

INCENTIVE PLAN FOR INCREASING OF TRAFFIC VOLUME NIKOLA TESLA AIRPORT IN BELGRADE

In order to increase traffic at the international Nikola Tesla Airport in Belgrade (hereinafter referred to as: Airport) BELGRADE AIRPORT d.o.o. Beograd (hereinafter referred to as: BA) adopts the incentive plan through granting of discounts on airport charges of the applicable Price List of Airport Services and Price List of charges for passenger service (hereinafter: Incentive Plan).

Incentives Plan only applies to airlines that operate scheduled air transport to/from Airport.

This Incentive Plan is subject to amendments.

Terms used herein shall have the following meanings:

"Accounting period" is the period whose duration is defined in the special conditions of the Incentive Plan, for which an incentive is approved and in which the flights that are the basis for the calculation of the incentive are carried out.

"Airport charge" is a charge that, for the benefit of the airport operator, Airport Users pay for the use of facilities, assets, equipment, and services, which are provided only by the airport operator.

"Airport User" means a legal person or entrepreneur who is responsible for the transportation of passengers and/or baggage and/or mail and/or goods by air from or to the Airport;

"Based aircraft" is an aircraft that stays at the Airport most of the year and usually begins its first flight of the day from the Airport.

"Direct departing passengers" are the passengers whose travelling starts from the Airport and who paid the appropriate charge for passenger service, excluding transfer passengers.

"Long-haul traffic" means flights over 4,000 kilometres.

"New airport user" means the Airport User that, in the period of 36 months before the date of the first scheduled flight at the Airport, has not performed regular public air transport at the Airport. The New user will not be considered the Airport User who submits the Application for implementation of the Incentive plan and who has the same majority owner as the Airport User who has performed scheduled public air transport on the Airport within the 36-month period prior to the Effective date specified in the Airport User Application, which cannot be earlier than the date of receipt of the Application by the BA

"New scheduled route" means the scheduled international route where in the period of twelve months before the date of the first scheduled flight there was no scheduled public air transport. The New scheduled route is also considered to be a scheduled route for which another Airport User submitted an Application for 1A or 1B incentives, in the twelve-month period prior to the date of the first scheduled flight, but failed to qualify.

"Qualification" for the incentives means that the Airport User whose Application has been approved and who has concluded a Agreement with BA, has fulfilled all general terms and special conditions of the Incentive Plan that are necessary for the incentive to be approved and accounted, in accordance with the Incentive Plan.

"Scheduled air transport" means a series of flights with the following characteristics:

- 1) on each flight, seats or capacity for transport of goods and/or mail are available to the public for individual purchase, either directly from the air carrier or its authorized representative;
- 2) the transport is carried out between two or more airports:
 - (1) according to a published flight schedule, or
 - (2) flights that are so regular or frequent that they are recognized as systematic series of flights.

"Short-haul and medium-haul traffic" means flights shorter than 4,000 kilometres.

"The commencement date of the first accounting period" means the date that is counted as the beginning of the implementation of the Agreement on the implementation of the incentive plan, which in any case cannot be earlier than the date of receipt of the Application by BA, as defined in the part of the General terms of this Incentive Plan ("The commencement date of the Agreement on the implementation of the Incentive Plan / The commencement date of the first calculation period").

"Transfer passengers" are the passengers who continue their air travel while changing the flight number.

"Transit passengers" are the passengers who continue their air travel while not changing the flight number.

"Underserved route" – implies a route where the Airport User has fewer than 4 frequencies per week.

Basic provisions

The Incentive Plan is intended for the Airport Users that start public air transport on a new scheduled route, increase traffic on underserved route, have a significant volume of passengers at the Airport, have aircraft based at the Airport or develop strategic route.

Discount on airport charges relating to the following services: landing and parking are calculated based on the maximum weight of the aircraft on take-off (MTOW).

Discount on the amount of airport charge for Passengers service is calculated based on the number of Direct and/or Transfer departing passengers due to pay appropriate charge.

For Transit passengers, Infants and DHC, no discount is calculated on the basis of the Incentive Plan.

All amounts in Incentive plan include VAT.

