

BLOCK SPACE / CODE SHARE AGREEMENT
Between
POLAR AIR CARGO, INC. and QANTAS AIRWAYS, LTD.
(Redacted Version)

This Agreement is made as of this 5th day of April, 2002, by and between Polar Air Cargo, Inc. (hereinafter referred to as "Polar"), a company organized and existing under the laws of the State of California of the United States of America, whose head office is at 100 Oceangate, Fifteenth Floor, Long Beach, California, 90802, U.S.A., and Qantas Airways, Ltd. (hereinafter referred to as "Qantas"), a company organized and existing under the laws of Queensland, Australia, whose head office is at 203 Coward Street, Mascot 2020, Australia, each referred to in the singular as "the Party" or both collectively as "the Parties".

WHEREAS Polar operates scheduled all-cargo services between the United States of America, Australia and New Zealand and is willing to allocate capacity for use by Qantas on a code share basis on these services; and

WHEREAS Qantas desires to block space and code share on Polar's scheduled all-cargo services between the United States of America, Australia and New Zealand;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, Polar and Qantas agree to enter into a code share/block space agreement as follows:

Article 1: Scope of Agreement

- 1.1 Polar agrees to allocate and Qantas agrees to pay for the space blocked on each Polar flight specified in and operated according to the schedules in the Annexes, attached hereto, whether such space is used or not, except as provided herein.
- 1.2 All operations conducted pursuant to this Agreement, its Annexes and Amendments shall be in compliance with all applicable laws, rules, regulations, orders and international conventions and guidelines.
- 1.3 Details of the aircraft operations in support of this Agreement, including flight numbers, routings, schedules, days of aircraft operations, the allotment of capacity on a blocked space basis and all applicable rates, shall be defined in the Annexes to this Agreement.
- 1.4 This Agreement constitutes the complete and exclusive statement of the terms of the Agreement between the Parties hereto. No statement or agreement, oral or written, made prior to, or at the signing hereof, and no prior courses of dealing or practice by either Party shall vary or modify the written terms hereof; neither Party shall claim

any modification or rescission of any provision hereof unless such modification or rescission is in writing, signed by both Parties and specifically states it is an amendment to this Agreement.

Article 2: Main Principles

- 2.1 In connection with such matters as aircraft availability, operating costs, payload capacity that would determine the overall level of service, the Parties agree to establish flight schedules at least 45 days in advance of each IATA traffic period, unless otherwise agreed.
- 2.2 The Parties shall meet at will, or, at a minimum, 60 days in advance of each IATA traffic season, to discuss and agree on the continuation or amendment of provisions of this Agreement and/or its Annexes, including, but not limited to, the following:
 - a. Aircraft type;
 - b. Flight numbers;
 - c. ULD configuration;
 - d. Flight schedules;
 - e. Allocation of cargo capacity;
 - f. Telex/SITA addresses of flight operations centers;
 - g. Addresses and processes for invoicing and payments; and
 - h. Average payload of the aircraft.
- 2.3 All matters relating to the terms and conditions of this Agreement shall be addressed exclusively by the head offices of each Party.
- 2.4 Although this Agreement specifically provides for cooperation between the Parties on a code share/block space basis on freighter services operated by Polar between the United States, Australia and New Zealand, it is not intended to limit the furtherance of cooperation between the Parties through interline and other means permitted by law and regulation.
- 2.5 Each Party shall inform its sales and operational personnel and its agents of the benefits of this Agreement.
- 2.6 Both Parties shall, to the extent permitted by law, from time to time consider current operations and conditions that would impact the level or pattern of services anticipated by this Agreement.

Article 3: Capacity Allocation

- 3.1 Qantas shall be entitled to the cargo capacity on Polar aircraft operated pursuant to this Agreement and stipulated in Annex 2. However, either Party may request additional capacity of the other Party, but such requests shall be made no later than 24 hours before departure of the flight concerned, unless otherwise agreed between the Parties. The tariffs for purchasing such capacity are stipulated in Annex 3.
- 3.2 Capacity control for the Flights will be performed by Polar. However, each Party will be individually responsible for the sales and reservations control of its allotted capacity. Reservations will be made by each Party according to its own procedures. Release procedures will be defined jointly at each station served pursuant to this Agreement.
- 3.3 All messages regarding the matters noted above shall be addressed to the appropriate departments of both Parties as defined in the Annexes.

