

CERTIFIED SERVICE PROVIDER PROGRAM (CSPP) REQUIREMENTS

INTRODUCTION

Los Angeles World Airports (“LAWA”) Certified Service Provider Program (“CSPP” or “Program”) establishes minimum requirements for companies that require entry onto, and use of, LAWA property to provide certain services to airlines, airline consortiums, or other aviation customers at Los Angeles International Airport (LAX). The purpose of the Program is to establish:

- eligibility criteria
- minimum qualifications
- service classifications
- standards and conditions
- emergency preparedness training for LAX employees
- procedures for monitoring and enforcing program compliance
- processes for certification, recertification, decertification of service providers

This document provides requirements and standards governing the CSPP established by LAWA and approved by the Board of Airport Commissioners (BOAC).

Any Service Provider seeking to provide a CSPP regulated service must meet all eligibility criteria. To participate in the CSPP, a Service Provider must submit an application package to Los Angeles World Airports (LAWA). Once LAWA staff determines that a Service Provider meets or exceeds the CSPP's established minimum qualifications and the Service Provider completes the enrollment process, LAWA shall issue a Certified Service Provider License Agreement (CSPLA) and is thereby designated as a Certified Service Provider (CSP) at LAX.

CSPs must adhere to the Program requirements throughout the term of their CSPLA. If a CSP violates any of the provisions of the Program requirements or fails to comply with any of the terms of their CSPLA, LAWA has the right to require corrective actions and impose penalties up to and including termination of a service provider's CSPLA. Changes to the Program requirements may be approved by LAWA's Executive Director and/or designee.

For additional information, templates and forms related to the CSPP and CSPLA application, please visit the CSPP website at: www.lawa.org/cspp

EXHIBIT 1

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SECTION 1. CSPP CLASSIFICATIONS

CSPP regulated services are divided into Core and Limited Services classifications. Each classification has different qualification requirements.

1.1. Core Services

The following services are classified as Core Services. To be certified to provide any of these services, a Service Provider must meet the minimum qualifications identified in the chart below.

1.1.1. Core Services:

- a) Aircraft Food Services
- b) Aircraft Line Maintenance
- c) Airfield Transportation
- d) Baggage Management
- e) Cargo Handling
- f) Into-Plane Fueling
- g) Ramp
- h) Security
- i) Wheelchair Services

| Core Services | | Applicable Qualifications | | |
|---------------------------|--|---------------------------|----------|-------------------|
| Service Categories | Sample Tasks | Experience | Capacity | Space/ Facilities |
| Aircraft Food Services | • Delivery of prepared food and/or beverage to or for aircraft | | | |
| | • Preparation of food and/or beverage to or for aircraft | | | |
| | • Conduct security and/or inspection services for food and/or beverage to or for aircraft | | | |
| | • Provide any service related to/in connection with preparation of food and/or beverage to/for any aircraft | | | |
| Aircraft Line Maintenance | • Aircraft maintenance/servicing; Perform scheduled/unscheduled pre-flight, daily, and weekly checks, transit and ETOPS checks | Yes | Yes | Yes |
| | • Routine scheduled tasks, trouble shooting and defect rectification | | | |
| | • Special checks under ATA Chapter 05 | | | |
| | • Cabin & on-call maintenance; other line maintenance checks, up to A and P checks at selected stations | | | |
| | • Special repairs and/or modifications by specialists sent to your aircraft | | | |
| | • Technical assistance (non-CRS) & cargo aircraft support | | | |
| | • SB, AD, EO and modifications & minor structural maintenance repairs; Engine idle & high-power run-up | | | |
| | • AOG (Aircraft on Ground) maintenance; Aircraft engine washing, wet/dry wash exterior aircraft; Aircraft fuel tank repairs | | | |
| Airfield Transportation | • Transporting LAX employees or travelers in restricted Airport Operations Area (AOA) | Yes | Yes | Yes |
| | • Providing public or private transportation in restricted AOA | | | |
| Baggage Management | • Monitor/control baggage after TSA performs security search | Yes | Yes | Yes |
| | • Monitor carry-on baggage for conformance to security and airport policies | | | |
| | • Move baggage within terminal tagged by manual or automated bag tag system | | | |
| | • Move odd-sized baggage | | | |
| | • Positive claim check verification-baggage claim security | | | |
| | • Report any baggage or other item left within the claim area to appropriate airline representatives or authority | | | |
| | • Manage Interline Baggage Transfer | | | |
| Cargo Handling | • Ramp transfer to and from passenger aircraft | Yes | Yes | Yes |
| | • Cargo Warehousing; Cargo document handling | | | |
| | • Dangerous goods handling; Customs brokerage, | | | |
| | • Freight forwarding; Mail handling, sorting, and distribution | | | |

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| | Core Services | | Applicable Qualifications | | |
|-------|---|---|---------------------------|----------|-------------------|
| | Service Categories | Sample Tasks | Experience | Capacity | Space/ Facilities |
| | Into-Plane Fueling | <ul style="list-style-type: none"> Transferring fuel below ground from a fuel hydrant system through a fuel hydrant vehicle into an airplane. Transferring fuel from a tanker truck into an airplane. | Yes | Yes | Yes |
| Ramp* | Aircraft Baggage Handling | <ul style="list-style-type: none"> Monitor and control baggage in preparation for, and after, TSA performs a security search and ensures all bags have passed security screening Handle baggage in sorting area Prepare and deliver bags onto aircraft Establish number and/or weight of baggage Load or offload bags to or from aircraft Prioritize and deliver bags to claim area Interline Baggage Transfer | Yes | Yes | Yes |
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| | Aircraft Cooling/ Heating & Loading/Unloading | <ul style="list-style-type: none"> Arrange for aircraft cooling and heating Provide/arrange for loading and unloading Provide chocks and landing gear locks Provide engine blanking covers Safeguard loads during transport and during off-loading and loading of aircraft Provide tail stands Arrange for ground power | Yes | Yes | Yes |
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| | GSE Management | <ul style="list-style-type: none"> Provide/manage GSE inventory for airfield operations Track/monitor usage of GSE on airfield Manage GSE staged at common-use gates Provide GSE maintenance/storage | Yes | Yes | Yes |
| | | | | | |
| | | | | | |
| | Security | <ul style="list-style-type: none"> Provides licensed armed and unarmed security providers and officers to control access to aircraft and/or other designated facilities and restricted areas Secures aircraft, perimeter, and gate guarding Performs screening and security search of aircraft, baggage, crew, and personnel Charter flight security CCTV monitoring & video surveillance Identification Verification Passenger security Guards Aircraft cargo and other designated areas Safeguards all loads during transport between aircraft and designated locations during off-loading/ loading aircraft | Yes | Yes | Yes |
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| | Wheelchair Services | <ul style="list-style-type: none"> Provide ADA & ACAA certified personnel and equipment to assist passengers with reduced mobility Secure baggage in bag claim area Monitor carry-on baggage for conformance to security and airport policies Move baggage within terminal tagged by manual or automated bag tag system Transport odd-sized baggage Positive claim check verification-baggage claim security | Yes | Yes | Yes |
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*Service Provider must demonstrate capacity to perform ALL services identified in the category.

1.2. Limited Services

The following services are classified as Limited Services. To be certified to provide any of these services, a Service Provider must meet the minimum qualifications identified in the chart below.

1.2.1. Limited Services:

- Aircraft Cabin Cleaning
- Cargo Screening
- Terminal

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| Limited Services | | Applicable Qualifications | | |
|--------------------------------|--|---------------------------|----------|-------------------|
| Service Categories | Sample Tasks | Experience | Capacity | Space/ Facilities |
| Aircraft Cabin Cleaning | • Passenger/cargo and crew compartment cleaning | No | Yes | Yes |
| | • Cabin cleaning & windows | | | |
| | • Cockpit headliner, paneling/siding, carpet cleaning | | | |
| | • Search/secure cabin after cleaning | | | |
| | • Change, fold, and/or stow blankets, pillows, etc. | | | |
| | • Collect and/or distribute supplies for lavatories and cabin | | | |
| | • Disinfect and deodorize cabin | | | |
| | • Remove and destroy food & material/leftovers | | | |
| | • Waste disposal | | | |
| | • Provide/arrange for cabin blanket laundering | | | |
| Cargo Screening | • Monitor Explosive Trace Detectors (ETD) | No | Yes | Yes |
| | • X-Ray Monitoring | | | |
| | • Physical & K9 cargo screening/check | | | |
| | • Video Surveillance | | | |
| | • High Value Cargo Guarding | | | |
| | • Monitoring and Documentation of screened cargo | | | |
| | • Facility (Warehouse) Security | | | |
| | • Cargo guarding | | | |
| | • Chain of custody/integrity | | | |
| Terminal | • Acts as agent for airlines and interacts with their passengers | No | Yes | Yes |
| | • Hosting services | | | |
| | • Passenger check-in | | | |
| | • Queue management | | | |
| | • Skycap services | | | |
| | • Passenger ticketing | | | |
| | • VIP meet-and-assist | | | |
| | • Establish number and/or baggage weight | | | |
| | • Interline Baggage Transfer | | | |

