

CONTRACT FOR APPLYING THE STATE AID SCHEME TO SUPPORT THE ACTIVITY OF AIR OPERATORS IN THE CONTEXT OF THE ECONOMIC CRISIS CAUSED BY THE COVID-19 PANDEMIC

CHAPTER I: Contracting parties

Art. 1.

Maramures County Council, with headquarters in Baia Mare, 46 Gh. Sincai st., Maramures County represented by **President Ionel Ovidiu BOGDAN** as a State aid provider, and

R.A. Maramureş International Airport, having its headquarters in Tăuţii Măgherauş, street 66, no. 22, Maramureş, registered at the Trade Register Office under no. J24/554/1992, Tax Code RO2944544, legally represented by Mr. Dorin Buda, as administrator of the scheme, agreed to conclude the following contract in compliance with the clauses below:

CHAPTER II: The legal basis of the contract

Art. 2. This contract is based mainly on the following administrative documents:

- Decision no. SA.100996 (2021/N) of the European Commission
- Decision no. SA.64092 (2021/N) of the European Commission approving the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID- 19 pandemic;
- Decision of the Maramureş County Council no. 212/05.10.2021 on the approval of the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic, respectively on the approval of the contract for the implementation of the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic.
- Decision of the Maramureş County Council no. 116/11.052022 on the approval of prolongation of State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic, respectively on the approval of the contract for the implementation of the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic.

CHAPTER III: The object of the contract

Art. 3. The object of this contract is to implement the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic, under the terms of this contract.

CHAPTER IV: The duration of the contract

Art. 4. This contract will produce legal effects starting with the date of entry into force of the Decision of the the Maramureş County Council no. _____ regarding the approval of the contract for the implementation of the State aid scheme to support the activity of air operators in the context of the economic crisis generated by the COVID-19 pandemic and until the conclusion of the financial aid contracts concluded by the Maramureş County Council as supplier of the State aid and the air operators, as beneficiaries of the State aid scheme.

CHAPTER V: Rights and obligations of the parties

Art. 5. Maramureş County Council - State aid provider

- ensures the financing of the State aid from the local budget of Maramureş County;
- publishes on the website www.cjmaramures.ro the full text of the State aid scheme, the period in which applications can be submitted, the total budget as well as the date of exhaustion of the total budget of the scheme;
- makes public the State aid measure, together with the eligibility conditions to be met by all interested air operators, including the following forms which are annexed to this contract:
 - Notice of prolongation of the calls for applications for State aid based on the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic authorized by the European Commission through Decision no. _____
 - Application for State aid
 - Commitment
 - The structure of the business plan
 - Statement
- verifies the statements of all potential beneficiaries of the State aid scheme on the national online platform RegAS, after receiving them from Maramureş International Airport (General Register of State aid granted in Romania);
- concludes contracts with the beneficiaries for granting financial aid, until the complete exhaustion of the budget, but not later than 30.06.2022, based on the report and supporting documents submitted by Maramureş International Airport, certifying the fulfillment of the eligibility criteria by beneficiaries;
- will pay to the beneficiaries with whom it concluded contracts for granting the financial aid the amounts allocated, in three installments, until 30.06.2023 at the latest, according to the Contract for granting State aid and the Confirmation of the service by the administrator of the aid scheme state, as follows:
 - the first installment of 30% of the total amount of State aid at the time of signing the contract,
 - the second installment of 30% of the total amount of State aid in the 6th month of operation,
 - the third installment of 40% of the total amount of State aid in the 10th month of operation.
- keeps the report and supporting documents, submitted by Maramureş International Airport, which contain a comparison between those undertaken by the air operator in the financial assistance contract and the number of seats actually allocated by the air operator to/from Maramureş International Airport.

