
Grow Transfer Incentive Scheme (“GTIS”) (“the Scheme”)

1. Scheme Outline

The GTIS offers a retrospective rebate of the Transfer Passenger Service Charge¹ for incremental traffic above the level of the corresponding season 3 years prior (i.e. the threshold will be adjusted each year to reflect the Comparison Year’s achievement). The initial threshold will be the actual traffic that was recorded at Dublin Airport in 2013. Furthermore, airlines will not have to formally apply to GTIS. Passenger counts will be aggregated by carrier and will not be segmented by route or route pair. The GTIS will be available until the end of the IATA 2018/2019 winter season at which point the GTIS will be subject to review.

daa plc (“daa”) will offer the following financial award for 3 years on a rolling basis per departing transfer passenger:

- a) In order to avoid double discounting in cases where transfer routes are being awarded other forms of route support (RSS), the average transfer passenger charge² will be used as a base from which to discount in the GTIS. For example, if the average transfer passenger charge is €1.90 instead of the published charge, the discount in the Summer will be €3.90 per New Departing Transfer Passenger over the Comparison Year. The Winter discount level will be €7.90 per New Departing Transfer Passenger over the Comparison Year instead of €8.
- b) Thus, the following discounts will apply:
 - €2 + the average transfer charge (i.e. Transfer Charges less any RSS on this charge / total transfer passengers) for each New Departing Transfer Passenger in the Summer period.³
 - €6 + the average transfer charge for each New Departing Transfer Passenger in the Winter period.⁴

2. Specific Scheme Conditions:

- a) A Comparison Year can never reduce in numbers from the previous highest Comparison Year used (i.e. If passengers decline in 2015 versus 2014 when

¹ The average transfer passenger revenue for each eligible airline will be used in order to account for contact/remote stand usage, route support scheme discounts and transit passengers. Calculated as an airline’s total of net transfer passenger charges divided by the Total Transfer Passengers in the relevant year

² The average transfer charge will be based on the average amount charged over the Season to date (i.e. transfer charges less any RSS on this charge / total transfer passengers).

³ Nominally €4 for each extra departing transfer passenger in the Summer period

⁴ Nominally €8 for each extra departing transfer passenger in the Winter period

2015 is the Comparison Year, 2014 transfer passenger numbers are used as the Comparison Year. This is rolled forward if there is a decline in transfer passenger numbers in any/all subsequent years.)

- b) Summer Period (Summer) will be defined as the 6 month period from May to October.⁵ Winter Period (Winter) will be defined as the 6 month period from November to April.
- c) Discounts will be assessed at an overall Season level, but awarded on a rolling Monthly Comparison Period. The Summer of a particular year will be the 6 month period commencing and completing in that particular year. The Winter of a particular year will be the 6 month period commencing in that year and completing in the subsequent year; i.e. Winter 2013 is the 6 month period commencing in November 2013 and completing in April 2014.
- d) If transfer passengers decline in a month compared to the Monthly Comparison Period, an airline will be charged in that month's invoice for recovery of discount paid if it is a Net Beneficiary of the transfer discount in the current Season (Winter or Summer). If it is not a Net Beneficiary in the current Season, then it will not be charged recovery of discount paid.
- e) If an airline is a Net Beneficiary but the decline in transfer passengers in a given month would mean that the carrier has seen a reduction in transfers over that Season, then the recovery will be equal to the amount that the airline has so far benefited in that Season (i.e. its GTIS benefit will be reduced to €0, but not beyond).
- f) Similarly to the foregoing bullet, if at any point in a Season an airline has seen an overall reduction in transfers, then growing transfers the next month will not realise any discount unless the increase in transfers is greater than the total reduction over the previous months. If the airline does generate positive growth in a particular month after previously declining, then it is entitled to the GTIS discount corresponding to the total growth in that Season, not the total growth in that month.

In the calculation of GTIS discounts, the performance of Winter seasons has no bearing on the performance of Summer seasons in the same year and vice versa. Winter seasons are only compared to Winter seasons and Summer seasons are only compared to Summer seasons.

⁵ These periods differ from the airline scheduling seasons to avoid the timing of Easter affecting growth rates.

3. Eligibility:

The GTIS applies on qualifying routes that meet the following criteria:

- a) The operator(s) must inter alia:
 - i. Offer a transfer route through Dublin Airport to qualify for a GTIS award; and
 - ii. Organise the schedule on routes (i.e. reduce the connecting time between the arriving flight and the departing flight to at most 12 hours).
- b) GTIS will apply to qualifying transfer passengers. Note that the following definition applies to a transfer passenger making a direct connection at Dublin Airport:

A "Transfer Passenger" means a passenger arriving into Dublin Airport from another airport ("airport of origin") on one flight who departs aboard a flight with:
A different flight number to an airport or city other than the airport of origin or city of origin, provided that the scheduled time of departure of the second flight is not more than 12 hours after the scheduled time of arrival of the first flight.