1.3. Exclusions to CSPP

1.3.1. Any air carrier (an “Exempt Air Carrier”) operating from a facility at LAX pursuant to (i) a lease with LAWA, (ii) a sublease approved by LAWA, (iii) the Los Angeles International Airport Passenger Terminal Tariff or (iv) an LAX Non-Terminal Facilities Use Terms and Conditions (UTC) instrument (the Exempt Air Carrier’s space pursuant to such instrument “Operations Base”) is not required to secure a CSPLA to provide CSPP services in the following circumstances:

- a) When providing services at the Operations Base to a parent company
- b) When providing services at the Operations Base to a subsidiary company
- c) When providing services at the Operations Base to an air carrier that has the same parent company as the Exempt Air Carrier
- d) When providing services to a LAWA-approved subtenant at the Operations Base

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- e) When providing services at the Operations Base for flights operated by another air carrier operating exclusive code-share flights for the Exempt Air Carrier.
 - f) When providing services at the Operations Base for flights jointly operated with another air carrier or whereby the Exempt Air Carrier and the other air carrier have a joint financial interest in such flights.
 - g) For arriving international flights gated at a different terminal than the Operations Base due to the requirements or limitations of United States Customs and Border Protection for any of the circumstances identified in Sub-sections a through f inclusive.
 - h) When providing on-call, non-routine, aircraft maintenance services from its Operations Base or another air carrier's Operations Base to any airline.
- 1.3.2. LAWA Concessionaires providing food and/or beverage services to airline lounges and/or consortiums at LAX, including companies providing food and/or beverage delivery services landside at LAX, are not required to secure a CSPLA.
- 1.3.3. CSPP shall apply to Fixed Base Operators (FBO) only if an FBO provides services outside their premises.
- 1.3.4. A company providing CSPP services that does not enter onto LAX, or use any property owned and operated by LAWA, is not required to obtain a CSPLA.

SECTION 2. MINIMUM QUALIFICATIONS

2.1. Eligibility Criteria to participate in the CSPP:

2.1.1. Agreement Requirement

- a) A contract with an LAX customer(s) (i.e., airline, tenant, recognized consortium, or Certified Service Provider ("CSP")), or
- b) A conditional agreement with an LAX customer(s) where the only condition therein is the securing of a CSPLA from LAWA.

2.1.2. Experience Requirement

If experience is a requirement, a Service Provider must demonstrate a record evidencing successful general operating experience for at least three (3) of the last five (5) years at a large hub airport in the United States or airports outside of the United States that are of similar size to large hub airports, under the legal company name or DBA that's identified on the CSPLA application.

2.1.3. Capacity Requirement

A Service Provider must demonstrate its ability, capacity, and qualifications to provide any CSPP-regulated service(s) effectively, efficiently, and safely at a large hub airport in the United States or airports outside of the United States that are of similar size to large hub airports, under the legal company name or DBA that's identified on the CSPLA application.

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2.1.4. Space/Facilities Requirement

If space/facilities are a requirement, a Service Provider must secure adequate operational space (measured in square footage) to store, park, or repair vehicle(s) or equipment inventory at LAX through:

- a) A LAWA approved Lease, Consent to sublease, Tariff Letter, or Use and Terms Conditions (UTC) Agreement **OR**
- b) A LAX Space Authorization Agreement (SAA) signed by the CSP and master leaseholder at LAX.

2.2. Contract Verification Requirements to Apply for CSPLA:

2.2.1. New CSPLA applicant shall:

- a) Submit a Letter of Intent (LOI) to confirm the contractual relationship with the LAX customer(s) prior to any performing services at LAX.
 - i. The LOI must identify the estimated annual revenue that the applicant expects to receive from the LAX customer(s).
 - ii. The LOI must be signed by an executive officer for the applicant and an executive officer for the LAX customer(s).
- b) Submit to LAWA a fully executed copy of the service contract between applicant and the LAX customer(s), without redaction of any section of the contract.

2.2.2. Existing Licensee shall:

Submit a fully executed copy of the service contract between Licensee and the LAX customer(s), without redaction of any section of the contract, not less than twenty-one (21) business days prior to the contract start date.

2.3. Contracting with Other CSPs:

- 2.3.1. A CSP shall not contract with another CSP to provide any service(s) that are beyond the scope of its own License classification. For example, a CSP issued a License to provide Passenger Services shall not contract with another CSP to provide services that are not Passenger Services. A CSP may, only with LAWA's prior written approval, contract with another CSP to provide services that are part of and included in its License classification. For example, a CSP holding a valid License to provide Passenger Services may contract with another CSP to perform those Tasks that are within the scope of the License for Passenger Services. If a CSP desires LAWA's consent to contract with another CSP, the CSP shall provide i) LAWA not less than thirty (30) business days prior written notice, ii) a description of service(s) to be contracted out, (iii) all of the terms of the proposed contracting, including but not limited to, the name and address of all the contractual parties and an executed copy of all documentation effectuating the proposed contracting, (iv) the name of the LAX customer(s) that will receive the contracted service(s), and (vi) submit an accompanying verification certified by duly authorized and knowledgeable officers of the contractual parties containing the following statement: "I certify, under

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penalty of perjury, under the laws of the State of California, that to the best of my knowledge and belief, that the contract LAWA is consenting to complies with City, state, and federal laws and administrative regulations.” LAWA shall have the right to require a CSP to utilize LAWA’s standard Contracting documents. Whether or not LAWA consents to any proposed contracting, the CSP shall pay LAWA the following administrative fees upon submission of the proposed contracting:

- a) CSPs requesting to provide any service(s) beyond the scope of its License classification shall pay a \$1,500 non-refundable fee
- b) CSPs requesting to provide any service(s) currently authorized within its scope of License classification shall pay a \$500 non-refundable fee

2.3.2. The contractual parties shall be subject to an annual audit, which may include, but is not limited to, a review of all accounting records, invoices, monthly accounting reports, payments from customers, accounts receivable, accounts payable, and any other document requested to conduct the audit.

2.3.3. Any contractual party found non-compliant with these contracting requirements may be barred from contracting with other CSPs for the remainder of its License term.

2.3.4. Contracting with Airlines:

- a) It is a violation of its CSPLA (Section 1 of the CSPLA) for a Service Provider to provide services to an airline(s) that is not listed in Exhibit A of the CSPLA. To provide services to an airline(s) that is outside the scope of services under its existing CSPLA (i.e., not listed in Exhibit A), a Service Provider must first obtain LAWA’s prior written approval to amend its CSPLA. If a CSP desires LAWA’s consent to amend its CSPLA, the CSP must provide LAWA all applicable documentation required under Sections 2.1 and 2.2 above.
- b) LAWA’s consent to any amendment of a CSPLA is subject to the CSP being in compliance with the Minimum Standards in Section 3 and Administrative Requirements in Section 4 below. Whether or not LAWA consents to amend a CSPLA, the CSP shall pay LAWA the non-refundable processing fees identified in Section 2.3.1. (a) and (b), upon submission of the CSPLA amendment request.

SECTION 3. MINIMUM STANDARDS

3.1. Rules & Regulations

CSPs must comply with safety and security requirements published in the Rules and Regulations Manual for LAX. The Rules and Regulations Manual for LAX is published under the authority contained in Sections 632(b) and 633(a) and (b) of the Los Angeles City Charter.

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The Federal Aviation Administration (FAA), the Transportation Security Administration (TSA) and U.S. Customs and Border Protection (if applicable) have issued Federal Aviation Regulation (FAR) Part 139 and Transportation Security Regulation (TSR) Part 1540 and 1542, which requires Airport management to establish operational and safety procedures and institute certain security measures to meet FAA and TSA requirements for airport certification.

LAX Rules and Regulations can be found at: <https://www.lawa.org/en/rules-and-regulations/lax-rules-and-regulations>

3.2. Airport Safety

CSPs must comply with all applicable requirements and procedures as defined in the LAX Security and Airfield Enforcement Program (SAFE) Guidelines. The SAFE Program is an awareness and enforcement program. Corrective actions and penalties for employees who violate Airport standards shall be determined by the SAFE program's point system.