Article 4: Charges and Payments

- 4.1 Qantas shall pay Polar a block space rate on the schedule specified in Annex 3.

Article 5: Conduct of Flight Operations

- 5.1 Polar shall be responsible for providing the aircraft, all requisite trained and qualified crews and flight dispatch for the flights operated pursuant to this Agreement. Unless otherwise noted herein, Polar shall be responsible for procuring and managing all services in support of the operation of these flights, including aircraft on-load and off-load, ramp handling, fuel and weight and balance. All such training and procedures shall be in accordance with Polar's Operations Specifications.
- 5.2 The services incumbent on Polar shall be performed in accordance with Polar's standard procedures and usual practices, unless otherwise agreed and not required by law or regulation, to which procedures and practices Qantas shall also adhere. The aircraft call sign used shall be that of Polar.
- 5.3 Polar has the right:
 - a. to delay, cancel, divert or interrupt a flight due to technical or safety reasons; and
 - b. to decrease the established payload whenever unfavorable weather conditions so require.Should remedial action be required due to any of the causes noted above, prompt written notice shall be given to the relevant departments of Qantas, as noted in the Annexes.

- 5.4 In case of flight cancellation, Qantas will not be charged for any space purchased on the flight that was cancelled.
- 5.5 Polar shall keep Qantas duly informed about actual flight movements and operational developments, as may be reasonably required by Qantas.
- 5.6 Polar will be responsible during the entire period of this Agreement for providing and maintaining the aircraft properly cleaned, equipped and fueled, in good working condition and provided with all flight documents required by all aeronautical authorities in order to carry out the transportation of cargo and mail.
- 5.7 Polar shall at all times be responsible for and maintain operational control of all Polar aircraft used in the performance of the flights conducted pursuant to this Agreement. The captain of the aircraft shall be in command of the aircraft and its operations and shall have full authority with respect to all matters involving the safe and lawful operation of the aircraft.
- 5.8 Polar shall at all times operate under its own maintenance program and under its own maintenance and Minimum Equipment List (MEL) requirements.
- 5.9 All operations conducted under this Agreement shall be conducted in accordance with the authorizations, limitations and provisions of Polar's Operations Specifications.

Article 6: Ground Handling and Security Services

- 6.1 Qantas shall, at its own expense, tender freight for carriage on the Flights directly or through its appointed agents, to Polar at shipside. All freight tendered to Polar by Qantas will be built-up and ready for carriage on unit load devices ("ULD") and secured with FAA approved and properly maintained nets and straps, as required.
- 6.2 Polar shall deliver the consignments back to Qantas at shipside as soon as possible after arrival at destination. Polar responsibility for Qantas' cargo starts and ends at shipside.
- 6.3 All other handling activities not listed above shall be arranged and paid for by each Party for its own load at each station. For these activities each Party shall apply the rules and regulations of Polar with regard to safety and security. Details ensuring the application of these regulations shall be established at each station served pursuant to this Agreement.
- 6.4 Approval by Polar for the carriage of any Qantas cargo requiring special handling, such as high value cargo, munitions, firearms, radioactive, dangerous goods, live animals and oversize cargo, or the use of cargo attendants or couriers, shall be coordinated in advance and shall not unreasonably be withheld. Qantas indemnifies

and holds harmless Polar against all costs, fines, penalties and charges, including reasonable attorney fees, in the event Qantas tenders cargo for transportation under this Agreement that is determined to be illegal, unsafe, or contraband of any kind. In all operations conducted pursuant to this Agreement Polar holds the right to disapprove the carriage of cargo that does not meet the requirements of law or regulation.