General terms

1. The incentive is only available for scheduled public air transportation and charter air transportation that fulfils conditions of item 6 of the General terms of this Incentive Plan.
2. The Airport User wishing to qualify for a discount of the Incentive Plan shall submit a written Incentive Plan Application Form for implementation of the Incentive Plan (hereinafter: Application).
3. Only the Airport User whose Application has been approved by BA, shall conclude the Agreement on implementation of the Incentive Plan with BA, and thus is entitled, in the accounting period, to qualify for the incentives.
4. In order to qualify for the application of discounts of the Incentive Plan, the Airport User has to meet the general terms and special conditions provided in the Incentive Plan.
5. In the case of "code share" flights, only the Airport User that is registered as an operating carrier, based on the registered flight number, has the right to submit Application for the implementation of the Incentive Plan.
6. The Incentive Plan shall apply in case when the share of the total number of direct departing passengers in the charter air transport of a certain Airport User is less than or equal to 15% of the total number of direct departing passengers in scheduled and charter traffic in total, of such Airport User. In case when the share of the total number of direct departing passengers in the charter air transport of a certain Airport User is greater than 15% of the total number of direct departing passengers of such Airport User, the number of direct departing passengers in charter air transport that exceeds 15% will not be included in the number of direct departing passengers used for defining the category for the incentive for total number of direct departing passengers (3.A), nor will the incentives prescribed in the Incentive Plan be granted. The flights, that have transported the departing passengers in charter air transport who exceed 15% share in the total number of direct departing passengers, will not be subject to the discounts prescribed by the Incentive Plan.
7. For Airport Users that have qualified to apply the incentive for the total number of direct departing passengers, the calculation of the incentive for the introduction of a

new scheduled route or the incentive for traffic increase on underserved scheduled routes, shall be done after expiry of the accounting period for the incentive for the total number of direct departing passengers, in such manner that the calculation of the subject incentives is performed after deducting the amount of approved and calculated incentives for the total number of direct departing passengers in that accounting period.

8. In case that, at the end of the accounting period for the incentive for the total number of direct departing passengers, it is determined that there is a discrepancy between the amount paid and the approved and calculated discount based on the actual traffic volume in the accounting period (projected number of direct departing passengers is different from the actual number), adjustment will be made based on the change of category. In accordance with such adjustment, the calculation of the incentive for the introduction of a new scheduled route or the incentive for increasing the frequency through the credit/debit note will be made.
9. If the Airport User does not submit a duly completed Application for a certain type of incentive within a period defined for each incentive, BA will not approve the Application and the Airport User will not be entitled to qualify for the implementation of the incentive.
10. The Incentive Plan defines the calculation limit of €13, in the same accounting period, for incentives applicable on Passenger service charge. The incentive applicable on the Passenger service charge defined by the Incentive Plan will not be paid to an Airport User over that limit of 13€. In case that, in accordance with this Plan, an Airport User fulfils on one flight the condition for the implementation of incentives based on two different incentives that can be combined, the total incentive calculated on passenger service charge for all incentives cannot exceed the calculation limit of 13 €. The Incentive 1B) incentives for introduction of new scheduled routes for long-haul traffic as well as incentive no 5 (Incentive for the development of strategic routes are not subject to the stated limiting).

Method and conditions for incentive calculation:

a) For the incentives 3 (Incentive for total number of departing passengers), 4 (Incentive for airport users having based aircraft at the airport) and the incentives 5B (Incentive for increase of direct passengers on regional routes), incentive is approved and calculated upon invoicing airport charges, after issuing the invoice for airport charges, by issuing a credit note, provided that all the general and special conditions defined by the Incentive Plan have been met and all due financial obligations under all applicable contracts with BELGRADE AIRPORT have been settled by the Airport User. BELGRADE AIRPORT will issue credit notes on a weekly basis, on Tuesdays, based on the invoices settled until the end of a previous week. BELGRADE AIRPORT will make payments to the Airport User on the basis of issued credit notes on the next working day to the bank account. In case a credit note issuing day or the day for payment based on the credit note falls on the day stipulated as a non-working day by the regulations of the Republic of Serbia, the issuance of the credit note or the payment will be made on the first following working day.

b) For the incentives 1 (Incentives for the introduction of a new scheduled route), 2 (Incentives for traffic increase on the underserved scheduled routes) and 5A (Incentive for expansion of routes being of particular interest for Belgrade Airport), the issuance of a credit note by way of payment of the approved and calculated incentive will be made upon expiry of the accounting period, provided that all the general and special conditions defined by the Incentive Plan have been met and all due financial obligations under all applicable contracts with BELGRADE AIRPORT have been settled by the Airport User.