The SAFE Program does not limit, supersede, or replace any other laws, rules or regulations. Additional details can be found at:

<https://www.lawa.org/en/lawa-security-badge-office/applicants/safe-program>

3.3. Emergency Response Procedure Awareness

An emergency is defined as any event that threatens, or has the potential to threaten the life, health, and/or safety of individuals or property at LAX. Each CSP must designate a person(s) available 24 hours a day as the emergency contact. In addition to the emergency contact information, the CSP is required to familiarize their employees with the emergency response notification process and evacuation plans to support LAWA and all operations at LAX.

3.4. Equipment and Motor Vehicles

3.4.1. CSPs are responsible for appropriately storing, parking, maintaining, and monitoring equipment and motor vehicles.

3.4.2. CSPs shall only operate their company-owned equipment and vehicles unless there is a written agreement with another airline/Service Provider authorizing the use of their equipment and/or vehicles. A copy of an agreement or Company Authorization Letter signed by both parties must be submitted to LAWA.

3.4.3. All equipment and motor vehicles must follow the LAX Rules and Regulations and must display the CSP's name and a unique equipment identification number.

3.4.4. A list of all equipment and motor vehicles must be provided to LAWA which includes the vehicle/equipment type and its corresponding identification number, its serial number (for equipment) and CARB EIN or CARB PERP # (if available). LAWA must be notified of any changes within 30 days.

3.4.5. All equipment and motor vehicles shall have its company name and company equipment number stenciled on two sides of each piece of equipment and labeled with two LAWA-issued GSE barcodes.

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Unregistered or unlabeled vehicles and/or equipment shall be subject to immediate impound or tow, and the vehicle/equipment owner shall be responsible for associated fees or charges.

- 3.4.6. All new or replacement equipment and motor vehicles that are brought onto LAX must be less than five (5) years old and in good working condition. If a CSP has completely rebuilt and refurbished an older piece of equipment or motor vehicle to add to their fleet inventory at LAX, they must maintain a record of paperwork verifying the repairs and refurbishing work done on the unit and provide it to LAWA upon request.
- 3.4.7. All equipment and motor vehicles that are not in use must be properly staged or stored in the CSP's designated operational space. A CSP's operational space must be obtained through a lease, sublease, Tariff Letter, UTC Agreement, or SAA with a master leaseholder at LAX, and approved by LAWA. All salvaged, abandoned and/or inoperable equipment and vehicles must be removed from the airfield at LAX. Failure to do so may result in immediate impound or tow, and the vehicle/equipment owner shall be responsible for associated fees or charges.
- 3.4.8. All containers shall be properly labeled with respect to contents and in compliance with the California Uniform Fire Code (CFC), Article 80.
- 3.4.9. All equipment and motor vehicle maintenance files must be retained for LAWA inspection for one (1) year and submitted to LAWA upon request.
- 3.4.10. Equipment or vehicles must be inspected by thoroughly trained and qualified personnel prior to use, including pre- and post-trip inspections.
- 3.4.11. When applicable, CSPs shall comply with the Alternative Fuel Vehicle (AFV) Requirement Program at LAX. Please refer to the AFV Requirement Program for more information at the LAX Environmental website at: <https://www.lawa.org/-/media/lawa-web/environment/files/altfuelvehreq.ashx>

Also, refer to the Alternative Fuel Vehicle Reporting website at: <https://online.lawa.org/altfuel/login>
- 3.4.12. When applicable, CSPs shall comply with the Ground Support Equipment (GSE) Emissions Reduction Policy Program at LAX. Please refer to the GSE Emissions Reduction Policy Program for more information at the LAX Environmental website at: https://www.lawa.org/-/media/lawa-web/environment/files/lax_gse_emission_reduction_policy_boac.ashx
- 3.4.13. When applicable, CPSs must provide an export (csv file) of equipment data from its fleet reported to the California Air Resources Board (CARB) DOORS database under the Off-Road Diesel Regulation (ORD) and Large Spark-Ignition (LSI) Regulation. If an equipment is registered under the CARB's Portable Equipment Registration Program, CSPs shall provide a copy of the permits for those pieces of equipment operating at LAX.

- 3.4.14. Service providers shall follow all LAX Alternative Fuel Vehicle and GSE Emissions Reduction Policy Program online reporting requirements prior to being issued a CSPLA with LAWA.

3.5. Personnel and Training Requirements

3.5.1. Minimum Staffing

CSPs must provide an adequate number of thoroughly trained and qualified and, where applicable, licensed employees and supervisors on duty to meet the contracting LAX customer(s)'s obligations.

3.5.2. Use of Passenger Facilities

CSP personnel must take all breaks in areas designated by the CSP or the CSP's LAX customer(s). Public airport areas are primarily for use by passengers and/or customers.

3.5.3. LAX Security Badge Program

Per TSA regulations, companies shall be enrolled in the LAX Security Badge Program and shall maintain an employee security file locally for all employees to whom LAX Security Identification Display Area (SIDA) Badges are issued, and for designated Authorized Signers.

- a) The Authorized Signer(s) shall be a direct (W-2) employee of their organization and determine which level of restricted access, privileges, and credentials are required for each badge holder to perform their duties on airport property.
- b) Companies shall keep employee security files for each employee for at least 180 days after the employee ceases to have unescorted access privileges.
- c) The LAX Security Badge Office shall perform periodic audits of the employee security files to ensure compliance.

3.5.4. Employee Attire and Identification

CSPs employees must be appropriately attired for their position and job duties. If a uniform is required, it shall identify the name of the CSP or client. All personnel shall display LAWA-issued security credentials in a conspicuous manner at all times.

3.5.5. Employee Training

- a) CSPs must establish a written training program to ensure that all employees are thoroughly trained and qualified to perform their job duties, including all applicable airport emergency preparedness, evacuation, and first aid procedures. The training program must contain detailed instruction in job duty requirements for each job classification. Employees who use equipment must be trained and certified by the CSP in the operation of every piece of equipment they shall use. Training programs shall be updated to reflect changes in scope of work, operational procedures, equipment, etc. Training syllabi, records of completion, and a list of all employees on a CSPs

payroll must be provided to LAWA on an annual basis and as requested by LAWA.

- b) Training must include, at minimum, a review of: LAX Rules and Regulations, safety and security including Rules and Guidelines from the Transportation Security Administration, U.S. Customs and Border Protection (if applicable) and LAWA Airport Police. In addition, as applicable, training should include airport familiarization, emergency notifications, waste disposal, proper handling of Dangerous Goods and Hazardous materials, and federally mandated training regarding transporting people with disabilities.

3.5.6. LAX Emergency Preparedness Training

- a) CSPs are required to establish an employer paid release time policy to provide 16 hours of Emergency Preparedness Training (EPT) on an annual basis to ensure employees of airport contractors can appropriately react to a hazard and assist during an emergency. CSPs shall provide EPT to new employees within 120 days of hiring date AND ensure training is completed within 90 days of employee(s) starting the first training module, or whenever practical, to ensure employee(s) complete the training within a reasonable timeframe and reduce the time between trainings.
- b) CSPs are required to ensure all employees complete the annual LAWA 1-Hour Emergency Management (EM) Training Course. CSPs must also maintain a LAWA approved Certificate of Achievement (COA) on file for each employee, that must be signed by the employee, approved Trainer, and LAX Authorized Signer. Please refer to the approved LAWA COA template and EM Training Course Requirements at: www.lawa.org/cspp
- c) Any CSP hiring an employee(s) from another CSP after October 31st shall provide a minimum of eight (8) of EPT for that calendar year. The remaining eight (8) hours of EPT shall be prorated to the following calendar year and must be provided within the first 60 days to satisfy the previous calendar year's annual 16-hour EPT requirement.
- d) An EPT curriculum and training plan or confirmation of procuring an EPT vendor to provide training must be provided to LAWA for approval prior to training badged employees at LAX. CSP's EPT plan must be in alignment with the approved training modules located on the CSPP website.
- e) CSPs are required to submit an Affidavit attesting to full compliance with annual EPT requirements due by January 31st, maintain all EPT support documentation on file to confirm full compliance with all EPT requirements, and are subject to audit by LAWA throughout the term of their CSPLA.

- f) **Enhanced Oversight of EPT**
Starting in FY 2023, LAWA shall conduct regular inspection of the CSP's EPT training syllabi, records of completion, and lists of employees on payroll. A training syllabus and evidence of a proper training plan are required prior to the issuance of a CSPLA. LAWA shall conduct an automatic CSPP Notice of Investigation (NOI) meeting due to non-compliance with any EPT requirement.
- g) **New Employer Orientation Program**
Starting in FY 2023, LAWA shall hold annual employer workshop sessions to ensure all employers are educated on LAX pertinent rules, regulations, and ordinances. The City of Los Angeles Bureau of Contract Administration (BCA) shall send staff to these sessions to provide education, outreach, and information on the Living Wage Ordinance (LWO) and Worker Retention Ordinance (WRO). All companies with new CSPLAs within the past year or who are in the application process are required to attend. All CSPs shall be invited. LAWA shall explore recording these sessions and holding them virtually/online to enable maximum flexibility for employers.
- h) **Permitted air carriers are exempt from EPT requirements and shall comply with FAA 14 CFR § 139.325, which requires air certificate holders to develop and provide emergency preparedness training through its Safety Management System (SMS) - Airport Emergency Plan.**

3.5.7. Customer Service

CSPs employees are expected to assist courteously and direct the public when necessary.