- 6.4.1 Any additional costs associated with the handling of such cargo shall be to the account of the carrier on whose air waybill or transfer manifest such cargo is transported.
- 6.4.2 In the event Polar transports on behalf of Qantas shipments of dangerous goods, Qantas will ensure that all such shipments fully comply with IATA/ICAO regulations. Additionally, Qantas will ensure that all shipments comply with all applicable regulations set forth by states of origin, planned transit, planned destination and primary planned alternate. Qantas agrees to indemnify and reimburse Polar in whole for any fines, penalties, claims, damages and every expense resulting from dangerous goods shipments made on behalf of Qantas and caused by actions or omissions of Qantas, its customers or agents. Qantas also agrees that Polar has the right to refuse transportation to any cargo attendants or couriers when documents are not completed or when compliance with all applicable laws, regulations, orders, demands or requirements is not met. Additionally, Polar shall not be liable for loss or expense due to the failure of Qantas to comply with the provisions of this paragraph.
- 6.4.3 Qantas will provide Polar all paperwork regarding dangerous goods shipments no later than 60 minutes before schedule flight departure. Dangerous goods paperwork shall include, but not be limited to, shipper air waybill and shipper declaration. Polar will provide to Qantas the standard Polar Notification for Loading of Dangerous Goods form for use in the movement of dangerous goods.
- 6.4.4 The carriage of cargo attendants and couriers shall be in compliance with all laws, regulations, orders, demands and travel requirements of all states and countries served under this Agreement, as well as all in compliance with Polar policies and procedures. Polar and Qantas reserve the right to refuse carriage of any cargo, attendants and couriers when documents are not completed or when compliance with applicable laws, regulations, orders, demands or requirements is not met.
- 6.5 Qantas cargo carried on Polar aircraft shall move under Qantas air waybills and be manifested as such or as traffic transferred to Qantas pursuant to interline agreements.
- 6.6 Loading and unloading, as well as weight and balance, shall be performed under the guidance of ground personnel approved or employed by Polar.

Article 7: Documentation and Accounting of Transportation Documents

- 7.1 All transportation documents concerning shipments to be carried on the services contemplated by this Agreement shall indicate as the carrier that Party that accepts the freight and/or mail for transportation on its allocated share of the aircraft.
- 7.2 The Party indicated as the carrier in the transportation documents will account for all transportation documents used for carriage on services conducted pursuant to this Agreement.
- 7.3 Each Party shall be wholly responsible for and carry out its billing and collection of payment of all traffic sold and transported in support of its allocation on the services conducted pursuant to this Agreement.

Article 8: Accounting and Charging

- 8.1 Accounting and charging arrangements as agreed in Annex 3 hereto shall be reviewed as needed, depending on the capacity used or additionally required by either Party.

Article 9: Flight Irregularities

- 9.1 Polar has the right to substitute an alternative aircraft type due to un-serviceability or other technical reasons and shall advise Qantas accordingly.
- 9.2 Polar shall report all major flight irregularities by SITA to the Qantas flight control center SITA Address:_____.
- 9.3 In the event of an operational payload restriction, the loss incurred due to such restriction shall be shared between the Parties in proportion to their respective loads on such flights.
- 9.4 The Parties shall consult when major irregularities, not covered by the above paragraphs, occur.

Article 10: Supplementary Flights

- 10.1 When demand exceeds capacity on the services contemplated pursuant to this Agreement, supplementary freighter flights may be operated subject to aircraft availability and mutual agreement. This Agreement, and the normal procedures stipulated in this Agreement, its Annexes and Amendments, shall be applied unless otherwise agreed.

Article 11: Insurance, Indemnification and Liability

11.1 Polar agrees to indemnify and hold harmless Qantas, its officers, agents, servants and employees from all liabilities, damages and claims including but not limited to all costs and expenses incidental thereto, which may accrue against, be charged to or recoverable from Qantas, its officers, agents, servants and employees by reason of any injury, death or property damage suffered by third parties, arising out of or in any way connected with the services operated pursuant to this Agreement and of any damage to or loss of the aircraft provided by Polar, unless due to the negligence or willful misconduct of Qantas, its officers, agents, servants and employees.

11.2 Qantas agrees to indemnify and hold harmless Polar, its officers, agents, servants and employees from all liabilities, damages and claims including but not limited to all costs and expenses incidental thereto, which may accrue against, be charged to or recoverable from Polar, its officers, agents, servants and employees by reason of any injury, death or property damage suffered by third parties, arising out of or in any way connected with the participation of Qantas on the services operated pursuant to this Agreement and of any damage to or loss of the aircraft provided by Polar, unless due to the negligence or willful misconduct of Polar, its officers, agents, servants and employees.