Application and incentive approval process

The Airport User shall submit an Application according to the model given in Appendix 1 of this Incentive Plan (Incentive Plan Application Form). By signing the Application, the Airport User confirms: A) that they are fully and accurately informed about the content of the general terms and special conditions of the Incentive Plan and that they fully agree with it, B) that they agree that BA is entitled to unilaterally put out of force or amend and supplement the Incentive Plan at any time after the filing the application and in the course of the Agreement on implementation of the Incentive Plan, in accordance with changes of the business policy of BA and market circumstances.

General Terms and Special Conditions of this Incentive Plan are considered an integral part of the Agreement on implementation of the Incentive Plan.

Commencement date of application of the Agreement on implementation of the Incentive Plan/ commencement of the first accounting period:

BA approves the Application of the Airport User and concludes (a) Agreement(s) on the implementation of the Incentive Plan with the Airport User according to the model being an integral part of this Incentive Plan, Appendix 2, with the commencement date as specified in the Application (field No. 15 – Effective date), which in any case cannot be earlier than the date of receipt of the Application by the BA. The commencement date of application of the Agreement on implementation of the Incentive Plan as defined in this paragraph, shall be considered as well as the start of the first accounting period.

Agreement on the implementation of the Incentive Plan is concluded for each type of incentive separately. After the expiry of each accounting period for which the incentive is approved, BA determines whether the Airport User has qualified for the implementation of the incentive and makes the final decision about it.

At the request of BA, the Airport user shall provide data showing the fulfillment of the conditions for implementation of the incentive the Airport User has submitted the Application for.

Expiry of Incentive Plan and Agreement on implementation of the Incentive Plan

BA reserves the right to suspend the contracted incentive, at any time during the term of the Agreement on implementation of the Incentive Plan, in accordance with changing business policy of BA and circumstances in the market, especially in the following cases:

- In case that the Airport User who the Incentive Plan is applied to, does not settle financial liabilities arising from all valid contracts with BA under the contracted conditions and terms;
- In case that the Airport User in the period which incentive is approved for does not fulfil all the conditions set forth in the Incentive Plan and Agreement on the implementation of the Incentive Plan.
- In case of force majeure (as defined in the model Agreement on the implementation of the Incentive Plan, which is an integral part hereof).

The decision of BA on the suspension of incentive is final.

Amendment to/Adoption of a new incentive plan

BA has the right to unilaterally amend or supplement this Incentive Plan or adopt the new incentive plan at any time during the term of the Agreement on implementation of the Incentive Plan, in accordance with change of business policy of BA and circumstances in the market.

In case BA intends to amend and supplement this Incentive Plan or adopt a new incentive plan (hereinafter: amended incentive plan), BA shall timely notify the Airport Users in advance, in accordance with the applicable regulations of Republic of Serbia.

Upon the adoption of the “amended/new incentive plan”, the conditions of the amended/new incentive plan shall apply to all the submitted Applications and/or all on implementation of the Incentive plan concluded with the Airport Users in accordance with this Plan, starting from the commencement date of application of the amended/new incentive plan until the expiry of the validity period of the Agreement on implementation of the Incentive plan, with prior written notice to the Airport User of the commencement date of application of the amended/new incentive. No annex will be concluded to this end. In this case, the Airport User does not submit a new Application. In the event the amended/new incentive plan has reduced or increased the total number of accounting periods in connection to the accounting periods contracted for the relevant incentive, the terms and number of accounting periods applied to the Agreement on the implementation of the incentive plan shall be in accordance with the amended/new incentive plan and shall be applicable as of the effective date of the amended/new incentive plan. By concluding an annex to the Agreement on the implementation of the incentive plan, the parties shall acknowledge and concur to amend the term of the contract pursuant to the above change in the number of accounting periods.