3.6. Labor Harmony

CSPs covenant that their employees at LAX shall be able to work in labor harmony to protect LAWA's proprietary and economic interests. To comply with this provision:

- 3.6.1 CSPs shall have in place, at all required times, a labor peace agreement ("Labor Peace Agreement") with any organization of any kind, or an agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with service providers at LAX concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work ("Labor Organization"), which requests a Labor Peace Agreement.
- 3.6.2 The Labor Peace Agreement shall include a binding and enforceable provision(s) prohibiting the Labor Organization and its members from engaging in picketing, work stoppages, boycotts, or any other economic interference for the duration of the Labor Peace Agreement, which must include the entire term of any CSPLA.

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- 3.6.3 CSPs shall, upon LAWA's request, submit to LAWA a certification, signed by the CSP and any Labor Organizations, indicating the parties have entered into a Labor Peace Agreement.
- 3.6.4 In the event that a CSP and a Labor Organization are unable to agree to a Labor Peace Agreement within 60 days of the Labor Organization's written request, they shall submit the dispute to a mutually agreed upon mediator to assist the parties in reaching a reasonable Labor Peace Agreement. If the CSP and a Labor Organization are unable to reach a reasonable, Labor Peace Agreement through mediation, the parties shall submit the dispute to the American Arbitration Association ("AAA") for arbitration conducted in accordance with the AAA rules.
- 3.6.5 A CSP may continue to operate at LAX during any negotiation, mediation, or arbitration relating to a Labor Peace Agreement conducted pursuant to Section 3.6.
- 3.6.6 In the event LAWA determines it necessary for public safety or the efficient operation of LAX to post police details or take other actions resulting from a CSP's violation of Section 3.6 or 3.10, LAWA shall have the authority to require CSP to reimburse LAWA for all reasonable costs incurred.
- 3.6.7 Nothing in Section 3.6 shall be construed as requiring a CSP, through arbitration or otherwise, to change terms and conditions of employment for its employees, recognize a Labor Organization as the bargaining representative for its employees, adopt any recognition process, or enter into a collective bargaining agreement with a Labor Organization.

3.7. Labor Compliance

CSPs shall abide by the requirements of all applicable labor laws and regulations, including the City of Los Angeles' Living Wage Ordinance, Worker Retention Ordinance, and Contractor Responsibility Program. A finding of non-compliance with any applicable labor laws and regulations, including the aforementioned ordinances and programs, for any CSP by any agency of jurisdiction may result in progressive penalties leading up to decertification, as described in Section 5.

3.8. Consequences for Labor Violations

Any CSP violation of a labor law or labor regulation affecting an LAX employee or group of employees, fully adjudicated by a court or regulatory agency (and made known to LAWA), shall result in a Warning Notice. A single violation affecting more than one employee shall be counted as one violation. Two such violations within one year shall result in a Notice of Non-Compliance, and three such violations within one year shall result in a Notice of Investigation.

3.9. Contractor Responsibility Program

Pursuant to Resolution No. 21601 adopted by the Board of Airport Commissioners, effective May 20, 2002, and amended by the Executive Director on August 6, 2012, the Contractor Responsibility Program (CRP) is the policy of LAWA to ensure that all LAWA contractors have the necessary quality, fitness, and capacity to perform

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the work set forth in the license agreement. LAWA shall issue CSPLAs only to service providers it has determined to be Responsible Contractors.

Service providers applying to CSPP are required to complete and submit the “CRP Questionnaire” that provides information LAWA needs to determine if the Service Provider is responsible and has the capability to perform the contract. The information contained in the CRP Questionnaire is subject to public review for a period of not less than 14 days. Service providers applying to CSPP must complete, sign, and submit the “CRP Pledge of Compliance.” Service providers applying to CSPP must respond within the specified time to LAWA’s request for information and documentation needed to support a Contractor Responsibility determination.

3.10. Worker Retention Ordinance

CSPs are subject to the City of Los Angeles Worker Retention Ordinance (WRO), which requires the retention of the successor contractor’s employees for a ninety-day (90-day) transition period, who have been employed for the preceding twelve (12) months or more by the terminated contractor or subcontractor (if any), as provided for in the WRO. City has the authority to terminate the service provider’s CSPLA for violating provisions of the WRO.

3.11. Property and Facilities at LAX (if applicable)

CSPs must secure space, as necessary, for their staff (e.g., operational office space, employee locker and break areas); equipment (e.g., staging areas, equipment storage, equipment maintenance facilities) and, if necessary, motor vehicles parking on airport property.

CSPs may lease space directly from LAWA or sublease space from an LAX customer(s), subject to any required approvals. Contact the Commercial Development Group, Terminal Business Management Section at (424) 646-7200 for terminal space availability or the Leasing and Development Section at (424) 646-7200 for airfield space availability.

3.12. Whistleblower Protection

3.12.1. CSPs shall not take an adverse employment action against any employee for making a complaint, cooperating with an audit or investigation, or participating in any administrative or judicial proceedings relating to a CSP’s compliance or lack thereof with the CSPP or any City policy. A finding of whistleblower retaliation by a CSP by any agency or court of jurisdiction may result in progressive penalties leading up to decertification, as described in Section 5.

3.12.2. CSPs must fully cooperate with any investigation or audit of their operations and facilities, including, but not limited to, by providing access to any relevant records or facilities, by LAWA, or any other local, state, or federal agency of jurisdiction.

3.13. Wheelchair Services

In addition to the minimum program requirements above, services providers are required to meet minimum standards in the following areas:

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3.13.1. CSPs providing wheelchair services are responsible for understanding and satisfying all requirements for applicable laws and regulations covered under the following city, state, and federal statutes:

- a) Air Carrier Access Act (ACAA) (14 CFR, part 382),
- b) Americans with Disabilities Act (ADA) Title II (28 CFR Part 35),
- c) Americans with Disabilities Act (ADA) Title III (28 CFR Part 36),
- d) Federal Aviation Administration (FAA),
- e) Transportation Security Administration (TSA),
- f) Department of Transportation (DOT),
- g) Section 504, Rehabilitation Act of 1973, as amended,
- h) California Civil Code sections 51 through 52 (Unruh Civil Rights Act),
and
- i) LAWA specific policies as outlined in the LAWA Rules and Regulations.

Each CSP:

3.13.2. Shall fulfill the requirements affecting the provision of air travel to guests with disabilities (includes boarding, deplaning, assistance, and transfer to ground transportation).

3.13.3. Shall ensure all accessibility equipment is maintained in a safe, good working condition. All equipment is subject to inspection by LAWA and other regulatory agencies. Broken or damaged equipment must be immediately removed from service to CSP leased or subleased space and out of public view.

3.13.4. Shall ensure all accessibility equipment is fully refurbished as required by manufacturer specifications, or as needed, and certified for use. All maintenance of equipment performed on airport property shall be performed inside CSP leasehold, or in locations approved by LAWA.

3.13.5. Shall ensure all accessibility equipment displays a company name, serial number, and any LAWA-issued tag or bar code. Equipment shall be stored in locations approved by LAWA. Equipment found to be prohibiting free access to emergency exits and/or found in unauthorized locations is subject to confiscation.

3.13.6. Shall not use another company's equipment without consent. A Company Authorization Letter must be on file with LAX Airfield Permits Unit for long term use of another company's equipment.

3.13.7. Shall have personnel and equipment capable of pushing a passenger weighing up to 250 lbs. up and down a 1:6 slope and able to handle a passenger weighing up to 200 lbs. to or from an aircraft seat and an aisle chair. A CSP may use additional staff members and/or appropriate equipment necessary to meet this requirement.

3.13.8. Shall provide communication devices and adequate training for their personnel to ensure prompt and appropriate responses to service

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requests. Wheelchair attendants shall communicate any special need requirements to a designated Air Carrier representative, as necessary.

