

Translation from Lithuanian

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LITHUANIAN AIRPORTS' ROUTE GROWTH INCENTIVE SCHEME

Valid from 21 January 2021

TABLE OF CONTENTS

1. ROUTE GROWTH INCENTIVE SCHEME	2
1.1. Airport charges	2
1.2. Level of Network Support	2
1.3. Eligibility	2
2. DECISIONS ON THE ROUTE GROWTH INCENTIVE SCHEME AND OTHER CONDITIONS FOR PROVISION OF SUPPORT	3
2.1. Application of Discount	3
3. AMENDMENT OR TERMINATION OF THE SCHEME	3

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Due to the spread of coronavirus, on 14 March 2020, the Government of the Republic of Lithuania adopted Resolution No. 207 “On the Announcement of Quarantine in the Territory of the Republic of Lithuania”, imposing restrictions for entering and/or leaving the Republic of Lithuania for foreigners and citizens of the Republic of Lithuania. As a result, passenger traffic decreased not only during the restricted period but also for the remainder of 2020. The Route Growth Incentive Scheme by Lithuanian Airports (hereinafter referred to as Lithuanian Airports) is intended to restore the routes at the airports, managed by the enterprise, that were lost due to the effects of coronavirus, increase their frequency and attract new routes altogether.

1. ROUTE GROWTH INCENTIVE SCHEME

The conditions set out in this document will apply to those airlines that meet the conditions of the Route Growth Incentive Scheme. The Route Growth Incentive Scheme shall apply to all companies in the airlines group. Airlines may meet the obligations under this program for other members of the same airlines group. The Route Growth Incentive Scheme shall apply to all airlines operating scheduled passenger services to / from VNO / PLQ on a continuous or interruptible basis from 1 January 2020 at the latest.

1.1. Airport charges

1.1.1. All airlines operating scheduled passenger flights to / from at least one of the Lithuanian airports: VNO and PLQ, in accordance with the established criteria, can take advantage of discounts on airport departures for airport services provided for those scheduled flights.

1.1.2. The discounts provided for in this Route Growth Incentive Scheme apply to the departure passenger charge at VNO and PLQ airports.

1.2. Level of Network Support

1.2.1. Eligible airlines will be granted one of the following discounts for the duration of the Route Growth Incentive Scheme, based on the number of passengers carried by the airline, the discount being applied according to the total number of passengers carried by the airline at VNO or PLQ.

Measure no. 1 - under this measure, if the airline has transported 80 to 100 percent of the total passenger traffic carried by the airline or group of airlines in the same month of 2019, a 30% discount is applied to the passenger departure charge.

Measure no. 2 - under this measure, if the airline has transported 50 to 79,9 percent of the total passenger traffic carried by the airline or group of airlines in the same month of 2019, a 15% discount is applied to the passenger departure charge.

1.2.2. Both, Measure 1 and Measure 2, can be applied to year-round (not limited to a specific IATA season) and seasonal (limited to a specific IATA season) scheduled passenger routes.

1.2.3. The Route Growth Incentive Scheme is valid from the IATA summer season of 2021 through to the end of IATA summer season of 2022 (March 28, 2021 to October 29, 2022).

1.3. Eligibility

1.3.1. Airlines that apply for the Route Growth Incentive Scheme must meet all the requirements of the Scheme. Under this Route Growth Incentive Scheme, discounts on airport charges apply only to scheduled passenger flights to / from the Lithuanian Airports.

1.3.2. The Route Growth Incentive Scheme is valid for scheduled passenger routes that have been suspended due to the consequences of COVID-19 and for new routes that will be launched by the deadline specified in the Route Growth Incentive Scheme.

1.3.3. Airlines covered by this Route Growth Incentive Scheme must operate to / from the Lithuanian Airports without intermediate stops.

1.3.4. The airline must have the necessary traffic rights to operate the proposed routes.

1.3.5. The Route Growth Incentive Scheme is applied alongside other incentive measures ratified by the orders of the Chief Executive Officer of Lithuanian Airports and published on the website www.ltou.lt, i.e.:

- New Route Incentive under Vilnius Airport Incentive Scheme (ratified by Order No. 1R-110 of 27 September 2019);
- New Route Incentive under Palanga Airport Incentive Scheme (ratified by Order No. 1R-111 of 27 September 2019);
- Lithuanian Airports Network Incentive Scheme (ratified by Order No. 1R-112 of 27 September 2019);
- Lithuanian Airports' Routes Recovery Incentive Scheme (ratified by Order No. 1R-58 of 20 April 2020).

1.3.7. In the case of code-sharing flights, only the operating carrier can benefit from a discount in airport charges.

1.3.8. The Route Growth Incentive Scheme does not apply to cargo routes.

1.3.9. Lithuanian Airports shall not grant incentives under Routes Growth Incentive Scheme if an airline is benefiting from other special commercial agreements with Lithuanian Airports.

2. DECISIONS ON THE ROUTE GROWTH INCENTIVE SCHEME AND OTHER CONDITIONS FOR PROVISION OF SUPPORT

The Route Growth Incentive Scheme applies to all scheduled flights that meet the growth criteria, without requiring additional applications from the airline, during the duration of the Route Growth Incentive Scheme.

2.1. Application of Discount

2.1.1. The discount on airport charges applies every month, by comparing the number of passengers carried in the previous month with the number of passengers carried in the same month in 2019. The discount is deducted from the amount payable by the airline each calendar month.

2.1.2 A separate agreement between the airline and Lithuanian Airports may establish a different procedure for invoicing and invoices submission for airlines comprising a group of airlines.

3. AMENDMENT OR TERMINATION OF THE SCHEME

3.1. Should the airline or other airlines of the same airline group fail to duly settle invoices for airport charges and any other fees and/or charges for services provided by any airport – VNO, KUN, PLQ, fail to comply with the General Terms and Conditions of Use of Lithuanian Airports (www.ltou.lt) or abuse this scheme due to the affiliation with the Airline Group, Lithuanian Airports will have the right to revoke the approval of the Route Growth Incentive to the airline.

3.2. Should it be deemed necessary, Lithuanian Airports shall have the right to amend or terminate the Scheme. Lithuanian Airports will notify the airlines of such amendment or termination as well as the reasons thereof.