- c) The operator(s) must submit the total number of terminal, transfer and transit passengers, including the class, children, infants and jump seat passengers as per the "Transfer Passenger" definition and all other passenger definitions as set out in the current Dublin Airport "Terms and Conditions" document.
- d) GTIS is also available in respect of 'self-connect' passengers where the airline(s) can systematically and satisfactorily demonstrate, through verifiable means, that the 'self-connect' journey took place.

4. General Conditions

- a) daa reserves the right to revoke or amend the Scheme at any time. In addition, daa explicitly reserves the final decision in its entirety concerning eligibility for the transfer incentive.
- b) As a general principle, daa will not apply GTIS on routes which are already in receipt of route support.

5. Operational Conditions

- a) The flight is a scheduled flight.
- b) The operator has traffic rights to fly the proposed route.
- c) The scheduled timings proposed and operated have been reviewed and approved by Dublin 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 GTIS.
- d) Continuing support under GTIS is contingent on the operator cooperating fully with daa's slot coordinator to assist in increasing operational efficiency at the airport.
- e) Continuing support under GTIS is contingent on the operator and/or its handling agent complying with operational service standards as set by daa, specifically, but not exclusively the key standards established for passenger handling and baggage delivery in the terminal.
- f) The transfer passenger is 'transfer ready' and holds the appropriate documentation to board aircraft operating on each sector: one for the initial flight to Dublin Airport and one for the subsequent flight to a destination served from Dublin Airport.
- g) With regard to code-sharing flights, only the operating (billed) carrier is eligible.
- h) Operators must ensure passenger data is accurately reported electronically via the SITA messaging service as per daa's Terms and Conditions. Note that MVT, LDM, SLS, DIV, ASM, PTM, PSM messages should be sent to DUBRN7X. Should an operator be unable to meet this requirement then the operator must adequately show that it can pass transfer data in an accurate and timely manner. Failure to do so will result in non-award of the GTIS.

- i) The operator must provide daa with the level of information required to track each transfer passenger from the qualifying originating airport to the qualifying destination airport.
- j) Though the primary focus is on a one-stop passenger scenario, a two-stop passenger scenario may occur on some Transfer routes (e.g. Glasgow-Dublin-JFK- Buffalo, USA).
- k) The operator must ensure appropriate connecting times between scheduled flights on connections through Dublin Airport (i.e. that the scheduled time of departure of the second flight is not more than 12 hours after the scheduled time of arrival of the first flight). The operator must provide adequate connecting times between transfer routes when publishing their Winter and Summer schedules.
- l) The operator must allow daa to identify a fixed range of gates for the operator's nominated route/s with high transfer volumes. daa will endeavour to facilitate an operator's request for specific gates. However, the operator must accept daa's decision/s to realign an operator's nominated transfer operations within the terminal in order to enable the most convenient passenger routings and take advantage of opportunities to incentivise retail, duty-free, lounge facilities and US Preclearance offerings at Dublin Airport in a mutually beneficial manner.

6. Financial Conditions

- a) Operators will be invoiced at standard airport charge levels. Details of this charge are set out in the document entitled "Dublin Airport Charges, including Terms and Conditions⁶".
- a) Payments due shall be made in full without deductions. Without the express written consent of daa, the operator shall not be entitled to make any off-set against or deduction from the charges invoiced, in respect of any claim that an operator may have against daa or otherwise. In such an event, a Transfer Incentive rebate will not be made.

⁶ <https://www.dublinairport.com/regulation-and-planning/airport-charges/charges-2017>

- b) Transfer Incentive rebates will be awarded after month-end in the form of a credit. The credit will have no cash value.
- c) Transfer Incentive rebates will be made to the operator/company that daa invoices for the operation. In the event of code-share agreements, daa will rebate the party that receives the invoices and is not responsible for any subsequent re-distribution of the rebate or resolving in any way any dispute that may arise in this regard.
- d) For the avoidance of doubt Qualifying Charges do not include: (i) aircraft parking charge; (ii) airbridge use charge; (iii) runway movement charge; (iv) charges introduced either previous to this scheme or subsequent to its introduction by daa in compliance with National or European legislation; (v) charges introduced by the Commission for Aviation Regulation; or (vi) charges relating to additional services provided by daa, including but not limited to, the persons with reduced mobility charge, self-service kiosk charge, check-in desk rental charge, customs and border protection charge or (vii) any environmental-related charge. In the event of a new charge being introduced by daa during the course of GTIS, the charge introduced will not be included in the rebate, unless otherwise stated by daa.
- e) The Scheme will apply or continue to apply only as long as:
 - i. the qualifying criteria for the Scheme are met;
 - ii. an operator is fully compliant with the Dublin Airport Charges, including the Terms and Conditions;
 - iii. invoices for all airport charges and any other fees or costs incurred by daa in respect of any services provided by daa to the operator are duly paid (including adhering to credit terms in respect of all daa invoices, unless daa, in its absolute discretion, shall otherwise determine);
 - iv. any amounts determined as due to daa as part of the outcome of any legal process are paid; and
 - v. all other contractual agreements in existence between an operator and the daa are adhered to in full and all applicable licence agreements and other commercial arrangements are completed, signed off and are being adhered to in full.