- 3.13.9. Shall provide trained personnel to accompany/assist passengers who are wheelchair bound or use other mobility assistance devices for passengers not independently mobile.
- 3.13.10. Shall ensure personnel wait with their ADA passenger for the ADA van/shuttle service to arrive at the designated shuttle stops in the Central Terminal Area (CTA) Departure's level (upper level). The ADA shuttle driver must take possession of the ADA passenger before the service company personnel departs.
- 3.13.11. Shall ensure passengers with disabilities making a transfer to a different airline and/or wheelchair Service Provider are accepted/greeted by the receiving airline service provider.
 - a) Transfer must occur at the ADA designated shuttle stop for that respective terminal and the receiving airlines/Service Provider personnel must be available to take possession of the passenger with disabilities.
 - b) Transfer shall be made within 15 minutes of arrival. If the receiving Service Provider is unavailable at the CTA curb/designated shuttle stop, then the passenger with disabilities shall be returned to the initial requesting Service Provider to transfer the ADA passenger.
- 3.13.12. Shall have designated staff to coordinate with airline representative(s) to ensure sufficient service levels are met per the number of Special Service Requests (SSRs) received in advance, including SSRs received the same day for wheelchair services.
- 3.13.13. Service Providers shall furnish to LAWA and / or designated Air Carrier representatives any training or other records pertinent to any disability-related complaints upon request. Three or more validated complaints received by the ADA Office within a 6-month rolling period may result in a mandatory ADA Compliance Meeting with LAWA.
- 3.13.14. Shall provide a passenger who has requested assistance with support in a timely manner (within 30 minutes or less) and as required under the ACAA, including curbside assistance. (Persons are not limited to mobility issues but may have hidden disabilities and / or cognitive issues which do not require a wheelchair for assistance.)
- 3.13.15. Shall provide trained personnel for passengers including those utilizing either their own wheelchairs or that of the provider, and those needing assistance to transfer in and out of gate seating or aircraft seating.

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- 3.13.16. Shall provide personnel to assist with a passenger's luggage if they have requested assistance. Secure passenger's baggage in the claim area. (This typically requires a second agent.)
- 3.13.17. Shall monitor and control carry-on baggage belonging to an assisted passenger before entering and after exiting a screening checkpoint.
- 3.13.18. Shall monitor and control durable medical equipment belonging to an assisted passenger (e.g., canes, walkers, etc.) before entering and after exiting a screening checkpoint.
- 3.13.19. Shall report any missing or damaged personal items of an assisted passenger to an airline representative (departure or arrival) or the TSA (departure) including durable medical equipment and communicate this information to the passenger.
- 3.13.20. Shall submit a Monthly Wheelchair Usage Report (WUR) on the number of wheelchair passengers enplaned and deplaned. The report must include statistics on complaints received and corrective actions taken, if any, during a month. The reports are due to the LAWA Coordinator and CSPP Manager by the 10th day of the following month via email to: ADAreporting@lawa.org.

SECTION 4. ADMINISTRATIVE REQUIREMENTS

CSPs must keep in effect, for the term of their CSPLA, all administrative requirements and provisions within their CSPLA. If a CSP violates any of the provisions of the Program or fails to comply with any of the terms of their CSPLA, LAWA may require corrective actions and impose penalties up to and including termination of a company's CSPLA.

4.1. Application Process

A new applicant or existing Service Provider seeking recertification can submit a CSPLA pdf-fillable application form and required attachments. The CSPLA pdf-fillable application form and templates are located on the CSPP website at: www.lawa.org/cspp

4.1.1. Submitting the CSPLA Application Package

CSPLA application packages shall include the following, if applicable:

- a) PDF-fillable Application Form:
 - Airfield Vehicle Parking
 - Checklist
 - Company Profile & Basic Information
 - Estimated Annual Gross Revenue for contract(s) at LAX
 - Facilities and Space Information showing adequate space to accommodate personnel, equipment, and vehicles
 - LAX Authorized Signer(s) and Executive Officer(s)
 - Services and Locations for each LAX customer(s) contract
 - Work Experience

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b) Application Attachments:

- Active Registration with CA Secretary of State
- Alt. Fuel Vehicle Online Reporting Confirmation
- Approved lease/sublease, Tariff Letter, UTC Agreement with LAWA or SAA with master leaseholder at LAX
- City of L.A. Business Tax Registration Certificate
- Company Vehicle/Equipment Authorization Letter
- Contractor Responsibility Program (CRP) Questionnaire and Pledge of Compliance
- Copy of Service Contract(s) with LAX Customer(s)
- Copy of Subcontract Agreement(s) with LAX Customer(s)
- Corporate Documents, i.e., Articles of Incorporation
- EPT Packet & Letter of Intent
- Equipment & Vehicle Inventory List(s)
- Foreign Object Debris (FOD) Prevention Plan
- GSE Emissions Reduction Policy Program Online Reporting Confirmation
- Letter of Intent
- Letter of Verification
- Non-LAWA Agency Violations Form
- Operating Agreement
- Operational Plan
- Secretary of State Filings and documents verifying identity of corporate officers or members of limited liability company

4.2. Eligibility Criteria

LAWA shall notify the new applicant or existing Service Provider when their application packet is complete. All applicants should plan accordingly as the review and approval process of a completed application may take up to 60 days. To execute the license agreement, the new applicant or existing Service Provider must submit a complete CSPLA application package and receive the following LAWA approvals:

- a) Non-refundable Application fee
- b) Operational Plan approved by Airport Operations
- c) Confirmation of an executed contract with LAX customer(s)
- d) Copy of a LAWA-approved Lease, Consent to Sub-Lease, Tariff Letter, UTC Agreement or executed SAA
- e) CRP Questionnaire and Pledge of Compliance approved by Procurement Services
- f) EPT plan approved by Emergency Management
- g) Faithful Performance Guarantee
- h) FOD Plan approved by LAWA Airport Operations
- i) GSE & Alt. Fuel Vehicle online reporting requirements approved by Environmental Services
- j) GSE & Vehicle Inventory List approved by Airport Operations
- k) Insurance approved by Risk Management

If LAWA approves an application and a CSPLA has been fully executed, the LAX Airfield Permits Unit shall notify the LAX Security Badge Office to begin the

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company badge enrollment process. A CSPLA carries a term of up to five years, unless terminated earlier for non-compliance with CSPP requirements.

Applications for a new CSPLA, recertification for an existing Service Provider, or request to amend an existing License may be denied if LAWA determines any one or more of the following:

- a) An incomplete CSPLA application package was submitted
- b) The CSPLA applicant does not meet qualifications, application requirements and/or minimum Program standards.
- c) The CSPLA applicant supplied LAWA with false and/or misleading information or has failed to make full disclosure in their application or in the supporting documents.
- d) The CSPLA applicant did not secure adequate lease/sublease space at LAX through a LAWA-approved Lease, Consent to Sublease, Tariff Letter, UTC or SAA to provide a CSPP-regulated service(s) at the time of application.
- e) The CSP has defaulted in the performance of any other agreement(s) with LAWA.
- f) The CSP does not meet the applicable requirements of the Contractor Responsibility Program and lacks the trustworthiness, quality, fitness, and capacity to perform the work set forth in the CSPP.
- g) The CSP acquired or assumed another CSP's operation(s) where there are existing CSPP violations at LAX.
- h) The CSP reaches a Notice of Investigation level 2 status or higher and fails to demonstrate good faith efforts to reduce the number of violations it commits or to come into compliance with EPT or administrative requirements.
- i) The CSP is under investigation by LAWA or any other administrative agency for non-compliance with LAX Rules & Regulations and/or CSPP Requirements.

4.3. Permits and Licenses

CSPs, their employees, and agents must possess and maintain throughout the term of their CSPLA, all licenses, certifications, and permits (i.e., credentials) required to conduct business at LAX. CSPs must also possess and maintain all credentials applicable to its service industry and required by all regulatory agencies.

4.4. Fees

As part of the application process, a new applicant or existing Service Provider must submit a non-refundable application fee. CSPs are required to pay a monthly gross revenue fee, in addition to any other applicable fees.

4.4.1 CSPLA Application Fee

A non-refundable CSPLA Application fee at the rate established by the Board of Airport Commissioners must be paid to LAWA. The current Application Fee is \$1,000 and shall increase to \$1,500, effective September 1, 2023. Payment may be made via LAWA's online payment system or in the form of company check, cashier's check, or money order.

4.4.2. Faithful Performance Guarantee (FPG)

CSPs are required to maintain a Faithful Performance Guarantee (FPG) equal to three (3) times the monthly fee paid to LAWA.

- An annual review of the CSP's Gross Revenue shall be conducted to verify the FPG amount.
- The FPG amount must be submitted in the form of a) an irrevocable Letter of Credit if the FPG amount is \$10,000 or greater, or b) a cashier's check, company check or money order, if the FPG amount is less than \$10,000.
- The FPG is due prior to the execution of a CSPLA by LAWA, and the required amount must be maintained throughout the License term.

