Regulations On Application Of Special Prices For Ground Handling And Aircraft Basing At Boryspil International Airport State Enterprise

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1. Purpose and Scope

Regulations on application of special rates for ground handling and aircraft basing at Boryspil International Airport State Enterprise [hereinafter referred to as the Regulations] is a document establishing the procedure for application of special rates for ground handling and aircraft basing, their validity periods and application criteria.

The basis for the analysis of the possibility of applying special rates for ground handling and aircraft basing is a letter of the Carrier, the results of negotiations with airlines representatives and the General Director's order.

These Regulations are developed to encourage airlines as commercial partners of Boryspil International Airport State Enterprise. In order to inform all clients, these Regulations are posted on the web-site <u>www.kbp.aero.</u>

In the case a Carrier fails to fulfil its obligations on settlement of invoices for ground handling/aircraft basing within the terms fixed by the agreement, special rates specified by these Regulations may not be applied to the Carrier.

2. Definitions and Abbreviations

Definitions and abbreviations have the following meaning in the Regulations:

MTOW – maximum take-off weight;

Carrier – an individual or a legal entity that operates an aircraft;

New scheduled flight – a passenger or cargo scheduled flight of the Carrier which has not been operated from/to Boryspil International Airport by this Carrier during the previous calendar year;

New airline – an airline that has not operated flights from/to Boryspil International Airport during the previous calendar year.

Calendar month - a period of time starting from the first up to the last day of a month.

3. General Provisions

3.1 The prices for ground handling shall be set by the agreement with a Carrier according to the Charges for ground handling approved by the General Director.

3.2 The prices for aircraft basing shall be set by the agreement with a Carrier according to the Charge for aircraft basing at apron parking stands of Boryspil International Airport approved by the General Director.

3.3 The special prices for ground handling, cargo and mail handling and aircraft basing shall be set by the amendment/the ground handling agreement with a Carrier according to these Regulations.

4 Criteria for Application of Special Prices for Ground Handling

For encouraging airlines to cooperate with Boryspil International Airport State Enterprise, the special prices for aircraft ground handling may be applied.

4.1 The criteria for application of special prices for ground handling are as follows:

Nº	Criterion	Special Price Amount	Special Price Validity Period
1	Start of operation by the Carrier of a new scheduled international flight with an aircraft that have MTOW less than 100 tons	90%	1 year
2	Start of operation by the Carrier of a new scheduled international flight with an aircraft that have MTOW more than 100 tons	80%	3 years
3	Commencement of a series of international charter flights that have not been operated from / to Boryspil International Airport during the previous two years	90%	1 year
4	Start of operation of scheduled flights or a series of international charter flights by a new airline	90%	1 year
5	Increase of the number of flights on scheduled international route per week	90%	1 year
6	Utilization and putting into operation of an aircraft with the higher MTOW that haven not previously been operated	90%	1 year
7	Operating significant number of international scheduled passenger flights (depending on the number of departed flights during the calendar month): • from 28 to 56 inclusive • over 56	90% 80%	On a permanent basis*

* – Within the period of time when a Carrier operates indicated number of scheduled international flights per month.

If an airline qualified according to more than one criterion, Boryspil International Airport State Enterprise may apply special prices for aircraft ground handling in the amount of not less than 80 % of the approved Ground Handling Charges. In the event that one of such criteria is the criterion "Start of operation by the Carrier of a new scheduled international flight with an aircraft that have MTOW more than 100 tons", special prices for ground handling may be applied in the amount of not less than 70% of the approved Ground Handling Charges. In this case, the validity period shall reach 3 years.

4.2 Special prices for ground handling of aircraft operating flights with one-way loading

When a Carrier operates passenger flights [except for business aviation] under the principle FERRY IN-LIVE OUT or LIVE IN-FERRY OUT, special prices for ground handling may be applied in the amount of 50 % of the approved Ground Handling Charges.

5 Criteria for Application of Special Prices for Cargo and Mail Handling

In order to encourage the development of the market of cargo transportation at the Airport, special prices for Cargo and Mail handling may be applied in the amount depending on the cargo and mail traffic volumes to/from and via the Airport within the previous year:

Cargo and Mail Traffic Volumes of a Carrier	Special prices for Cargo and Mail
via the Airport Within the Previous Year, kg	handling
Over 5 000 000	85%
Over 10 000 000	80%

6. Criteria for Application of Special Prices for Aircraft Basing

6.1 The special price for aircraft basing may be applied in the event of actual absence of the aircraft at its home-base Boryspil International Airport for more than one calendar month, without a loss of the right/the place for basing aircraft at the designated apron parking stands.

In this case, the amount of special price for aircraft basing is 25 % of the Charge set for aircraft basing at apron parking stands of Boryspil International Airport.

The special prices for aircraft basing are to be set in the Additional Agreement to the Ground Handling Agreement concluded with the Carrier for every full calendar month.

6.2 When basing 6 [or more] Carrier's aircraft at the Airport, the special prices for aircraft basing shall be applied. The amount of special price is 85 % of the approved Charge for aircraft basing. Special prices for aircraft basing shall be set in the Additional Agreement / Ground Handling Agreement concluded with the Carrier.

6.3 If the aircraft remained within the controlled area of the Boryspil International Airport and did not operate any flights from Boryspil International Airport during the whole calendar month, special prices for aircraft basing may be applied.

Special prices for aircraft basing amount 80 % of the approved Charges for aircraft basing.