



Cork Airport Route Support Scheme for Qualifying Short-Haul Destinations 2009

Introduction:

Cork Airport believes that there is strong potential to add more short-haul operations onto the Cork network across Europe where we believe that services are not currently developed, for example: Belgium, Croatia, Denmark, Germany, Finland, Hungary, Norway, Slovakia, Slovenia and Sweden. This list is non exhaustive. The components of a short-haul scheme at Cork Airport are set out below for your information.

Scheme Outline:

The route support will be offered as discounts on qualifying airport charges at Cork Airport used to start new routes from Cork to qualifying short-haul destinations in regions where Cork Airport considers that services are not currently developed, for example: Belgium, Croatia, Denmark, Germany, Finland, Hungary, Norway, Slovakia, Slovenia and Sweden. This list is non exhaustive. Each route/location will be assessed on a number of objective criteria inter alia:

- The destinations targeted display sufficient numbers to suggest that Cork Airport could gain interest from operators. There is potential for further frequency growth and a competitive entry.
- Securing the destination improves the network reach at Cork Airport.
- An operator has either ceased flying to the destination or the destination has no service. If the destination has a service, then the level of service is at or below 2 flights a week calculated over a 12-month period.
- Irish trade and tourism links are showing growth to the targeted destination.

Airport charges do not include additional charges which may be introduced by Cork Airport to comply with new or amended national or European legislation, charges introduced by the Commission for Aviation Regulation, or charges relating to separate services offered by Cork Airport, for example; Passengers with Reduced Mobility, Self Service Kiosk Charge, Check-in Desk Rental Charges or any environmental-related charge.

Level of Route Support:

The following discounts will apply on qualifying new short-haul destinations:

Year	Discount on Airport Charges for qualifying short-haul routes
1	100% for the 12 months following start-up
2	80% for the subsequent 12 months
3	60% for the subsequent 12 months
4	40% for the subsequent 12 months
5	20% for the subsequent 12 months

- After the five year period, all airport charges will be charged at the standard rates current at the time of operation, as published by Cork Airport.



Route Criteria:

A route will qualify as a new route under this scheme if it meets the following criteria:

- The proposed route commences operations between January 1st 2009 and December 31st 2009.
- The proposed route is promoted and sold as a city/destination that is not already served from Cork.
- The proposed route is a non-stop service.
- The operator has traffic rights to fly the proposed route/schedule.
- The minimum frequency requirement is return services on two days per week on a year-round basis.
- The route has not been served within the previous 12 months at a frequency higher than 2 services per week on a year-round basis. A route that has been served within the previous 12 months at a frequency greater than 2 services per week on a year-round basis may be considered as a new route if the operator can reach agreement with Cork Airport that it is an appropriate commercial in the interests of the operator, Cork Airport and passengers.
- The proposed route is one that will increase the network coverage and traffic base at Cork Airport. This means that the route must give access to a market not adequately served directly, is expected to increase the overall number of passengers using the airport and is a route that has a commercial benefit to Cork Airport.
- The schedule timings proposed and operated have been reviewed and approved by Cork Airport's slot coordinator and any slot change requests issued by the slot coordinator have been fully complied with. Operators who are deemed to be operating off slot by the coordinator will not qualify for the Route Support Scheme.

Period of Application:

Support under the terms of the Route Support Scheme for qualifying short-haul routes 2009 will apply only for operations commencing between the 1st January 2009 and the 31st December 2009.

Other conditions:

- Operators must lodge written proposals in the Cork Airport standard format (attached as Appendix 2 below) no earlier than 6 months in advance of the date of commencement and at least 1 month prior to start-up.
- Continuing support under this scheme is contingent on the operator cooperating fully with Cork Airport's slot coordinator to assist in increasing operational efficiency at the airport.
- Continuing support under this scheme is contingent on the operator and/or its handling agent complying with operational service standards as set out by Cork Airport from time to time, specifically, but not exclusively the key standards established for check-in, passenger handling and baggage delivery in the terminal.
- Cork Airport reserves the right to refuse to apply this scheme if the route proposal does not meet the criteria listed above. Cork Airport's decision on these matters is final.
- Cork Airport reserves the right to amend this scheme at any time including in relation to the criteria for eligibility to participate in the scheme. If Cork Airport makes any amendment, it shall publish the amended scheme on its website located at www.corkairport.com
- If due to unforeseen and extraordinary circumstances an operator receiving support under this scheme fails to comply with the terms and conditions of this scheme, Cork Airport may, if it considers that the route on which such support is being



provided is of significant economic or strategic importance to Cork Airport, defer the route support for such time as it considers at its sole discretion necessary to ensure the continued viability of such route. The maximum period of deferral of support shall be 6 months. During the period of deferral the operator will be obliged to pay full airport charges.