4.4.3. Monthly Gross Revenue Fee Schedule

CSPs must pay a monthly gross revenue fee based on the estimated annual gross revenue for all services invoiced at LAX. Monthly Activity Reports and lists of LAX customer(s) contracts shall be reviewed annually to verify the gross revenue fee information.

The updated Monthly Gross Revenue Fee Schedule is shown below:

| Gross Revenue Band | Annual Gross Revenue | Monthly Fee Due to LAWA | | | | |
|--------------------|-----------------------------|-------------------------|-----------|-----------|-----------|-----------|
| | | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
| A | \$0 - \$249,999 | \$ 155 | \$ 160 | \$ 165 | \$ 170 | \$ 175 |
| B | \$250,000 - \$999,999 | \$ 650 | \$ 670 | \$ 690 | \$ 710 | \$ 730 |
| C | \$1,000,000 - \$1,999,999 | \$ 1,550 | \$ 1,600 | \$ 1,650 | \$ 1,700 | \$ 1,750 |
| D | \$2,000,000 - \$3,999,999 | \$ 3,100 | \$ 3,200 | \$ 3,300 | \$ 3,400 | \$ 3,500 |
| E | \$4,000,000 - \$5,999,999 | \$ 5,150 | \$ 5,300 | \$ 5,460 | \$ 5,630 | \$ 5,800 |
| F | \$6,000,000 - \$7,999,999 | \$ 7,420 | \$ 7,650 | \$ 7,880 | \$ 8,120 | \$ 8,370 |
| G | \$8,000,000 - \$9,999,999 | \$ 8,350 | \$ 8,600 | \$ 8,860 | \$ 9,130 | \$ 9,400 |
| H | \$10,000,000 - \$19,999,999 | \$10,000 | \$ 10,300 | \$ 10,610 | \$ 10,930 | \$ 11,260 |
| I | \$20,000,000 - \$29,999,999 | \$15,000 | \$ 15,450 | \$ 15,920 | \$ 16,400 | \$ 16,900 |
| J* | \$30,000,000 - \$39,999,999 | | | \$ 21,000 | \$ 21,630 | \$ 22,280 |
| K* | \$40,000,000 - \$49,999,999 | | | \$ 27,300 | \$ 28,120 | \$ 28,970 |
| L* | \$50,000,000 - \$59,999,999 | | | \$ 35,500 | \$ 36,570 | \$ 37,670 |
| M* | \$60,000,000+ | | | \$ 46,150 | \$ 47,540 | \$ 48,970 |

*Effective September 1, 2023.

4.4.4. Security Credential Fees

CSPs are required to pay any BOAC-approved and established fees for new, renewed, and lost security credentials (badges), as well as any fines.

4.4.5. Ramp and Apron Permit Fees

CSPs must pay any BOAC-approved and established fees for vehicle and equipment inventory permits.

4.4.6. Into-Plane Fueling Fees

CSPs providing Into-Plane Fueling Services must collect any BOAC-approved and established fuel flow or fuel system/storage connection fees from aircraft operators or their agents.

4.4.7. Equipment/Vehicle Violation Fees

CSPs must pay any BOAC-approved monetary penalty for operating or having defective equipment/vehicles in service on airport property.

4.4.8. ADA Monthly Wheelchair Usage Report Late Fee

CSPs must pay a \$100 late fee for each ADA Monthly Wheelchair Usage Report submitted after the 10th-day of the following month.

4.4.9. Monthly Accounting Report Late Fee

CSPs must pay a \$100 late fee for each CSPLA Monthly Accounting Report submitted after the 10th day of the following month.

4.4.10. Employee Parking

CSPs or their employees must pay for employee parking privileges if their employees opt to park in LAWA parking lots. CSPs shall notify their employees that LAWA requires parking in appropriate designated spaces and not in residential or unapproved parking areas.

4.5. Monthly Gross Revenue Reporting Requirement

All CSPs must submit a Monthly Accounting Report (MAR) verifying their Gross Revenue and the services provided at LAX. LAWA reserves the right to audit the reported Gross Revenue to verify the monthly fee amount and adjust the fee as needed. Gross revenue calculations do not include the value of goods delivered or the value of fuel. CSPs shall submit their MAR electronically through a LAWA designated portal by the 10th day of the following month.

4.6. International Air Transport Association (IATA) Certification

IATA Safety Audit of Ground Operations (ISAGO) certification may be mandated as a corrective action for CSP ground handlers providing ramp services at LAX who reach a CSPP Notice of Investigation Level 3 performance status. These companies may also be subject to the ISAGO audit on a bi-annual basis and required to attain additional certification(s) from an independent auditing agency as requested by LAWA.

4.7. Foreign Object Debris (FOD) Prevention Plan

All airfield CSPs shall develop and implement a FOD plan that identifies a process to dispose of all FOD in the receptacles identified by LAWA or LAX customer(s) and shall use its best endeavors to ensure that the Apron is always kept clean and tidy. All FOD plans must be submitted and approved by LAWA Airport Operations.

4.8. Operational Plan

CSPLA applicants shall submit an Operational Plan to LAWA describing the nature of its business, including its capacity, experience, and qualifications to provide the requested service(s) safely and effectively at LAX. LAWA may require an existing CSP to submit an Operational Plan if requested to expand its operations at LAX.

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4.9. California Secretary of State Filings

CSPs shall notify LAWA of any changes to its California Secretary of State (CSS) status within twenty-one (21) business days and shall ensure all corporate documents and/or articles of incorporation on file with LAWA are consistent with its CSS filing.

4.10. Non-LAWA Agency Violations Report

CSPs must submit a Non-LAWA Agency Violations (NLAV) Report for any violation(s) confirmed by California Division of Occupational Safety and Health (Cal-OSHA) or any other non-LAWA regulatory agency, within thirty (30) business days of receiving a notice. CSPs are required to submit an annual NLAV report verifying that there were no violations confirmed by any non-LAWA regulatory agency during the past 12 months, by January 31st.

4.11. Company Compliance Officer (CCO)

CSPs must designate an employee as the primary point of contact for the administration of the program, to maintain records of the CSP, and to ensure compliance with the Program requirements.

The CCO is responsible for:

- a) Maintaining current 24/7 contact information with LAWA.
- b) Notifying LAWA within twenty-one (21) business days of a change in contract status, of:
 - i. Any new contracts with an LAX customer, or
 - ii. Termination of contracts with an LAX customer
- c) Updating equipment/vehicle inventory data within twenty-one (21) business days of a change
- d) Ensuring compliance with CSPP standards and airport rules and regulations
- e) Attending mandatory meetings with LAWA staff
- f) Ensuring compliance with LAX GSE and AFV Programs by assigning themselves or designee as the onsite airport contact person.

SECTION 5. COMPLIANCE ENFORCEMENT AND PENALTIES

5.1 CSPP Compliance

CSPs are responsible for complying with a set of common airport standards throughout the term of their CSPLA. CSPs are subject to all laws, statutes, codes, acts, ordinances, charters, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials, and officers, including, but not limited to, LAWA, the City of Los Angeles, the State of California, and the Federal government.

5.2 Violations

To establish CSP accountability and to hold CSPs responsible for the actions of their employees while on duty, the CSPP enforcement program shall:

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- a) Combine (1) each CSP's violations and (2) the aggregate of each CSP's employee violations by tracking accumulated CSP penalty points.
- b) Assess penalty points based on the number of violations issued by LAWA staff related to non-compliance of LAX Rules and Regulations and CSPP Requirements, including Major Violations.

LAWA's SAFE Program for employee violators shall continue in parallel to the CSPP enforcement program. At the commencement of the CSPLA, LAWA shall monitor the CSPP penalty point threshold process for violations based on the reported badged employee count of a CSPP. The CSPP penalty-point thresholds are shown in the following table:

| Threshold Points for Violations Accumulated in Any Continuous 12 Month Period | | |
|---|--------------------------|-------------------------|
| Warning Notice | Notice of Non-Compliance | Notice of Investigation |
| 2% of CSP Badge Count | 5% of CSP Badge Count | 10% of CSP Badge Count |

Major Violations

In addition, to tracking violations, as outlined above, LAWA shall also monitor and track each CSP's major violations. Any violation identified in the [LAX SAFE Guidelines](#) resulting in a three-point citation or more is considered a major violation. Below are the thresholds for Warning, Non-Compliance, and Notices of Investigation for major violations:

| Major Violation Offenses Accumulated in Any Continuous 12 Month Period | | | |
|--|----------------|--------------------------|-------------------------|
| | Warning Notice | Notice of Non-Compliance | Notice of Investigation |
| Number of Offenses | 1 | 5 | 7 |

5.3. Non-Compliance Tracking and Enforcement Actions

Each violation by a CSP shall result in penalty points assigned to the CSP. In addition, for each citation issued to a CSP or its employee by Airport Police or Airport Operations personnel, one penalty point shall be assigned. LAWA staff shall review these records to determine if a pattern of inappropriate behavior, failure to meet minimum standards of performance, or equipment failing inspection is evident in the number, frequency, and severity of the violations.