- in case a beneficiary of the State aid does not comply with the conditions provided in the scheme and in the contracts for granting the financial aid, based on the justified proposal of Maramureş International Airport recorded in a report, the Maramureş County Council will proceed to the cessation and recovery, as appropriate, of the State aid in accordance with the provisions of Government Emergency Ordinance no. 77/2014 on national procedures in the field of State aid as well as for amending and supplementing the Competition Law no. 21/1996, with subsequent amendments and completions;
- keeps detailed records of all aid granted under the scheme. These records must contain all the information necessary to determine whether the criteria of the relevant European regulations are met and must be kept for 10 years from the date of the last aid under the scheme;
- undertakes to upload in the General Register of State aid granted in Romania (RegAS) the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic, aid contracts, payments made and possible recoveries, in accordance with the provisions of the Order of the President of the Competition Council no. 437/2016 for the implementation of the Regulation on the State aid Register;
- complies with the monitoring and reporting obligations set out in the Communication from the European Commission - Temporary framework for State aid measures to support the economy in the context of the current COVID-19 pandemic (2020/C911/01), throughout the scheme; also Decision no. SA.100996 (2021/N) of the European Commission
- undertakes to submit annual reports to the European Commission, in accordance with Commission Regulation (EC) no. 794/2004 implementing Council Regulation (EU) 2015/1589 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union published in Official Journal no. 140 of 30.04.2004;
- ensures that the temporary aid measures provided for in the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic can be combined with aid falling within the scope of *de minimis* regulations or with the aid which falls within the scope of Regulation 651/2014, provided that the cumulation provisions and rules set out in the specific regulations are complied with;
- ensures that the temporary measures provided for in the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic can be cumulated with other aid granted in accordance with section 3.1 of the Communication, provided that the full support provided to a beneficiary does not exceed 2,300,000 EUR on the territory of Romania;
- ensures that temporary aid measures covered by the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic can be combined with other State aid granted in accordance with the specific sections of the various sections of the Communication from the European Commission - Temporary framework for State aid measures to support the economy in the context of the current COVID-19 epidemic (2020/C911/01); also Decision no. SA.100996 (2021/N) of the European Commission

Art. 6. Maramureş International Airport - Administrator of the scheme

- publishes on the website www.aimm.eu the full text of the State aid scheme, the period in which applications can be submitted, the total budget as well as the date of exhaustion of the total budget of the scheme;
- will make public the State aid measure, together with the eligibility conditions that must be observed by all interested air operators, including the forms from art. 5, annexes to this contract.
- has the obligation to verify whether the air operators that submitted in electronic format the application for State aid together with the supporting documents, meet the eligibility conditions provided under the State aid scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic;
- the Commission for the Evaluation of Eligibility Documents submitted by air operators requesting State aid to support their activity in the context of the economic crisis caused by the COVID-19 pandemic will be composed of the Director of Development of Maramureş International Airport, a marketing specialist and a legal adviser, who will be both a member and a secretary of the Commission;
- the Commission for the evaluation of documents on the fulfillment of the eligibility conditions submitted by the air operators requesting the granting of State aid to support their activity in the context of the economic crisis caused by the COVID-19 pandemic will be appointed by decision of the Director General of the Maramureş International Airport.
- the Commission for the evaluation of the documents regarding the fulfillment of the eligibility conditions submitted by the air operators requesting the granting of State aid to support their activity in the context of the economic crisis caused by the COVID-19 pandemic has the obligation to verify the eligibility conditions in 5 working days upon receipt of all correct and complete documents from the air operators. If the Commission finds that the documents proving the fulfillment of the eligibility criteria are missing or some of them are incomplete, it shall have the right to request clarifications based on the findings.
- the Commission for evaluating the documents regarding the fulfillment of the eligibility conditions submitted by the air operators requesting the granting of State aid to support their activity in the context of the economic crisis caused by the COVID-19 pandemic will send to Maramureş County Council, within one working day from the date of completion of the evaluation, through the Secretary of the Commission, the report of the Evaluation Commission accompanied by supporting documents showing whether the air operator has met the eligibility conditions set out in the State aid Scheme to support the activity of air operators in the context of the economic crisis caused by the COVID-19 pandemic as well as the proposal to conclude the contract, as the case may be.

The proposal to conclude contracts will be justified, in the light of the following elements, without being limiting:

- fulfilling the eligibility conditions;
- the period of the contract for granting the financial aid;
- capacity allocated by air operators to/from Maramureş International Airport
- the value of the financial aid contract.