(a) Polar shall, at its own cost and expense, procure and maintain during the term of this Agreement comprehensive public liability insurance (including without limitation, contractual liability, cargo legal liability, and aircraft liability, including premises, hangar keepers and product liability) and aircraft hull insurance covering the operations of Polar contemplated hereunder. Such policy shall include war and allied risks in accordance with standard market practice and an endorsement by insurers to provide Qantas thirty (30) days written notice of cancellation or any material change (seven (7) days or such lesser period as provided by war risk insurers) and ten (10) days in the event of cancellation due to non-payment. Limits of coverage shall be consistent with prevailing levels of coverage in the industry. This coverage shall be primary without right of contribution from Qantas and Qantas, its directors, officers, agents and employees shall be named as additional insureds, and will contain a standard cross-liability clause, breach of warranty endorsement and a waiver of subrogation clause in favor of Qantas, as appropriate, and will be endorsed to expressly cover the contractual liability of Polar. However, no Party shall be included as an additional insured as respects its legal liability as manufacturer, repairer, supplier, or servicing agent of the aircraft or any part thereof.

(b) Qantas shall, at its own cost and expense, procure and maintain during the term of this Agreement comprehensive public liability insurance (including, without limitation, contractual liability, cargo legal liability, and non-owned aircraft liability) covering the operations of Qantas and the cargo tendered by Qantas for transport on the services contemplated hereunder with insurers recognized in the

aviation insurance market. Such policy shall include war and allied risks in accordance with standard market practice and an endorsement by insurers to provide Polar thirty (30) days written notice of cancellation or any material change (seven (7) days or such lesser period as provided by war risk insurers). Limits of coverage shall be consistent with prevailing levels of coverage in the industry. This coverage shall be primary without right of contribution from Polar and Polar, its directors, officers, agents and employees shall be named as additional insureds, and will contain a standard cross-liability clause, breach of warranty endorsement and a waiver of subrogation clause in favor of Polar and will be endorsed to expressly cover the contractual liability of Qantas.

(c) Each Party shall ensure that injuries to its respective employees are covered by insurance as required by applicable worker's compensation laws, and, if possible given standard industry practice in each jurisdiction where operations are conducted, including: (1) a waiver of such insurers rights of subrogation against the other Party; and (2) a provision for thirty (30) days notice of cancellation.

(d) Each Party shall provide the other with adequate evidence of its respective insurance obligations set out above as is reasonably acceptable to the other Party.

Article 12: Issuance of Traffic Documents and Reservation of Space

12.1 Each Party shall assume the entire responsibility for the issuance of its traffic documents and the reservation of space, and shall indemnify the other Party, its officers, agents, servants and employees against all claims, demands, costs, expenses and liability arising therefrom providing that such indemnification shall not cover claims to the extent caused by the negligence or willful misconduct of the other Party.

Article 13: Force Majeure

13.1 Neither Polar nor Qantas shall be liable in respect of any failure to fulfill its obligations under this Agreement, excluding the obligations according to Article 11 (Insurance and Liability), but without prejudice to accrued rights and liabilities, if such failure is due to force majeure. This includes, by way of illustration but not limitation, acts of God or the public enemy, acts of government or any governmental agency, fire, flood, explosion, earthquake, adverse weather, serious accidents, mechanical breakdowns, epidemics, quarantine restrictions, war or civil commotion, strikes or labor disputes or any other occurrence beyond the reasonable control of either Party. In any such case this Agreement will be considered inoperative and neither Party will be held to pay any damage or cost of whatever kind, except for the accrued rights and liabilities above-mentioned, to the other Party. In this case the Parties will discuss and agree on the action to be taken.

Article 14: Arbitration

14.1 Any questions concerning the validity, interpretation or application of this Agreement, its Annexes and Amendments shall, on request of either Party, be subject to consultation between the Parties and both Parties shall use their best efforts to settle mutually any disagreement or claim that may arise. In the event of any dispute concerning the interpretation or application of this Agreement, its Annexes or Amendments, or concerning any rights or obligations based on or related to this Agreement, such dispute shall be settled by binding arbitration before a panel of three arbitrators, and the arbitration shall be administered by the American Arbitration Association at its Los Angeles, California regional offices, and all arbitration hearings shall be held in Los Angeles, California. Discovery shall be permitted in the arbitration proceeding to the fullest extent permitted by law. The cost of the arbitration and the fees and compensation of the arbitrators shall be shared equally between the Parties hereto.