The Airport Users that submitted their Applications before the commencement date of this Incentive Plan, in accordance with the previous Incentive Plan (the Incentive Plan

for increase of traffic volume Airport Nikola Tesla Belgrade no GD 756/2023 dated 31/03/2023), shall conclude the Agreement on implementation of the incentive plan, in accordance with this Incentive Plan. In the above case, the Airport User does not submit a new Application. The Agreement on the implementation of the incentive plan will define the duration of the accounting period, in accordance with this Incentive Plan, and the commencement date of the accounting period will be the Effective date, which is specified in the submitted Application of the Airport User (which in any case cannot be earlier than the date of receipt of the Application by the BA) In any case, the total duration of the accounting period may not be longer than defined in this Incentive Plan. The calculation of incentives for the period from the Effective date of the Application of an Airport User (which in any case cannot be earlier than the date of receipt of the Application by the BA). submitted in accordance with the previous Incentive Plan (the Incentive Plan for increase of traffic volume Airport Nikola Tesla Belgrade no GD 756/2023 dated 31/03/2023) and up to the commencement date of application of this Incentive Plan shall be performed according to the conditions provided by the previous Incentive Plan.

INCENTIVE PLAN

1. INCENTIVE FOR INTRODUCTION OF NEW SCHEDULED ROUTES

A) SHORT-HAUL AND MEDIUM-HAUL TRAFFIC

Approved incentive will be calculated as follows:

Type of charge	Incentive for short-haul and medium-haul new route		
	the First year	the Second year	the Third year
Passenger service charge for direct departing passenger (€)	7	4	2
Passenger service charge for departing transfer passenger (€)	0.5	0.5	0.5
Landing	100%	50%	0%
New Airport user - additional 1€ per direct departing passenger			
Year-round route - additional 2€ per direct departing passenger in the IATA winter season during the accounting period			

B) LONG-HAUL TRAFFIC

Approved incentive will be calculated as follows:

Type of charge	Incentive for long-haul new route		
	the First year	the Second year	the Third year
Passenger service charge for direct departing passenger (€)	9	7	5
Passenger service charge for departing transfer passenger (€)	0.5	0.5	0.5
Landing	100%	70%	50%
New Airport user - additional 1€ per direct departing passenger			
Year-round route - additional 2€ per direct departing passenger in the IATA winter season during the accounting period			

Special conditions:

- An Airport User can obtain an incentive for the introduction of new scheduled route, if in the 12 months before the start of scheduled service there were no scheduled flights on a given route or airport system operated by the Airport User - applicant, or any other Airport Users, or if another Airport User submitted an Application for 1A or 1B incentives, in the twelve-month period prior to the date of the first scheduled flight, but failed to qualify
- The Application for approval of incentive for opening new scheduled route shall be submitted not later than 3 (three) months from the commencement of flights on a new scheduled route. The date of commencement of application of the Agreement on implementation of the Incentive Plan will be considered the commencement date of the first accounting period as defined in the General Terms.
- Scheduled traffic on a new scheduled route must be performed for at least 4 (four) months (at least a flight per week), for each accounting period in continuity, from the date of the first flight in accordance with flight timetable, for the conditions for the implementation of the Incentive Plan for the new route to be met.
- If an Airport User fails to qualify for approval and calculation of 1.A and/or 1.B incentives in the first accounting period of implementation of the Incentive Plan, the Airport User's Application and the Agreement on application of the incentive plan (if concluded), automatically cease to be valid with the expiry of the first accounting period

and such Airport User is not entitled to qualify for these incentives in the second and third year.

- Incentive 1 (incentive for the introduction of the new scheduled route) may not be combined with incentive 2 (incentive for traffic increase on underserved scheduled routes).
- All Airport Users starting operating scheduled air traffic on new scheduled routes with at most 4 (four) month difference, are entitled to incentive for the introduction of the new scheduled route.
- The accounting period for incentive 1 (incentive for the introduction of the new scheduled route) is the period of 12 months from the date set for the start of application of the Agreement on the implementation of the Incentive Plan, which in any case cannot be earlier than the date of receipt of the Application by the BA.
- By way of calculated incentive for a new scheduled route, a credit note will be issued, following the end of each 12-month accounting period, up to the expiry of the total period which the incentive is approved for.