If a CSP reaches or surpasses one of the penalty-point accumulation and/or Major Violation thresholds within a continuous twelve-month period as indicated in the tables above, LAWA shall issue a Notice of Warning, Non-Compliance, or Investigation and may require a CSP's attendance at a Non-Compliance meeting. If a CSP does not take appropriate corrective action, LAWA staff shall investigate, which may lead to the suspension of a CSP's operations including the deactivation of their LAWA-issued security credentials, or the termination of their CSPLA. Permitted air carriers are exempt from the CSPP penalty-point process and shall

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be governed by the LAX SAFE Guidelines. A list of possible corrective actions for non-compliance is shown below:

| | Warning Notice | Notice of Non-Compliance | Notice of Investigation |
|------------------------|---|---|--|
| Possible Action | Advises CSP that a point accumulation has been reached and may require corrective action. | Advises CSP that corrective action plan must be provided to LAWA. | Conduct mandatory meetings with CSP to review violations, training plan, provide recommendations for corrective action. Staff may audit CSP records. |
| Possible Result | Resolution or Notice of Non-Compliance | Resolution or Notice of Investigation | Resolution, Suspension or Termination of the CSPLA and ID Badges |

5.3.1 Notice of Investigation Meetings

The Notice of Investigation (NOI) meetings are required for CSPs that repeatedly exceed the 10% CSPP penalty-point threshold, which have the objective of improving CSP performance.

a) Level 1

CSPs exceeding the 10% penalty-point threshold for the first time are required to attend a **NOI Level One** meeting with the Contract Administrator. Following that meeting LAWA resets the penalty points to zero (0) as a good faith measure, with the expectation that the CSP will improve its performance.

b) Level 2

If CSP exceeds the 10% penalty-point threshold a second time, a **NOI Level Two** meeting is conducted with LAWA senior management to identify additional corrective actions to address operational deficiencies, and the CSP shall retain its NOI Level Two status for a minimum of 12-months with efforts to sustain improved performance.

c) Level 3

If CSP exceeds the 10% penalty-point threshold a third time or performance does not improve, then a **NOI Level Three** meeting is conducted with LAWA executive management to determine if the CSP can continue operating as a responsible contractor at LAX.

LAWA shall notify the applicable airlines if a CSP is required to attend a NOI meeting.

CSPs must demonstrate and sustain performance improvement during the NOI Level Three period or may be subject to further corrective actions taken by LAWA, which includes but are not limited to, the termination of their CSPLA and deactivation of all corresponding Security Identification Display Area (SIDA) badges at LAX. The Chief Executive Officer may determine if the severity of a violation warrants a more serious action by LAWA.

5.3.2. CSP NOI Contracting Limitations

CSPs reaching a NOI Level 3 status shall:

- a) Not be authorized to add any new service contracts and/or expand operations at LAX without written approval by LAWA's Executive Director and/or designee.
- b) Have its CSPLA term reduced to a one-year period or other period designated by LAWA, until a sustained level of improved performance is achieved.

If CSP provides services to any new LAX customer(s) without LAWA authorization shall result in an automatic CSPP Hearing, which may result in deactivation of badges and/or CSPLA termination.

5.3.3. Notice of Investigation Monetary Fine Structure

CSPs reaching a NOI Level One status or higher are subject to a progressive monetary fine for **each** citation issued and major violation committed by a CSP and its employees at LAX. Effective September 1, 2023, all CSPP penalty points assessed to CSPs with a NOI status shall be reset to zero (0) and LAWA will monitor the CSP's performance in 90-day increments.

- a) CSPs projected to exceed 10% of its employee badge count in penalty points within the 90-day period shall be charged a fine based on the CSPP NOI Monetary Fine Structure.
- b) CSPs projected not to exceed 10% of its employee badge count in penalty points shall not be charged a monetary fine.
- c) CSP must remain under the 10% threshold over a 12-month period to have its NOI status removed.

The amounts of the monetary fines for citations and major violations increase per NOI level, as shown below:

| | Fine Amount | | |
|---------------------|-------------|---------|---------|
| Type | Level 1 | Level 2 | Level 3 |
| Per Citation | \$500 | \$1,000 | \$2,000 |
| Per Major Violation | \$1,000 | \$2,000 | \$3,000 |

5.3.4. Notice of Investigation Monthly Fee and FPG Increase

CSPs reaching any NOI status shall be subject to an increase in FPG and monthly fee payments to LAWA, as shown below:

| | Increased Amount | | |
|-------------|--------------------------|---------|---------|
| Type | Level 1 | Level 2 | Level 3 |
| Monthly Fee | 30% | 60% | 100% |
| FPG | 6 Months of Monthly Fees | | |

5.3.5. Notice of Investigation Corrective Actions

A summary of the NOI corrective actions that shall be taken by LAWA is shown below:

| Level 1 | Level 2 | Level 3 |
|---|---|--|
| Monetary Fines | Monetary Fines | Monetary Fines |
| 30% Monthly Fee Increase | 60% Monthly Fee Increase | 100% Monthly Fee Increase |
| 6 Months of FPG on File | 6 Months of FPG on File | 6 Months of FPG on File |
| Meeting with LAWA Contract Administrator | Meeting with LAWA Senior Management | Meeting with LAWA Executive Management |
| Submit Updated Corrective Action Plan | Submit Updated Corrective Action Plan | Submit Updated Corrective Action Plan |
| Submit Bi-annual Employee Training Rosters | Submit Quarterly Employee Training Rosters | Submit Monthly Performance Status Reports |
| Attend Bi-Annual Compliance Status Meetings with Contract Administrator | Attend Quarterly Compliance Status Meetings with LAWA Senior Management | Attend Monthly Compliance Status Meetings with LAWA Executive Management |
| | | CEO/ Designee approval to expand operations |
| | | CSPLA term reduced |

5.3.6. Audits

To ensure that each CSP remains in compliance with the terms and conditions of their CSPLA, LAWA shall conduct random compliance reviews, property, and equipment and vehicle inspections as deemed necessary. LAWA may request CSPs to submit CSP's Environmental Document (for example, California Air Resources Board's (CARB) DOORS annual equipment inventory and/or CARB Portable Equipment Registration Program permits) or engine plate/equipment photos to verify equipment inventory list accuracy. CSPs must retain all records and information related to their CSPLA during the term of their agreement and for a minimum of one (1) year after the expiration or termination of their CSPLA.

5.3.7. Cost Recovery

If there is damage to property resulting directly or indirectly from the actions of a CSP or their employees, LAWA reserves the right to recover costs to repair or replace the damaged property from the CSP.

5.4. Administrative Violations & Penalty-Point Process

LAWA shall issue a citation if a CSP fails to comply with Section 2, 3, 4 of the CSPP Requirements or any other administrative requirements imposed by LAWA. One penalty point shall be assessed to the CSP per violation. The points accumulated for these violations shall be added to the points accumulated for SAFE violations for the purposes of enforcement under this Section 5. CSPs under a NOI status shall be subject to monetary fines per citation as set forth in Section 5.3.3. of the CSPP Requirements. Administrative violations include but are not limited to:

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- a) Providing services to LAX customer(s) not authorized per approved CSPLA Exhibit A – Scope of Services
- b) Not reporting revenue received from LAX Customer(s) on Monthly Accounting Report
- c) Operating at LAX without approved insurance (lapses in insurance coverage)
- d) Expired FPG Letter of Credit
- e) Failure to submit Quarterly Employee Training Roster by due date
- f) Failure to submit Corrective Action Plan by due date
- g) Failure to submit Monthly Wheelchair Usage Report by date
- h) Non-compliance with LAX GSE Alt Fuel Program
- i) Non-Compliance with GSE Emission Reduction Program
- j) Hoarding SIDA badges to avoid exceeding CSPP penalty-point thresholds

5.5. CSPP Administrative Hearing

CSPs may be subject to an Administrative Hearing for any material changes to its CSPLA with LAWA. CSPs may also request an Administrative Hearing to contest any monetary fine imposed by LAWA. The purpose of the hearing is to afford due process for CSPs to present their case before a Hearing Officer, and to provide evidence of having the necessary trustworthiness, quality, fitness, and capacity to operate as a responsible Service Provider at LAX. Serious violations of LAX Rules and Regulations that may result in LAWA conducting an automatic Administrative Hearing, include but are not limited to:

- a) Multiple violations of employees operating on the airfield without required credentials.
- b) Multiple instances of CSP employees being intoxicated while on duty and/or bringing open alcoholic beverages or other controlled substances on campus.
- c) Multiple instances of employees using airport-issued security credentials for unauthorized and/or unintended purposes.
- d) CSPs abusing its restricted access to operate at LAX without authorization through its CSPLA.
- e) CSPs abusing its restricted access to operate under a different company at LAX that does not have a CSPLA.
- f) Causing an accident resulting in major damage to airport or airline property, serious injuries and/or death.