Article 15: Reconsideration of Conditions

15.1 The terms and conditions of this Agreement and its Annexes may be changed by the mutual written agreement of both Parties. In the event of one of the Parties being convinced that any of the conditions of this Agreement is not in accordance with the principles of fair collaboration, that Party shall give such notice to the other Party and the Parties shall thereafter consult in good faith. Any resulting change shall be recorded as an "Amendment" to this Agreement and shall be effective from the day determined by the Parties. If a contemplated change would require governmental approval, the Parties shall use best efforts to work together to seek and obtain the necessary authority.

Article 16: Applicable Law

16.1 This Agreement shall be governed by and construed in accordance with the laws of the State of California, USA.

Article 17: Government Regulations

17.1 The activities undertaken pursuant to the terms and conditions of this Agreement, its Annexes and Amendments, shall always be in accordance with the law (including Governmental rules, regulations and orders) of the countries of the Parties or any other relevant countries or international standard of conduct. Should that not be the case, the Parties shall confer in order to amend the Agreement to the required extent, or to find jointly any other solution suitable to the continuation of the services hereunder intended.

Article 18: General Conditions

18.1 When any change or addition to the rules, law, or regulations that may affect this Agreement are introduced or material changes in circumstances which were not foreseeable at the time of this Agreement, both Parties shall use their efforts to agree that this Agreement shall be changed or supplemented to the extent required.

Article 19: Notices

19.1 Any and all notices, statements and other communications mentioned in this Agreement, unless otherwise agreed in this Agreement or in the Annex, to be given or sent to either Party shall be in writing in the English language and shall be deemed to have been duly given after the normal transmission if sent by fax addressed as follows:

If to Polar: President
 Polar Air Cargo, Inc.
 100 Oceangate – 15th Floor
 Long Beach, CA 90803
 Fax: 562-436-9333

If to Qantas: Peter Frampton
 Executive General Manager
 203 Coward Street
 Mascot, N.S.W. 2234
 Australia
 Fax: 61-2-9691-1072

Article 20: Assignment

20.1 This Agreement shall not be assigned in whole or in part by either Party without the prior written consent of the other, which consent shall not be unreasonably withheld.

Article 21: Event of Default

21.1 In the event of either Party being in default of any of its obligations under this Agreement, the non-defaulting Party shall give notice to the other Party of said default requesting them to be remedied within 15 (fifteen) days of such notice, failing that the non-defaulting Party shall have the right to terminate this Agreement forthwith. Waiver by either Party of any particular default by the other Party shall

not affect or prejudice the rights of the non-defaulting Party in respect of any other or subsequent default.

21.2 The occurrence of any of the following events or conditions shall constitute an event of default hereunder:

- a. Failure of Qantas to pay when due any payment which may be required hereunder;
- b. The breach of any material warranty, or falsity of any material representation made by Polar or Qantas in connection with this Agreement;
- c. The dissolution, liquidation, cessation, material change in ownership, sale of business by Polar or Qantas or immediate termination of existence of Polar or Qantas;
- d. The insolvency or bankruptcy of Qantas or Polar, or the making by Qantas or Polar of an assignment for the benefit of creditors; or the consent of Qantas or Polar to the appointment of a trustee or receiver for Qantas or Polar or for a substantial part of its business or the admission in writing of Qantas or Polar of its inability to pay its debts as they may mature;
- e. The institution by or against Qantas or Polar of bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or any other proceedings for relief under any bankruptcy or similar federal, state or local law for the relief of debtors, provided, that if such proceeding is instituted against Qantas or Polar and is not consented to by the person against whom the proceeding is brought, it is not dismissed within sixty (60) days after such institution; or,
- f. Any other material breach or failure of Qantas or Polar to observe or perform any other term, condition or covenant required to be observed or performed by Qantas or Polar hereunder.

21.3 Upon the occurrence of any event of default enumerated in sub-article 21.2 (c), (d) or (e) upon the part of either Party hereto, the non-defaulting Party may elect to terminate this Agreement immediately in its entirety on giving written notice to the defaulting Party.