If the Airport User, in addition to the incentives for the introduction of new scheduled route, also meets the conditions for incentives No. 3 (Incentive for total number of departing passengers), the final calculation of the incentive for the introduction of a new scheduled route shall be done after expiry of the accounting period for the incentive for the total number of departing passengers No. 3 (Incentive for total number of departing passengers).

The calculation of the subject incentives for the introduction of new scheduled route is performed after deducting the amount of approved and calculated incentives for the total number of direct departing passengers in that accounting period.

- Incentive for introduction of a new Airport user – this incentive may be exercised only by a New Airport User, provided that the following conditions have been met cumulatively: 1) 36 months before the start of scheduled traffic operated by a New Airport User, there were no scheduled flights at the Airport operated by the New Airport User – Applicant, 2) the New Airport User has met the general terms and special conditions for calculating incentives for the New Airport User in accordance with this Plan and 3) the New Airport User has introduced a new scheduled route and met the conditions for calculating the incentive for the introduction of a new scheduled route in accordance with this Plan.
- Incentive for a year-round-route - this incentive may be exercised by an Airport User, provided that the following conditions have been met cumulatively: 1) the Airport User has introduced a new scheduled route and met the conditions for calculating the incentive for the introduction of a new scheduled route in accordance with this Plan, and 2) on a new scheduled route there is public transportation operated continuously (at least one flight per week) for 12 months from the date of commencement of application of the Agreement on implementation of the Incentive Plan.

2. INCENTIVE FOR TRAFFIC INCREASE ON UNDERSERVED SCHEDULED ROUTES

Approved incentive will be calculated as follows:

Type of charge	INCENTIVE FOR TRAFFIC INCREASE ON UNDERSERVED SCHEDULED ROUTES	
	the First year	the Second year
Passenger service charge for direct departing passenger (€)	2.5	1.5
Landing	50%	30%
Year-round route - additional 2€ per direct departing passenger in the IATA winter season during the accounting period		

Special conditions:

Applied for 2A) increase of frequencies and 2B) increase of capacity.

The incentive for traffic increase on underserved routes is available to Airport Users that already perform the scheduled international air transport, thereby introducing additional frequencies or capacity on existing scheduled routes, or those that start scheduled service on routes where there are already Airport Users carrying out scheduled air transport.

Incentive for increasing traffic on underserved routes can be realized in the event where the Airport User has fewer than 4 frequencies per week on that route (on average for the comparative twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan).

- Incentive for a year-round-route - this incentive may be exercised by an Airport User, provided that the following conditions have been met cumulatively: 1) the Airport User has increased frequencies or capacity in line with the above defined conditions, and 2) on the route with increased frequencies or capacity the Airport User operates public transportation continuously (at least one flight per week) for 12 months from the date of commencement of application of the Agreement on implementation of the Incentive Plan. The Incentive for increase of frequencies (Passenger Service Charge) is achieved proportionally to the share of the Airport User in an incremental of the total number of direct departing passengers driven by all Airport Users on a relevant route in the relevant accounting period.

- The accounting period is the period of 12 months after the date set for the start of application of the Agreement on the implementation of the Incentive Plan.
- Calculation of the discount for the incentive for the traffic increase on underserved routes will be made upon expiry of the accounting period in relation to the date set for the start of application of the Agreement on the implementation of the Incentive Plan.
- By way of calculated incentive for the traffic increase on underserved routes, a credit note will be issued, following the end of each 12-month accounting period, up to the end of the total period which the incentive is approved for.

The 2A) increase of frequencies and 2B) increase in capacity cannot be combined.

- Incentive 2 (incentive for the traffic increase on underserved routes) may not be combined with incentive 1 (incentive for the introduction of a new scheduled route).

The date of commencement of application of the Agreement on implementation of the Incentive Plan will be considered the commencement date of the first accounting period as defined in the General Terms.

2A) INCREASE OF FREQUENCIES

If the Airport User carries out transportation to several destinations, the total number of flights must be increased at least by the number of flights that are subject to stimulation compared to the previous twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan

- Incentive for increase of frequencies (Landing charges) may be achieved only if the number of newly introduced flights equals to or is greater than 26 additional flights in a 12-month period (departures included only) compared to the previous twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan.

