed that monthly meetings will be held between the Handling Company and the Carrier to assess the level of performance against the targets set.

1 STANDARDS FOR CUT-OFF TIMES AND EDI MESSAGES

Handling Company will provide the carrier with following EDI Messages. The messages will be sent at real time of event, which shall be within the quality standards agreed time limits.

All messages to be reported according IATA CARGO IMP Standard

	Description	Cut-offs						Supporting EDI Message	When Messaging	Target
		Gen	Express	BUP	VAL	DG	PER			
1	Goods acceptance before / at LAT	4:00	2:00	n.a.	2:00	12:00	4:00	FSU RCS/RCT	Latest at time of RCS (event time) + 1 hour	97%
2	Goods acceptance after LAT							FSU /DIS (E1B)	Latest at time of RCS (event time) + 1 hour	100%
3	HAWB data capturing							FHL	Before STD	99%
4	HAWB ULD number							FUM	Latest by ATD plus 45min	99%
5	Electronic transmission of FFM, ULD wise Only for H/A System triggered							FFM	Latest by ATD plus 45min	98%
6	FAP segment (see description in next page) Standard Cargo									98%
7	FAP segment (see description in next page) Express Cargo									98%
8	Received Cargo from flight (physical check-in of cargo)	n/a	n/a	n/a	n/a	n/a	n/a	FSU RCF	Latest by stated hours after ATA	97%
9	Customer notification Standard Cargo	n/a						FSU NFD	Latest by stated hours after ATA	97%
10	Customer notification Express Cargo		n/a	n/a	n/a	n/a	n/a	FSU NFD	Latest by stated hours after ATA	97%
11	Delivery							FSU DLV	Upon delivery of cargo	97%
12	Transfer Domestic / International							FSU TFD	Upon delivery of cargo to OAL	100%
13	Truck Movement Message							MVT / Tango	At ATD	97%
14	Discrepancies							FSU DIS	All as per C2K list where applicable	100%

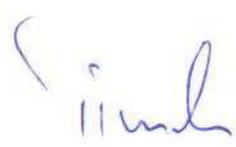


C2K Issues

C2K ACTIONS	REQUIREMENT
RCS	<p>OC: RCS timestamp <= LAT Following Irregularity/discrepancy codes as applicable:</p> <ul style="list-style-type: none"> • GQA – Shipment tendered not R4 • GTA – Late Delivery by Customer • GQB – Shipment rejected • GRB – Loading embargo / restrictions not observed during GAC • S4T – Booking changed on agent/shipper's request • MDA – DG Irregularity Detected <p>MC: Event time (RCS timestamp) + 1hour</p>
FFM	<p>OC: STD + 45min or local offset time (wheels up for a/c- departed from w/h for trucks) Following Irregularity/discrepancy codes as applicable:</p> <ul style="list-style-type: none"> • OFL – Offload • AQA – Flight Cancelled • J2J – Irregularity caused by auth. / offcl order (e.g. veterinary customs etc.) <p>MC: Event time (STD + 45min) + 1hour</p>
RCF	<p>OC: STA + local offset time + before NFD Following Irregularity/discrepancy code as applicable:</p> <ul style="list-style-type: none"> • ATA – Delayed arrival flight/truck <p>MC : Event time (STA + local offset time) + 1hour</p>
NFD	<p>OC: By TOA Following Irregularity/discrepancy codes as applicable:</p> <ul style="list-style-type: none"> • J2J – Irregularity caused by auth. / offcl order (e.g. veterinary customs etc.) • BQE - Missing AWB inbound <p>MC: Event time (NFD timestamp) + 1hour</p>
DLV	<p>OC: Actual delivery time (Proof of Delivery (POD)) Following Irregularity/discrepancy codes as applicable:</p> <ul style="list-style-type: none"> • 666 – D666 IATA CODE SHIPMENT NOT PICKED UP <p>MC: Event time (POD timestamp) + 1hour</p>
FAP (Segment)	<p>Shipments fly/ride according to the booking at time of RCS, piece count matches the booking at time of RCS. Flight number in the booking matches the actual flight number and delay is below 12 hours.</p> <p>Following Irregularity/discrepancy codes as applicable:</p> <ul style="list-style-type: none"> • AQA – Flight Cancelled • AQB – Flight Diverted • AQC – Equipment Change • AQD - Wrong equipment or technical problem with RFS • S4T – Booking changed on agent/shipper's request

OC: Operational Compliance

MC: Messaging Compliance




2 GENERAL STANDARDS

2.1 Acceptance

2.1.1

Standard: **Ready for carriage Check**

Description: All shipments have to be duly checked according to LCAG Ready for carriage requirements, as defined in CHM.

Target: 97 % of accepted shipments are correctly checked.

Measurement: Local monitoring

2.1.2

Standard: **Weight and Volume checks**

Description: For all pieces received from forwarders/ shippers at acceptance

Target: 100 % of all shipments are to be weighed and 100% volume checked. Weight checks for VAL shipments are 100%.