Where an operator is found to be in breach of the above requirements, daa reserves the right to proportionately reduce the level of rebate otherwise due under the Scheme.

7. Billing Conditions

- a) The basis of GTIS calculation is the number of transfer passengers on the route as reported electronically by the airline or handling agent.

- b) GTIS will apply on the departure leg only of the routes.

8. Contact Details

If you have any queries regarding the GTIS or any of the terms and conditions, please contact rssapps@daa.ie.

Appendix 1: Definitions and interpretations in this document

Comparison Season means:

- (i) for a given Summer, the Comparison Season is the Summer which began in May three years previously;
- (ii) for a given Winter, the Comparison Season is the Winter which began in November three years previously;
- (iii) the first Comparison Seasons to be used in the Scheme will compare with Seasons which began 2 years previously (Summer 2015 with Summer 2013, Winter 2015 with Winter 2013 – spanning the calendar year 2013/2014).

Comparison Year means for a given year, the Comparison Year is the Year three years prior.

Comparison Transfer Figures means the comparison Transfer Passenger numbers for each Airline for all or part of a Comparison Season up to the end of the month immediately preceding the comparison. For example, an Airline's Transfer Passenger numbers for the period from the start of November 2016 to the end of February 2017 is compared with that Airline's Transfer Passenger numbers for the period November 2013 to February 2014.

Monthly Review means daa's comparison of an Airline's Transfer Passenger numbers which shall take place every month;

- (i) Summer reviews will commence at the start of June, July, August, September, October and November, and
- (ii) Winter reviews will commence at the start of December, January, February, March, April, May.

Season means a Summer or a Winter; **Summer** means the six month period from May to October inclusive; **Winter** means the six month period from November to April inclusive.

Transfer Incentive is defined as the incentive awarded to Airlines for Transfer Passengers travelling through Dublin Airport to which the GTIS applies.

Monthly Review

If a Monthly Review shows that an Airline's Transfer Passenger numbers are less than its Comparison Transfer Figures then no Transfer Incentive is due to the Airline. If daa has already paid Transfer Incentive to the Airline for part of that Season, the Airline must repay daa some or all of that Transfer Incentive. The amount an Airline must repay is calculated using the formula below:

$$(C-A) \times T = R$$

Where:

C is the number of Transfer Passengers for that Airline in the Comparison Season or part of the Season up to the month expiring before the Monthly Review.

A is the actual number of Transfer Passengers for that Airline in the Season or part of the Season which is the subject of the Monthly Review.

T is the transfer incentive payable in the Season which is the subject of the Monthly Review.

R is the amount repayable.

There may be circumstances where an Airline repays Transfer Incentive for part of a Season and a subsequent Monthly Review for all or part of that Season (using the formula above) shows that a further adjustment is required. In the event this occurs, daa and the Airline will agree to make the appropriate adjustment for that Season or part of, following the Monthly Review, to correct.

An Airline shall not be required to repay more Transfer Incentive than it received for a Season, nor shall an Airline be entitled to receive a Transfer Incentive which is greater than the Aeronautical Charges paid by the Airline for that Season. If an Airline's Transfer Passengers for a Season or part of does not exceed the Comparison Transfer Figures, shall not be entitled to any Transfer Incentive.

Net Beneficiary

Net beneficiary is defined as an airline which has received at least €0.01 in GTIS discounts.

New Departing Transfer Passenger

Departing transfer passengers are those departing on an outgoing flight. All discounts are applied to departing transfer passengers as there is no charge

associated with arriving passengers. The New Departing Transfer Passenger figure is computed by subtracting the number of transfer passengers in the Comparison Season, or part thereof, from those in the current Season, or part thereof. The formula for this calculation reads as follows:

$$C-A=N$$

Where:

C is the number of Transfer Passengers for that Airline in the Comparison Season or part of the Season up to the month expiring before the Monthly Review.

A is the actual number of Transfer Passengers for that Airline in the Season or part of the Season which is the subject of the Monthly Review.

N is the number of New Departing Transfer Passengers eligible for GTIS discounts.

Transfer Charges

Transfer charges are the published transfer charges by the number of transfer passengers flown.