Incentive for increase of frequencies (Passenger Service Charge) may be achieved only if the following conditions have been met cumulatively for each accounting period: 1) the number of newly introduced flights equals to or is greater than 26 additional flights in a 12-month period (departures included only) compared to the previous twelve-month accounting period preceding the date of commencement of incentive implementation and 2) the total number of direct departing passengers on the route defined in the Application is greater than the total number of direct departing passengers on such route in the 12-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan. The Incentive for increase of frequencies (Passenger Service Charge) is achieved proportionally to the share of the Airport User in an incremental of the total number of direct departing passengers of all Airport Users on a relevant route in the relevant accounting period.

2B) INCREASE OF CAPACITY

If the Airport User carries out transportation to several destinations, the sum of MTOW must be increased at least by the increase of capacity that is subject to stimulation compared to the previous twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan

The Incentive for increase of capacity (Landing fee) may be achieved only if the increase in the sum of MTOW in take-off is greater by at least 5% compared to the previous twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan. The Incentive for increase of capacity (Landing fee)) is achieved in proportion to the increase in the sum of MTOW in take-off on the specified route in the given accounting period.

Incentive for increase of capacity (Passenger Service Charge) may be achieved only if the Airport User fulfils the following conditions cumulatively for each accounting period: 1) that the increase in the sum of MTOW in take-off is greater by at least 5% compared to the previous twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan and 2) the total number of direct departing passengers on the route defined in the Request is greater than the total number of direct departing passengers on such route in the 12-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan. The Incentive for increase of frequencies (Passenger Service Charge) is achieved proportionally to the share of the Airport User in an increase of the total number of direct departing passengers of all Users on a relevant route in the relevant accounting period.

3. INCENTIVE FOR TOTAL NUMBER OF DEPARTING PASSENGERS

A) Total number of direct departing passengers

Approved incentive will be calculated as follows:

Incentive for total number of direct departing passengers										
	50,000	100,000	200,000	300,000	500,000	700,000	900,000	1,100,000	1,300,000	1,500,000
Number of direct departing passengers	99,999	199,999	299,999	499,999	699,999	899,999	1,099,999	1,299,999	1,499,999	
Landing over 25t	€ 0.63	€ 1.50	€ 1.97	€ 3.46	€ 5.19	€ 6.06	€ 6.49	€ 6.92	€ 7.14	€ 7.57
Landing up to 25t	€ 0.47	€ 1.12	€ 1.46	€ 2.56	€ 3.85	€ 4.49	€ 4.81	€ 5.13	€ 5.29	€ 5.60
Passenger service charge	€ -	€ 0.65	€ 1.50	€ 2.50	€ 4.50	€ 6.50	€ 8.00	€ 8.00	€ 8.50	€ 8.50

Special conditions:

The Incentive for the total number of direct departing passengers may be achieved only if the total number of passengers in the accounting period is greater compared to the previous twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan.

In the event the total number of direct departing passengers in the accounting period is equal to or less than the comparative twelve-month accounting period that precedes the commencement date of the agreement on the implementation of the incentive plan, the incentive for the total number of direct departing passengers will be calculated as per one category lower than the realized one.

- For the purpose of granting incentive for the total number of direct departing passengers, an incentive category (total number of direct departing passengers) for an Airport user will be determined on the basis of the announced and the aligned traffic volume, submitted by the Airport User upon Application submission.
- The incentive is approved and calculated upon invoicing airport charges, provided that all the general and special conditions defined hereby have been met.
- The accounting period is the calendar year.
- In case of discrepancy in incentive categorisation for an accounting year (total number of direct departing passengers) between an announced traffic volume, submitted by an Airport User upon Application submission, and BA estimation, BA will make a final decision on categorisation. At the end of accounting period, BA performs final categorisation in accordance with the actual traffic volume in such accounting period.
- In case that an Airport User fails to achieve the planned traffic volume within the accounting period of one calendar year, it shall return to BA the approved and calculated discount in the amount up to the lower incentive category it has qualified for.

