

AIRPORT CHARGES

Isavia Ltd. Keflavik International Airport / Valid from July 1st 2017



KEFLAVIK
AIRPORT



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1. Introduction

Isavia handles the operation and development of all airports in Iceland and, furthermore, manages air traffic in the Icelandic control area that has a size of 5,4 million square kilometres which makes it one of the largest in the world.

In this document the airport authority details the charges for services at Keflavik International Airport from May 1st 2017.

The terms of service is done according to instructions from ICAO regarding airport charges, directive from the European Union about airport charges and Icelandic aviation law regarding airport charges provisions.

The operating cost of Keflavik International Airport is fundamentally covered by its users. The proposed changes in the airport charges are based on predicted air traffic, cost of airport operations and aeronautical revenues in the year 2017.

The operation of Keflavik International Airport is divided into units which are supposed to be financially sustainable. Behind these units is a list of charges, which are landing charges, aircraft parking charges, departure charges, airport security charges, terminal charges and PRM (persons with reduced mobility) charges.

These airport charges will be effective from May 1st 2017. Isavia will annually review its charges.

Isavia reserves the right to amend these terms of service at any time.

Isavia cannot be held accountable for typos or other errors contained in this document.

Invoices for airport charges at Keflavik International Airport will be issued by Isavia ohf.

Please contact kefairport@kefairport.is for further information.

Please contact innheimta@isavia.is for inquiries about invoices.



2. Definitions

Aircraft includes fixed wing aircraft and helicopters plus any parts and accessories, equipment and stores.

Aircraft parking charge refers to the charges in section 3.3.

Airline includes operator, alliance/codeshare partner, franchisee and a subsidiary carrier of operator.

Airport refers to Keflavik International Airport

Airport security charges refers to the charge in section 3.4.

Charges refers to the charges in section 3 as amended or notified from time to time.

Departure charges refers to the charges in section 3.2.

Disabled persons and persons of reduced mobility charge (PRM) refers to the charges in section 3.6.

Handling agent Any person, firm or company appointed by an operator to perform any or all of the ground handling functions or an operator who performs self-handling.

Landing An aircraft landing

Landing charges refers to the charges in section 3.1.

Maximum take-off weight (MTOW) The maximum allowed and registered take-off weight of the aircraft. If the aircraft has a variable maximum take-off weight or several registered maximum take-off weights, only the highest registered MTOW will be considered.

Operator The person, firm or company that for the time being manages an aircraft.

Parking time The time during which an aircraft is parked at the stand assigned to it.

Passenger Terminal passengers, transfer passenger and transit passengers.

Route Any route from the airport to a final destination airport.

Summer refers to the season May-Sep.

Terminal charges refers to the charge in section 3.5.

Terminal passenger A passenger joining or leaving an aircraft at the airport. Terminal passenger includes transfer passenger.

Transfer passenger A passenger identified by a handling agent who arrives at the airport by one aircraft and departs the airport on another aircraft on a different flight number.

Transit passenger A passenger who arrives in and departs from the airport on the same aircraft with the same flight number. Passengers who change aircraft because of technical or operational issues but continue on a flight with the same flight number are still counted as transit passengers.

Winter refers to the season Jan-Apr and Oct-Dec.



3. Airport charges

The principles applicable to the setting and modification of airport charges at Keflavik International Airport managed by Isavia are governed by the authority contained in article 12. Act. 102/2006 on the incorporation of CAA air navigation and airport operations and article 71. Act. 60/1998 about air travel, with regard to article 71.a. and article 71.b. These provisions implements the EU Directive no. 2009/12 on airport charges.

3.1 Landing Charges

A landing charge is collected for each aircraft landing at Keflavik International Airport. The landing charge is based on the aircraft maximum take-off weight (MTOW), rounded up to the nearest 1,000 kg.

To determine the landing charge, aircraft are divided into two categories based on their MTOW.