Measurement: Local monitoring

2.1.3

Standard: **Adaptations of bookings at acceptance**

Description: All bookings / segments to final destination must be checked against documents and updated

Measurement: Local monitoring

2.1.4

Standard: **Storage**

Description: All shipments including specials must be stored under proper and safe conditions. All VAL shipments must be stored in a secured Vault.

Target: 100% of shipments are permanently under safe & secure storage.

Measurement: Local monitoring

2.2 Loading and Departure

2.2.1

Standard: **Loading as per disposition**

Description: All shipments must be loaded according disposition and priority list.

Target: 100% of shipments to be loaded according to disposition.

Measurement: Local monitoring

2.2.2

Standard: **ULD assignment**

Description: The assignment of every shipment must be reported to respective ULDs in which shipment is loaded.

Target: 100% shipments must be assigned before ATD.

Measurement: Local monitoring

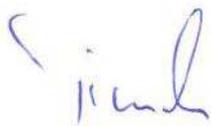
2.2.3

Standard: **Documentation**

Description: Documentation of Export shipments/flights must be performed as per agreed procedures with Carrier

Target: 100% shipments must be properly documented.

Measurement: Local monitoring



2.3 Arrival

2.3.1

Standard: *Storage*
Description: All shipments including specials must be stored under proper and safe conditions. All VAL shipments must be stored in a secured Vault.
Target: 100% of shipments are permanently under safe & secure storage.
Measurement: Local monitoring

2.3.2

Standard: *Documentation*
Description: Documentation of Import shipments/flights must be performed as per agreed procedures with Carrier
Target: 100% shipments must be properly documented.
Measurement: Local monitoring

2.4 ULD Handling

2.4.1

Standard: *ULD storage*
Description: All Carrier ULDs (including loading material) are correctly stored, transported and loaded as per agreed procedures with Carrier. Warehouse check to be signed and agreed with supervisor on duty.
Target: Max 5 findings per month based on 4 checks per month.
Measurement: Local monitoring

2.4.2

Standard: *ULD Stock Control*
Description: A stock control has to be performed and documented on a weekly basis.
Target: 100% of units located at the station are recorded as per defined procedure
Measurement: Based on the weekly message sent by GHA.

2.4.3

Standard: *End of Lease Messages (E o L) for Cool ULD (Envirotainers)*
Description: All Cool containers should have an EoL Message send immediately after the Units are returned to the warehouse
Target: 100%
Measurements: Based on demurrage report

2.4.4

Standard: *Issuance ULD control receipts*
Description: Any ULD s given to forwarders on Import/Export or to OAL should have a signed UCR , the records should also be updated on the Jettainer UMS system
Target: 100%
Measurement: Based on Demurrage Report

2.6

Standard: *DGR Handling*
Description: Number of Safety Relevant & Non S/R
Target: No S/R incidents in a calendar Year
Measurement: DGR Incident Reports

3 TRAINING

Minimum training requirements are listed below:

Necessary training proof	No. of minimum staff with equivalent qualification at the station
IATA / ICAO CAT 7, CAT 8 Training	all personnel in the warehouse [5.2, 5.3, 5.4, 5.5, 5.6 IATA SGHA]
Fork Lift driver license	all personnel driving a forklift
WH – Basic	all personnel dealing with LCAG freight [5.5.3 IATA SGHA]
WH – Quality	per build-up process (has to be locally agreed) [5.5.3 b / 5.5.4 a+b IATA SGHA]
DGR – CAT 6	all personnel performing DGR checks [5.5.1 IATA SGHA]
ADR- DGR on RFS	all manifesting personnel
Security Training as per Carrier and Government requirements	All personnel in the warehouse

Notwithstanding the foregoing the Handling Company is obliged to complete and proof the required training immediately, when requested by the Carrier.

4 MONITORING / AUDITING

4.1 For monitoring the performance of the services provided by the Handling Company, both parties agree that the Carrier will be entitled to perform the necessary audits on the Handling Company's premises. The Carrier shall co-ordinate with the Handling Company the date / time of a planned audit 3 days in advance.

4.2 All audit results and/or all automatically monitored standards shall be submitted to the Handling Company. The Carrier and the Handling Company shall hold monthly meetings (the level and content to be locally agreed) to evaluate such results and, whenever necessary, have the stated deficiencies corrected, improvements implemented and preventive measures adopted.

5 SERVICE LEVEL EVALUATION and SERVICE GUARANTEE

5.1 The Service Levels provided by the Handling Agent will be monitored as per following matrix based on the items listed in section 1 of this Service Level Agreement.

	Description	Target OC / MC	Weight	Sum
1	Goods acceptance before / at LAT	97%	25	24.25
2	Goods acceptance after LAT	100%	10	10
3	HAWB data capturing	99%	10	9.9
4	HAWB ULD number	99%	10	9.9
5	FAP segment Standard Cargo (see description in next page)	98%	2	1.96
6	FAP segment Express Cargo (see description in next page)	98%	2	1.96
7	Received Cargo from flight (physical check-in of cargo)	97%	5	4.85
8	Customer notification Standard Cargo	97%	10	9.7
9	Customer notification Express Cargo	97%	6	5.82
10	Truck Movement Message	97%	5	4.85
11	Discrepancies	100%	15	15
			100	98.19