21.4 Upon the occurrence of any event of default enumerated in sub-article 21.2 (a) above on the part of Qantas, Polar may, without prejudice to any other remedy which it may have in law or at equity, terminate the Agreement by giving notice of such default and Qantas shall have three (3) days from the date of receipt of such notice to cure such default. If the event of default has not been cured by midnight of the third (3rd) day, this Agreement shall be deemed terminated immediately for cause.

21.5 Upon the occurrence of any event of default enumerated in sub-article 21.2 (b) or (f) above on the part of either Party hereto, the non-defaulting Party hereto may, without prejudice to any other remedy which it may have in law or at equity, terminate the Agreement by giving notice of such default and the Party receiving such notice shall have twenty (20) days from the date of receipt of such notice to cure such default. In the event the default has not been cured by midnight of the

REDACTED

twentieth (20th) day, this Agreement shall be deemed terminated immediately for cause.

- 21.6 The right of either Party under this Article 21 to terminate this Agreement due to the default of the other Party hereto, shall not be deemed an exclusive remedy and shall be in addition to any other remedy such Party might have under this Agreement, at law, or in equity, including, without limitation, and action for damages, or, as appropriate, specific performance.

Article 22: Validity and Termination

- 22.1 This Agreement shall remain in force for an initial period of [] from the date first noted above unless terminated earlier in accordance with the terms of this Agreement. Notwithstanding the above, either Party may terminate this Agreement by giving [] to the other Party. This Agreement may be extended by mutual agreement of the Parties.
- 22.2 In the event of the present Agreement being terminated by notice or otherwise, such termination shall be without prejudice to the accrued rights and liabilities of either Party prior to its termination.
- 22.3 Notwithstanding the provisions of Paragraph 22.1 of this Article, either Party may terminate this Agreement at any time, if the other Party becomes insolvent, makes a general assignment for the benefit of creditors or commits an act of bankruptcy or for its reorganization or the readjustment of its indebtedness is filed by or against it, or if a receiver, trustee or liquidator of all or a substantial part of its property is appointed or applied for.
- 22.4 []

REDACTED

]

Article 23: Taxes

- 23.1 Qantas shall, in addition to all other payments provided herein to be paid, promptly pay all taxes, duties, assessments, imposts, tariffs, bonding fees and all other governmental charges levied or assessed upon the carriage of cargo allocated to Qantas under this Agreement, or upon the earnings arising from any of the foregoing, and, as an additional fee, shall promptly pay or reimburse Polar for the Qantas pro-rata share of any taxes, assessments, duties and other governmental charges levied or assessed and paid or to be paid by Polar on account of the use of

REDACTED

the aircraft hereunder or this Agreement with Qantas, or on the fees herein provided for or the earnings arising from any of the foregoing, exclusive, however, of any taxes based on Polar's net income assessed by the United States Federal Government or the State of California, U.S.A. If, as a result of any payment by Qantas pursuant to this Article 23, Polar or any affiliate of Polar realizes a reduction of tax, saving, deduction or credit then Polar shall promptly refund to Qantas that amount. Where requested in writing, Polar will, at Qantas' expense, contest the validity, applicability or amounts of such taxes. Polar hereby warrants that it regularly provides aircraft capacity with aircraft fully equipped, manned and supplied.

Article 24: Governmental Obligations

24.1 Qantas hereby acknowledges that Polar has and will have certain obligations and commitments in relation to its aircraft under Civil Reserve Aircraft Fleet ("CRAF") contracts with the United States Department of the Air Force, as the same now exist or may hereafter be extended, renewed or replaced. Within eighteen (18) hours after Polar gives notice to Qantas that it is obligated to make its aircraft available under its CRAF contract or because of a United States airlift emergency or national emergency as determined by the President or by the Secretary of Defense of the United States, Polar shall discontinue operations hereunder until the cessation of such requirement or emergency. During the CRAF activation period, Qantas' obligations hereunder shall cease and abate from the time Qantas is deprived of beneficial capacity on Polar's aircraft. Unless prohibited by National Security requirements, Polar shall notify Qantas immediately of any CRAF activation involving Polar. If the effect of the said requirements or emergency use of Polar's aircraft extends [] and services under this Agreement are suspended thereby, Qantas shall have the right to terminate this Agreement.