The members of the Commission for the evaluation of the documents on the fulfillment of the eligibility conditions submitted by the air operators requesting the granting of State aid are responsible for the accuracy and correctness of the data and information presented in the concluded report.

- undertakes, after signing the contract for granting financial aid between the Maramureş County Council and the Beneficiary, to carry out monthly compliance checks on the capacity allocated by the air operator to/from Maramureş International Airport.

Maramureş International Airport Operational Service will draw up in the first 2 working days of the current month for the previous month a report on the monthly capacity actually allocated to/from Maramureş International Airport for each air operator that has signed a financial assistance contract.

At the same time, it will draw up a report that will contain, as the case may be, the existence/non-existence of flight restrictions caused for reasons not attributable to the air operator. The report will include the capacity at/from Maramureş International Airport that could not be operated by the air operator, as well as the reason.

The reports signed by all legal persons will be submitted to the Development Department. The Development Department will prepare and submit to the Maramureş County Council within 2 working days a report that will contain a comparison between those undertaken by the air operator in the financial aid contract and the number of seats actually allocated by the air operator to/from the Airport Maramureş International.

The report will also include information on the frequencies operated/week in the analyzed month, respectively if the terms undertaken in the Business Plan have been complied with.

If there are written notifications from the air operators about the proposed changes to the monthly operating capacity, these will be highlighted in the report.

At the same time, if there are no written notifications from the air operator and it is found that the undertaken Business Plan has not been complied with, this will be mentioned in the report.

The report shall also include references to the existence or non-existence of flight restrictions caused by reasons not attributable to the air operator (e.g. flight restrictions issued by the states in which the air operators operate, unfavorable weather conditions, etc.).

The report, together with the supporting documents, will be submitted to the Maramureş County Council. The responsibility for the correctness and accuracy of the data and information presented in the report belongs to the persons who signed it.

- undertakes to transmit to the Competition Council all the data and information necessary for the monitoring of State aid at national level, in the format and within the term provided by the Regulation on State aid monitoring procedures, implemented by the Order of the President of the Competition Council no. 175/2007, as well as the data and information necessary for the elaboration of the inventory of State aids and the reports and information necessary for the fulfillment of Romania's obligations as a member state of the European Union.

- undertakes to keep for a period of 10 years all detailed records, demonstrating the mode of operation of the air operators benefiting from the State aid.

- undertakes to monitor and control the beneficiary companies under the State aid scheme to support the activity of air operators in the context of the crisis caused by the COVID-19 pandemic, and in case of non-compliance with the conditions of the financial assistance contract, as well as the conditions of grant from the State aid Scheme, will draw up a report containing, without limitation, the following elements:

- the granting conditions provided in art. 4 of the State aid scheme which were not complied with;

-a comparison between those terms undertaken by the air operator through the financial assistance contract and the number of seats actually allocated by the air operator to/from Maramureş International Airport.

- the justified proposal (presentation of the factual reasons and the legal basis), of cessation and recovery, as the case may be, of the State aid, submitted to the Maramureş County Council, as a State aid provider.

The report will be signed by the legal persons, who undertake responsibility for the accuracy and correctness of the data and information presented, and will be submitted, together with the supporting documents, to the Maramureş County Council.

CHAPTER VI: Termination of the contract

Art. 7. This contract terminates by right upon termination of the financial assistance contracts concluded by the Maramureş County Council as a State aid provider and the air operators as beneficiaries of the State aid scheme.

CHAPTER VII: Liability of the parties

Art. 8. Failure to comply with the obligations provided for in this contract shall result in the liability of the guilty party, in accordance with the law.

CHAPTER VIII: Disputes

Art. 9. Disputes arising from this contract shall be settled amicably or as the case may be by the competent courts.

CHAPTER IX: Final clauses

Art. 10. The modification and/or completion of this contract is made by an addendum concluded in accordance with the law.

Art. 11. Annexes and addenda form an integral part of the contract.

Art. 12. This contract was concluded in two originals, one for each party.

Art. 13. This contract was concluded today,