Notes:

- Discounts applicable for any flight sector will be based on the level of airport charges applicable when the sector is operated.
- The definition of a short-haul route for the purposes of this scheme is one that is less than or equal to 2,500 Nautical Miles from Cork Airport.
- For the purposes of this scheme, discounted airport parking charges and discounted air bridge charges will mean a rebate on parking and air bridge related to the departure movement on the qualifying route of a maximum period of 1.5 hours.
- If an operator alters its ticketed and/or operated scheduled timings, Cork Airport must be notified. Approval may be withdrawn if the operator does not operate to the scheduled timings as approved by the slot coordinator and as notified by the operator in its original route support request.
- New services, which involve switching capacity from one service to another, or from one airport controlled or managed, by DAA plc to another, will not generally qualify for support under this scheme. Where traffic on a new route is generated by reducing capacity on other routes with no obvious net economic benefit to the airport/airports, approval will not be granted under the scheme.
- Cork Airport will respond to an application made under the terms of this scheme no earlier than 6 months prior to start-up for a qualifying route.
- Operator applications sent in advance of the 6-month horizon outlined above will be considered only as expressions of interest in a route and will not confer any qualifying rights on the operator.
- If two operators make an application within the same time frame in relation to the same route, approval will be given to the operator with the earliest starting date where the route proposals are similar in terms of capacity and frequency proposed. Only one operator's application will qualify in relation to a specific route proposal.
- If more than one operator makes an application within the same time frame in relation to the same route with the same starting date, approval will be given to the operator whose application was received first where the route proposals are similar in terms of capacity and frequency proposed.
- An operator whose proposal has been accepted by Cork Airport under the terms of this scheme will receive a Route Support Approval letter from the Chief Executive of Cork Airport to this effect. This letter will constitute acceptance by Cork Airport of the route proposal, subject to the operator's operating in full accordance with its route proposal to Cork Airport. No operator may be considered to be approved for support under this scheme until it has received such a letter.
- Once an approval letter has been issued in respect of a particular route, no other operator will be eligible to receive support under the terms of the scheme for the route concerned as long as the approved operator is compliant with the terms and conditions of the scheme.
- If an operator has received a route support approval letter from Cork Airport fails to commence operations on such route on the commencement date as set out in the approval letter, such approval shall automatically expire and be invalid unless Cork Airport otherwise consents in writing.
- If an operator reduces its operating profile on the route below the minimum requirement specified, approval under this scheme will be withdrawn immediately.
- Any additional charges which may be introduced to comply with new or amended national or European legislation, charges introduced by the Commission for Aviation Regulation, or charges relating to separate services offered by Cork Airport, for



example; Passengers with Reduced Mobility, Self Service Kiosk Charge, Check-in Desk Rental Charges or any environmental-related charge will not fall within qualifying airport charges under this scheme.

- The new route support scheme will apply or continue to apply only as long as an operator is fully compliant with the published Cork Airport Terms and Conditions (available on the airport charges page located at www.corkairport.com) and specifically with respect to:
 - The payment of invoices for all airport charges and any other fees and services provided by Cork Airport to the operator, including adhering to credit terms in respect of all Cork Airport invoices, unless Cork Airport, in its absolute discretion, shall otherwise determine.
 - The provision of information whereby the operator is required to provide Cork Airport with passenger, cargo and aircraft related information as outlined in the published Airport Charges at Cork Airport Terms and Conditions, sections 4.12 to 4.24 inclusive.



Cork Airport Marketing Support Scheme for Qualifying Short-Haul Destinations 2009

Introduction:

This Cork Airport Marketing Support Scheme for qualifying short haul routes will assist operators to establish their presence in the new market.