In such case, BA will debit the Airport User with a debit note up to the incentive amount the Airport User has qualified for at the end of accounting period.

- In case that an Airport User achieves traffic volume higher than the planned one and qualifies for a higher incentive category, at the end of accounting period, BA will approve the additional discount up to such category.

B) Total number of transfer departing passengers

Approved incentive will be calculated as follows:

Incentive for total number of transfer departing passengers							
	50,000	100,000	200,000	300,000	400,000	600,000	800,000
Number of transfer departing passengers	99,999	199,999	299,999	399,999	599,999	799,999	
Passenger service charge for transfer passengers	€ 0.25	€ 0.59	€ 1.13	€ 1.63	€ 2.18	€ 2.51	€ 2.94

Special conditions:

The Incentive for the total number of transfer departing passengers may be achieved only if the increase in the total number of passengers in the accounting period is greater compared to the previous twelve-month accounting period preceding the commencement date of application of the Agreement on implementation of the Incentive Plan.

In the event the total number of transfer departing passengers in the accounting period is equal to or less than the comparative twelve-month accounting period that precedes the commencement date of the agreement on the implementation of the incentive plan, the incentive for the total number of transfer departing passengers will be calculated as per one category lower than the realized one.

For the purpose of granting incentives for the total number of transfer departing passengers, an incentive category (total number of transfer departing passengers) for an Airport User will be determined on the basis of the announced and the aligned traffic volume submitted by the Airport User upon Application submission.

- The incentive is approved and calculated upon invoicing airport charges, provided that all the general terms and special conditions defined hereby have been met.
- The accounting period is the calendar year.
- In case of discrepancy in incentive categorisation for an accounting year (total number of transfer departing passengers) between an announced traffic volume, submitted by

an Airport user upon request submission, and BA estimation, BA will make a final decision on categorisation. At the end of accounting period, BA performs final categorisation in accordance with the actual traffic volume in such accounting period.

- In case that an Airport User fails to achieve the planned traffic volume within the accounting period of one calendar year, it shall return to BA the approved and calculated discount in the amount up to the lower incentive category it has qualified for. In such case, BA will debit the Airport User with a debit note up to the incentive amount the Airport User has qualified for at the end of accounting period.
- In case that an Airport User achieves traffic volume higher than the planned one and qualifies for a higher incentive category, at the end of accounting period, BA will approve the additional discount up to such category.

4. INCENTIVE FOR AIRPORT USERS HAVING BASED AIRCRAFT AT THE AIRPORT

Approved incentive will be calculated as follows:

Exemption from payment of the parking for Airport Users whose aircraft is based at the Airport

Special conditions:

- The incentive for Airport Users having based aircraft at the Airport is available to all Airport Users whose aircraft stays at the Airport most of the year, usually begins its first flight of the day from the Airport.
- The Application for approval of the incentive for Airport Users that have aircraft based at the Airport shall be submitted annually, indicating registration of the aircraft that are based at the Airport
- Incentive for the Airport Users that have based aircraft at the Airport may be combined with other incentives of this Incentive Plan.
- The incentive is approved and calculated upon invoicing airport charges, provided that all the general terms and special conditions defined hereby have been met.

In case that an Airport User fails to meet the general and special conditions for this type of incentive in accordance with the Incentive Plan within the accounting 12-month period, it shall return to BA the approved and calculated discount. In such case, BA will debit the Airport User with a debit note up to the incentive amount the Airport User has qualified for, at the end of accounting period.

5. INCENTIVE FOR DEVELOPMENT OF STRATEGIC ROUTES

Approved incentive will be calculated as follows:

An additional €2 will be paid for each departing direct passenger.

5A) INCENTIVE FOR DEVELOPMENT OF THE ROUTES OF SPECIAL INTERES FOR BELGRADE AIRPORT

Special conditions:

BELGRADE AIRPORT d.o.o. Beograd will define and publish a list of routes of special interest in the last quarter of the current year for the following year. Based on the published list, the Airport User is obliged to submit a request for the next accounting period.

All Airport Users who are commencing scheduled air transportation on a scheduled route of special interest to BA are entitled to incentives for the development of routes of special interest to BA.