Article 25: Confidentiality

25.1 Neither Party shall in any manner disclose, advertise or publish any details of this Agreement without the prior written consent of the other Party, other than to professional consultants and advisers retained by either Party and as required by law.

IN WITNESS WHEREOF, Polar and Qantas have caused this Agreement to be executed by the signatures of their duly authorized representatives on the date first recorded above.

POLAR AIR CARGO, INC.

By: Ronald Alue
Its: Chief Marketing Officer

QANTAS AIRWAYS, LTD.

By: [Signature]
Its: GGM Wright

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ANNEX 1

To that
Code Share / Block Space Agreement
Between
Polar Air Cargo, Inc. and Qantas Airways Limited
Dated April 5, 2002

I. Flight Schedules

The following flight times are in GMT and are subject to adjustment due to seasonal winds and slot availability.

Flight #1

<u>Flight No.</u>	<u>City</u>	<u>Arr. / Day</u>	<u>Dep. / Day</u>
PO381/QF7550	JFK		0615 / Thu
	ORD	0845 / Thu	1115 / Thu
	LAX	1535 / Thu	1735 / Thu
	HNL	2225 / Thu	0055 / Fri
	SYD	1050 / Fri	

Flight #2

<u>Flight No.</u>	<u>City</u>	<u>Arr. / Day</u>	<u>Dep. / Day</u>
PO 81/QF7554	JFK		0200 / Sun
	ORD	0430 / Sun	0630 / Sun
	HNL	1505 / Sun	1705 / Sun
	SYD	0300 / Mon	

The Parties agree that certain flights will be cancelled due to major holidays (e.g. Christmas, New Year, Chinese New Year) and will agree, at a minimum, 45 days in advance of the holiday on the flights to be cancelled.

ANNEX 2

To that
Code Share / Block Space Agreement
Between
Polar Air Cargo, Inc. and Qantas Airways Limited
Dated April 5, 2002

I. Allocation of Capacity

1. Capacity under this Agreement shall be calculated and allocated to Qantas on the basis of actual weight and space according to the table below:

Flight	Routing	[REDACTED]
PO381 / QF7550	JFK-ORD-LAX-HNL-SYD			
PO81 / QF7554	JFK-ORD-LAX-HNL-SYD			

2. Throughout the text of this Agreement, Annex and all documents appended hereto, "S" shall refer to a main deck shelf position, "N" shall refer to a main deck nose position and "LD" shall refer to a lower deck position. Each position shall have a pivot weight of the amounts listed above for each sector.

ANNEX 3

To that
Code Share / Block Space Agreement
Between
Polar Air Cargo, Inc. and Qantas Airways Limited
Dated April 5, 2002

I. Charges and Payments

1. The rates and charges to be paid by Qantas to Polar shall be [

REDACTED

]

2. **Polar Responsibilities:** [

REDACTED

REDACTED

]

3. Qantas Responsibilities: [

REDACTED

]

4. The charges defined above may be paid by the Party not responsible for such charges where appropriate in the first instance, and re-charged to the other Party for reimbursement. Charges are not to be routinely incurred on this basis. The Party responsible for each charge is to make its own arrangements as soon as practicable to pay the charges. Where charges are paid by the Party not responsible for them, the Party making the payment is to provide an invoice to the other Party for inclusion in the flight reconciliation and settlement procedure. The invoice provided is to have an invoice from the supplier of the service attached to it to support the charge.

II. Payment and Accounting Procedures

1. Based upon the delineation of responsibilities of Polar and Qantas enumerated above, [

REDACTED

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In the event the routing is changed to include stops in Nadi (NAN), Pago Pago (PPG) or Auckland (AKL), [

REDACTED

]

2. On [] of each month, Qantas will generate a payment to Polar. This payment will be [

REDACTED

]

3. Qantas will perform a reconciliation on a monthly basis. This reconciliation must be completed by [] The reconciliation shall set out for each flight the following information:

[

REDACTED

]

REDACTED

4. Polar shall notify Qantas of [

REDACTED

]

5. All payments hereunder shall be in immediately available U.S. Federal Funds and shall be paid without notice or demand and without abatement, deduction or set off or any amount whatsoever. They shall be effected by Qantas by telegraphic transfer to Polar's account number [

REDACTED

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