Scheme Outline:

Cork Airport will offer marketing support for the introduction of new direct services to qualifying new short-haul destinations where the services proposed are consistent with Cork Airport's Route Development Strategy and are thus eligible for review under the headings outlined in the Marketing Support Review Matrix (attached as Appendix 1 at the end of this document). The criteria in the Marketing Support Review Matrix are used by Cork Airport to assess the potential marketing support for qualifying short-haul proposals. Based on the outcome of such a review, three levels of support are possible as outlined in the following table;

Bands	Marketing Support
Band 1	€20,000 - €34,999
Band 2	€35,000 - €59,999
Band 3	€60,000 - €100,000

Note that all applications for marketing support will be reviewed in the context of the total available Cork Airport marketing support budget for 2009.

Period of Application:

Support under the terms of the Marketing Support Scheme 2009 for qualifying short haul routes will apply only for operations commencing between the 1st January 2009 and the 31st December 2009.

Other Conditions:

- Operators must lodge a written proposal to Cork Airport before any marketing support can be considered. Applications for marketing support will also be accepted if the proposal is set out on the standard application form (attached as Appendix 2 below) at least 1 month before start-up and no earlier than 6 months in advance of the commencement date.
- Continuing support under this scheme is contingent on the operator cooperating fully with Cork Airport's slot coordinator to assist in increasing operational efficiency at the airport.



- Cork Airport reserves the right to refuse to apply this scheme if the route proposal does not meet the criteria listed above. Cork Airport reserves the right to revise these criteria. Cork Airport's decision on these matters is final.

Notes:

- Marketing support may be paid by way of reimbursement or set off against the customer's account, by reference to a schedule and terms specifically set by Cork Airport. It cannot be netted by the operator against amounts owed to Cork Airport.
- One-stop routes may, in some cases, qualify for some marketing support. Cork Airport will determine the amount and duration of any such support on a case-by-case basis.
- Cork Airport may provide marketing support for route development promotional activities. Cork Airport will determine the amount and duration of any such support on a case-by-case basis.



Appendix 1: Marketing Support Review Matrix for qualifying short-haul routes:

The decisions as to whether or not to offer marketing support on specific short-haul routes, and what level of support to offer will be related to the following market development criteria of the proposed qualifying short haul service:

Cork Airport		
Marketing Support Review Matrix for qualifying short-haul destinations		
1	Network Development Potential	New Market
		Existing Market
2	Country Served or Not Served	New Country 1st applicant
		New Country 2nd applicant
		Country already served
3	New or Existing Region Within Country	New region within country
		Region within a country already served
4	New or Existing Route	New Route 1st applicant
		New Route 2nd applicant
		Existing route
5	Direct or Indirect Routing	Direct routing
		Indirect routing
6	Operator Commitment to Cork	Single route
		Double route
		Group of routes (over 3)
		Aircraft base at Cork
		Predatory route entry
7	Commercial Potential	High
		Medium
8	Route Detail	EU
		Non-EU
9	Aircraft Capacity	>200 seats
		101-199
		50-100
		0-49
10	Capacity Origin	Capacity redeployment by this operator from another DAA route
		New capacity
		Traffic switching from another operator
11	Congestion effect	All peak operations
		Some peak operations
		No peak operations
12		Receiving RSS discounts
		No RSS discounts
13	Seasonality	Year Round
		Seasonal
14	Tourism Potential	High (Over 60% foreign originating)
		Medium (Between 36% & 59%)
		Low (35% & under foreign originating)



Appendix 2: Application Form for route and Marketing Support for routes to/from qualifying short-haul destinations

Cork Airport		
Application Form for Route and Marketing Support for new qualifying short-haul destinations		
Operator Name		
Billing Address		
Route Name		
Destination ICAO airport code		
Frequency of Operation (per week)		
Year-round (Y) or Seasonal (S)		
Aircraft Capacity		
Number of stops en-route		
Start-up date		
Aircraft Type	ICAO aircraft type designator	IATA aircraft type designator
Scheduled Timings*	Scheduled time(s) of Arrival at Cork (local time)	Scheduled time(s) of Departure from Cork (local time)
Monday		
Tuesday		
Wednesday		
Thursday		
Friday		
Saturday		
Sunday		

* Any changes of times to be notified to Cork Airport