Scheduled traffic on scheduled route of special interest for Belgrade Airport must be performed for at least 4 (four) months (at least a flight per week), for each accounting period in continuity, from the date of the first flight in accordance with flight timetable, for the conditions for the implementation of the Incentive Plan for development of the route of special interest for BELGRADE AIRPORT to be met.

-The incentive is approved and calculated upon invoicing airport charges, provided that all the general and special conditions defined hereby have been met

-Accounting period is 12 months from the date set for the start of application of the Agreement on the implementation of the Incentive Plan.

By way of calculated incentive for a new scheduled route, a credit note will be issued, following the end of each 12-month accounting period up to the expiry of the total period which the incentive is approved for.

5B) INCENTIVE FOR INCREASE OF DIRECT PASSENGERS ON REGIONAL ROUTES

Special conditions:

The incentive for the increase of direct passengers on regional routes may be achieved:

- Only for the flights in the radius of 500 kilometres.
- Only if there was less than 60% of direct departing passengers are in the twelve-month accounting period preceding the start date of the Agreement on the implementation of the incentive plan
- On routes with only one airline
- On routes with more than 7 frequencies per week during the winter season and less than 21 frequencies per week during the summer season.

- The incentive is approved and calculated upon invoicing airport charges, provided that all the general and special conditions defined hereby have been met.
- Accounting period is 12 months from the date set for the start of application of the Agreement on the implementation of the Incentive Plan.

Each year, BELGRADE AIRPORT d.o.o. Beograd will define and publish an incentive strategy for increase of direct passengers on regional routes

Transitional and final provisions

This Incentive Plan was published on 31/10/2023 at the website of **Belgrade Airport d.o.o. Beograd**, shall be effective and applicable as of 01/01/2024. In the event of inconsistency between its English and Serbian texts of the Incentive Plan, the Serbian version shall prevail.

With the effective date of this Incentive Plan the Incentive Plan for increase of traffic volume Airport Nikola Tesla Belgrade GD - 756/2023 dated 31/03/2023, shall cease to have effect.

INCENTIVE PLAN APPLICATION FORM

Model Zahteva za primenu Plana stimulacija

1.	Name of Airline Naziv avio prevozioca	
2.	Destination Destinacija	
3.	Flight Number Broj leta	
4.	Scheduled Arrival Time (Local) Vreme sletanja (Lokalno)	
5.	Scheduled Departure Time (Local) Vreme poletanja (Lokalno)	
6.	Destination distance Udaljenost destinacije	
7.	Days of Operation Dani saobraćaja	
8.	Start Date of Operations Datum otpočinjanja operacija	
9.	End Date of Operations Datum završetka operacija	
10.	Type of Aircraft Tip vazduhoplova	
11.	Seat Capacity Kapacitet sedišta	
12.	Aircraft MTOW MTOW vazduhoplova	
13.	Type of Incentive Applied For Izabrana vrsta stimulacija za koju se aplicira	
14.	Date of Application Datum podnošenja zahteva	
15.	Effective date Datum početka primene	
16.	Year round route Celugodišnja ruta	Yes / No
17.	New airport user Novi korisnik aerodroma	Yes/ No

18.	Contact Person Kontakt osoba	
19.	Sign of authorized person Potpis ovlašćenog lica	

Note: By signing the Application Airport User confirms: A) that he is fully and accurately informed about the content of the general and special conditions of the Incentive Plan and that he fully agrees with it, B) that he agrees that BA is entitled to unilaterally terminate or amend the Incentive Plan at any time after the filing of the application and in the course of the Agreement for the implementation of the Incentive Plan, in accordance with changes of the business policy of BA and market circumstances.

Napomena: Potpisivanjem Zahteva Korisnik aerodroma potvrđuje: A) da je u potpunosti i tačno informisan o sadržini opštih i posebnih uslova iz Plana stimulacija i da je sa istima u potpunosti saglasan, B) da je saglasan da BA ima pravo da jednostrano stavi van snage ili izmeni i dopuni Plan stimulacija u bilo kom trenutku nakon podnošenja zahteva kao i u toku važenja ugovora za primenu Plana stimulacija, u skladu sa promenom poslovne politike BA i prilika na tržištu.

APPENDIX 2

Agreement model on the implementation of the Incentive Plan