The landing charges are as follows in EUR:

| MTOW | EUR per MTOW ton or part thereof |
|--|----------------------------------|
| 0 – 75 tons | 10.0 |
| Over 75 tons | 5.0 |
| Exemptions | No charge |
| Aircraft operated in search and rescue services, Aircrafts which land after test flight following repair work, provided that no landings have taken place at other airports, Aircraft which carries Heads of State, Aircraft owned or operated by the Icelandic State, Military aircraft from NATO countries | |

Example:

Aircraft MTOW 77 tons: $75t \times 10.0 + 2t \times 5.0 = EUR 760$

Aircraft MTOW 100 tons: $75t \times 10.0 + 25t \times 5.0 = EUR 875$

The landing charges for cargo aircrafts are as follows in EUR:

| MTOW | EUR per MTOW ton or part thereof |
|--------------|----------------------------------|
| 0 – 75 tons | 12.0 |
| Over 75 tons | 6.0 |



3.2 Departure Charges

| Charge for each departing passenger | Summer Charge EUR | Winter Charge EUR |
|-------------------------------------|-------------------|--|
| Per passenger | 5.09 | 2.55 |
| Exemptions | | Infants under 2 years, flight crew on active duty |

- Service included in landing charges and departure charges:

Runway and taxiway infrastructure

- Runways
- Taxiways
- Shoulders
- Service roads

Aprons

- Aprons, including their summer and winter maintenance (snow removal and braking action)
- Guidance and lighting systems
- Apron use planning
- Prevention of adverse environmental impact at apron
- Aircraft parking for max 6 hours

Rescue services

- Buildings for rescue services
- Rescue equipment
- Airport emergency response system
- Wildlife hazard and bird control

Airport air navigation services

- Buildings for air navigation services



3.3 Aircraft Parking Charges

A parking charge is collected for an aircraft parked for over 6 hours at the airport.

The parking charges are as follows in EUR:

| Parking time | | EUR per MTOW ton |
|---|--|--|
| First 6 hours | | Free of charge |
| Each following 24 hours or part thereof | | 0.50 per 1,000 kg MTOW or fraction thereof |
| Exemptions | Aircraft operated in search and rescue services, Aircrafts which land after test flight following repair work, provided that no landings have taken place at other airports, Aircraft which carries Heads of State, Aircraft owned or operated by the Icelandic State, Military aircraft from NATO | No charge |

Example after first 6 hours:

Aircraft MTOW 77 tons: $77t \times 0.50 = \text{EUR } 38.50$ per each following 24 hrs or part thereof

3.4 Airport security charges

The principles applicable to the setting and modification of airport security charges at Keflavik International Airport are governed by the authority contained in article 12. Act. 102/2006 on the incorporation of CAA air navigation and airport operations and article 71. Act. 60/1998 about air travel, with regard to article 71.a. and article 71.b., article 58. Regulation no. 750/2016 on airport security and Act. 5 on EU regulation no. 300/2008.

Airport Security Charge is paid by each passenger on flights leaving Keflavik International Airport except infants under 2 years of age, registered aircraft crew and transfer and transit passengers between North America and countries other than Iceland, except from countries that do not comply with security measures and passengers travelling on military aircraft operated by NATO countries.

| Charge for each departing passenger | Summer Charge ISK | Winter Charge ISK |
|-------------------------------------|--|-------------------|
| Per passenger | 1,350 | 1,200 |
| Exemptions | Infants under 2 years, transfer & transit passengers, flight crew on active duty | |

3.5 Arrival security screening

Passengers arriving/transferring from countries outside the EU/EEA that do not comply with security measures implemented within the EU/EEA, including Iceland, must go through security checks at Keflavik International Airport before they get mixed with other passengers in the terminal.

| Charge per passenger, if applicable | Summer Charge ISK | Winter Charge ISK |
|-------------------------------------|--|-------------------|
| Per passenger | 800 | 400 |
| Exemptions | Infants under 2 years, flight crew on active | |



- Service included in security charges and arrival security screening:

Passenger security screening

- Screening of passengers and their cabin baggage
- Screening of hold baggage
- Security screening infrastructure (e.g. screening premises and x-ray equipment)
- Costs for guarding the premises inside and outside the terminal and within the airport security fence, as required by authorities

Security screening for staff and goods

- Screening of the staff and things they may bring with them, of Isavia and other companies operating at the airport
- Screening of company vehicles
- Screening of airport supplies
- Related infrastructure

Access control

- Costs resulting from access control and access control systems
- Airport fences around the security restricted area
- Camera surveillance system