LAWA shall consider the Hearing Officer's recommendations and present the final recommendations to the BOAC for approval, which may result in the suspension and/or termination of the CSP's license agreement.

SECTION 6. CSPP RECERTIFICATION PROCESS

The LAX Airfield Permits Unit shall administer the CSPP re-certification process to determine the company's trustworthiness, qualifications, fitness, and capacity to continue operations at LAX.

- 6.1. A compliance audit shall be conducted to evaluate the CSP's performance history, and adherence to all operational and administrative requirements identified in the

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LAX Rules and Regulations and CSPP Requirements.

- 6.2. CSPs must be in full compliance with all program requirements and in good standing with LAWA and other local, state, and federal administrative agencies to be re-certified into the CSPP and receive a new 5-year CSPLA with LAWA.
- 6.3. CSPs requesting recertification may be required to submit a comprehensive corrective action plan that addresses any operational and administrative deficiency identified during the CSPP re-certification process, to obtain a new CSPLA to continue operations at LAX.
- 6.4. LAWA reserves the right to deny the issuance of a new CSPLA and/or CSPLA amendment request to any company that is in violation of any CSPP Requirement or is not in good standing with LAWA and other local, state, and federal administrative agencies.
- 6.5. CSPs may be required to submit additional documents and/or information. Failure to submit any required documents and/or information by the due date(s) designated by LAWA may result in non-certification.
- 6.6. New companies formed with similar ownership, management, training, and overall leadership to previous and/or existing CSPs that have penalty points and/or a non-compliance status, such penalty points and/or status shall be transferred to the newly created company.
- 6.7. LAWA reserves the right to set and/or reduce the license term of any CSPLA.

APPENDIX – DEFINITIONS

Air Operating Area (AOA) – A portion of an airport including aircraft movement areas, aircraft parking areas, loading ramps, and safety areas, for use by aircraft regulated under 49 CFR part 1544 or 1546, and any adjacent areas (such as general aviation areas) that are not separated by required security systems, measures, or procedures.

LAX Customer(s) – Term used in these standards to refer to an airline, airline consortium or tenant/occupant with a lease, sublease, tariff, UTC, operating permit or other LAWA approved instrument.

Air Carrier Access Act (ACAA) – Federal law which provides that no air carrier may discriminate against any otherwise qualified individual with a disability, by reason of such disability, in the provision of air transportation.

Americans with Disabilities Act (ADA) – Federal law that prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation. LAWA's ADA Coordinator can be contacted at (424) 646-5005.

Application Fee – Non-refundable fee paid by service providers applying for a CSPLA.

Board of Airport Commissioners (BOAC) – The seven-member commission that, pursuant to Los Angeles City Charter, governs LAWA, controls the airport assets, and is responsible for formulating airport policies and establishing rates and charges.

Certified Compliance Officer (CCO) – A CSP's primary point of contact for matters related to the CSPP, who shall audit the activities and records of the CSP and shall attest that the standards are being met.

Certified Service Provider (CSP) - A Service Provider that has been selected by an LAX customer(s) to provide a CSPP-regulated service(s) and has received that designation from LAWA following an application evaluation and certification process.

Certified Service Provider License Agreement (CSPLA) – A non-exclusive license agreement issued to a Certified Service Provider that desires to provide any of the Core Services and/or Limited Services regulated by the CSPP and has successfully completed the CSPP application process. The CSPLA authorizes a CSP and their employees to have access to LAX.

Chief Executive Officer – The General Manager of Los Angeles World Airports.

City – The City of Los Angeles, a municipal corporation under the same name and possession of all the property and interests it possesses and is regulated by City Charter, and Administrative and Municipal Codes.

Compliance Manager (CM) – LAWA's designated staff member who shall monitor Certified Service Providers and their participation in the CSPP.

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Core Services Classification – Classification which includes eight service categories: Aircraft Line Maintenance, Aircraft Transportation, Cargo Handling, Food Services, Into-Plane Fueling, Passenger and Ramp.

Days - Unless otherwise specified, “days” shall mean calendar days.

Equipment - Any apparatus, cart, rolling stock or other tool used to transport, operate, service or maintain business activities at LAX.

Faithful Performance Guarantee (FPG) – Guarantee posted with LAWA to secure the faithful performance guarantee by a CSP of all the terms, provisions, and covenants contained within their CSPLA. This includes, but is not limited to, the payment of fees and any other specified compensation. The FPG shall be separate from other Guarantee(s) required by LAWA.

Ground Support Equipment (GSE) - Support equipment, powered or non-powered, found at an airport, usually on the ramp, and used to service aircraft. The functions of this equipment generally involve ground power operations, aircraft mobility, baggage/cargo movement, food, and lavatory, and loading operations (for both cargo and passenger aircraft).

Gross Revenue - Money generated by all service provider's operations before deductions for expenses. The value of goods and fuel delivered are excluded from this calculation.

Labor Compliance - CSPs shall abide by the requirements of all applicable labor laws and regulations, including the City of Los Angeles' Living Wage Ordinance, Worker Retention Ordinance, and Contractor Responsibility Program.

Labor Harmony – CSPs covenant that their employees at LAX shall be able to work in labor harmony to protect LAWA's proprietary and economic interests.

LAWA Commercial Development Group (CDG) - LAWA division responsible for overseeing the agreements and use of all commercial land and buildings at LAX.

LAWA Consent to Sublease – Document provided to companies who sublease space from an airline and/or tenant to provide services at LAX.

LAX Rules & Regulations - Document that contains the rules, regulations, procedures, and general information governing operational activities at LAX. The objective of the manual is to promote the safe and efficient use of LAX facilities.

LAX Space Authorization Agreement – Agreement signed by the CSP and an airline/tenant that confirms authorization for CSP to operate on airline/tenant's leasehold and/or sub-leasehold at LAX.

Letter of Intent – Letter submitted to LAWA by a Service Provider applying to CSPP indicating they have a contract or preliminary agreement with an LAX customer(s) to provide Core and/or Limited Services and requesting a CSPLA to work at LAX.

Letter of Verification – Letter sent by an LAX customer(s) to LAWA verifying that a Service Provider has a contract, verifies the service provider's capacity to accomplish the work

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and needs a CSPLA to work at LAX or has reached a conditional agreement to enter into a contract once an application has been approved.

Limited Services Classification – Classification which includes three service categories: Aircraft Cabin Cleaning, Cargo Screening, and Terminal.

Los Angeles World Airports (LAWA) – City of Los Angeles Department of Airports.

Motor Vehicle – Any automobile, automobile truck, tractor, loader, or any other self-propelled vehicle designed for driving at the airport.

Non-Compliance – The state of a CSP being out of conformity with the terms and conditions of their CSPLA.

Non-Exclusive License Agreement (NELA) – License issued to service providers who are not subject to CSPP.

Operations Base - Operations Base – a facility on LAX at which or in which passengers or cargo are processed or aircraft/equipment maintenance is performed, and which houses equipment, personnel and/or supplies. Types of Operations Bases for an airline include, but not limited to, passenger terminals, cargo buildings, hangars, other maintenance buildings, offices, and dispatch centers.

Recurrent Training – Training that takes place to refresh principles received from an initial training program.

Security Badges – Badges issued by LAWA Airport Police, Security Credential Section (LAWA Badge Office). The security badge grants individuals, escorted or unescorted access to sterile areas, secured areas, and Security Identification Display Areas (SIDA) at LAX.

Tariff Letter – LAX Terminal Facilities Tariff Letter (Tariff) instrument. The Tariff was created to establish the terms and conditions applicable to occupants of terminal facilities at LAWA. The Tariff applies to occupants who do not have a current lease and to occupants whose lease has expired. Occupants do not have property rights.

UTC – LAX Non-Terminal Facilities Use Terms and Conditions (UTC) instrument. The UTC was created to establish the terms and conditions applicable to occupants of facilities (other than terminals) at LAWA. The UTC applies to occupants who do not have a current lease and to occupants whose lease has expired. Occupants do not have property rights.

Whistleblower Protection - CSPs shall not take an adverse employment action against any employee for making a complaint, cooperating with an audit or investigation, or participating in any administrative or judicial proceedings relating to a CSP's compliance or lack thereof with the CSPP or any City policy.