Patrolling and surveillance

- Patrolling and guarding inside the critical part of security restricted (CSRA) area e.g. perimeter fence, inside and outside the terminal, apron, service areas
- CCTV surveillance inside CSRA and surroundings of the terminal and perimeter



3.6 Terminal charges

A terminal charge is collected for each departing passenger and transfer passenger travelling through the airport.

| Charge for each departing passenger | Summer Charge ISK | Winter Charge ISK |
|-------------------------------------|-------------------|--|
| Per passenger | 1,200 | 700 |
| Exemptions | | Infants under 2 years, flight crew on active duty |

| Charge for each transfer passenger | Summer Charge ISK | Winter Charge ISK |
|------------------------------------|-------------------|--|
| Per passenger | 650 | 400 |
| Exemptions | | Infants under 2 years, flight crew on active duty |

- Service included in the terminal charge:

Passenger service infrastructure and its maintenance

- Access to the airport (surface traffic infrastructure and its maintenance)
- Road network
- Traffic signs
- Terminal yards, green areas

Passenger service infrastructure and its maintenance

- Terminals
- Passenger processing equipment
- Waiting areas and public premises (incl. facilitation of movement, such as lift and escalators)
- Signs
- Sanitation, incl. toilets for the disabled

Passenger bridges/apron bus transports

Baggage infrastructure and its maintenance

- Premises for baggage handling and delivery
- Baggage handling system
- Baggage sorting system
- Inbound baggage system



3.7 Persons with reduced mobility (PRM) service

The principles applicable to the setting and modification of PRM charges at Keflavik International Airport are governed by the authority contained in article 57.d. cf. to article 71. Act. 60/1998 about air travel and under regulation no. 475/2008 on the rights of disabled persons and persons with reduced mobility traveling by air and under 8. EU regulation no. 1107/2006 on the same issue.

The airport has engaged a third party to perform this service on its behalf based on a public tender process and levies a specific charge on air carriers to recover the costs of provision of these services in line with the regulation. This charge is calculated on a departing passenger basis for all commercial passenger air services as set out below:

| Service | Charge (ISK) |
|-------------------------------------|--|
| Charge for each departing passenger | 65 |
| Exemptions | Infants under 2 years, flight crew on active duty |



3.8 Terminal Navigation Charges

The charging scheme is a common scheme for Keflavik and Reykjavik approach. The charge is based on Article 197 of the Aviation Act NO 80/2022. The TNC charge is calculated, similar to the EU common charging scheme, based on a unit rate and MTOW for each aircraft landing at Keflavik International Airport. If the aircraft has a variable maximum take-off weight or several registered maximum take-off weights, only the highest registered MTOW will be considered.:

$$\text{TNC} = \text{unit rate} * (\text{MTOW}/50)^{0.7}$$

where:

$$\text{Unit rate ISK} = 8.030 \text{ ISK}$$

| TNC | | Unit rate (ISK) |
|--|---|-----------------|
| unit rate * (MTOW/50)^{0.7} | | 8.030 |
| Exemptions | <ul style="list-style-type: none">- Aircraft operated in search and rescue services- Aircrafts which land after test flight following repair work, provided that no landings have taken place at other airports- Aircraft which carries Heads of State- Aircraft owned or operated by the Icelandic State- Military aircraft from NATO countries- Training flights performed exclusively for the purpose of obtaining a license, or a rating in the case of cockpit flight crew, where this is substantiated by an appropriate remark on the flight plan. Flights must be performed solely within the airspace of Iceland and must not serve for the transport of passengers and/or cargo, nor for positioning or ferrying of the aircraft | No charge |



4. Incentives

Keflavik Airport offers an incentive program, in the form of discounts for new routes and passenger increase bonus to encourage airlines to develop their services at the airport.

Please see the terms and conditions of the incentive program at: www.kefairport.is

5. Payment of Charges

Payment of charges are detailed in Terms of Services at <https://www.isavia.is/en/corporate/business/keflavik-airport/aviation/airport-charges-and-terms-of-service>

6. Charge for Service Outside of Operational Hours

Keflavik Airport is open 24H.

7. Charges for Inspection Services

See table of customs services charges at <http://www.tollur.is>