

## **DRAFT FINANCIAL SUPPORT AGREEMENT**

Concluded in Skopje on \_\_\_\_\_.\_\_\_\_.2024 between

### **CONTRACTING PARTIES**

**The Government of Republic of North Macedonia, through the Ministry of Transport, as a provider of financial support, with headquarters at st. Plostad Crvena Skopska Opstina, no. 4, 1000 Skopje, Republic of North Macedonia (hereinafter referred to as "Provider")**

and

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**(hereinafter referred to as the "Beneficiary")**

### **SUBJECT**

#### **Article 1**

The subject of this Agreement is granting of financial support to the Beneficiary.  
An integral part of this Agreement is the Request for granting financial support from the Beneficiary.

### **PURPOSE**

#### **Article 2**

The purpose of this Agreement is the development of civil aviation in the Republic of North Macedonia through the establishment of more competitive and affordable prices in air traffic.

### **DURATION**

#### **Article 3**

The financial support is granted for a three-year time frame starting from January 1, 2025 and ending with December 31, 2027, and for the periods specified in the Article 4 of this Agreement.

## **BENEFICIARY'S OBLIGATIONS**

### **Article 4**

The Beneficiary of financial support shall no later than: **write the date as indicated in the operational plan** to start operating at: **write the destinations as indicated in the operational plan** from "Skopje International Airport" / "St. Paul the Apostle" Airport - Ohrid and the same to be served for the period **/the period for the requested financial support from the operational plan is indicated/** and it shall be continuously served at least: **/write the number of weekly flights as indicated in the operational plan/** in any of the IATA seasons in a predetermined flight schedule since its introduction until the end of the period for which the financial support is granted.

## **FLIGHT APPROVAL**

### **Article 5**

The Beneficiary shall provide flight approvals for the new destination from Article 4 of this Agreement.

## **PROVIDER'S OBLIGATIONS**

### **Article 6**

The Provider should conduct the following obligations:

1. For the destinations introduced from "Skopje International Airport" for the period which financial support is granted shall provide financial support in the amount of 9 euros in Denar equivalent, per arriving passenger, for the period specified in Article 4 of this Agreement.
2. For the destinations introduced from "Ohrid St. Paul The Apostle Airport" for the period which financial support is granted shall provide financial support in the amount of 12 euros in Denar equivalent, per arriving passenger, for the period specified in Article 4 of this Agreement.

## **FINANCIAL SUPPORT**

### **Article 7**

The financial support which is granted by the Provider will not exceed the amount of funds determined in the Operational plan of the Beneficiary which is in amount of:

Maximum amount of \_\_\_\_\_ euros for 2025, and/or

Maximum amount of \_\_\_\_\_ euros for 2026, and/or

Maximum amount of \_\_\_\_\_ euros for 2027.

## **TERMS AND METHOD OF PAYMENT**

### **Article 8**

The financial support from Article 6, points 1 and/or 2 of this Agreement is paid monthly, within 30 (thirty) days of the submitted request to the Ministry of Transport by the Beneficiary.

The request for payment from paragraph 1 of this article should contain detailed data on arriving passengers for the specific destination, which will be subject to verification by the Provider.

## **PROHIBITION OF CONFLICT ACTIVITIES**

### **Article 9**

The Beneficiary will not be involved, either directly or indirectly, in any business or professional activities which may be in conflict with the rights and obligations established in this Agreement.

## **CONFIDENTIALITY**

### **Article 10**

Except with prior written notification by the Provider, the Beneficiary shall not, at any time, contact any physical or legal entity for classified information obtained during the implementation of this Agreement.

Except with prior written notification by the Provider, the Beneficiary shall not publicly publish reports, recommendations and/or any other type of writing in relation with or as a result of the implementation of this Agreement.

## **AMENDMENTS TO THE FINANCIAL SUPPORT AGREEMENT**

### **Article 11**

The Beneficiary of financial support who has concluded an agreement with the Provider of financial support can submit a request for an increase in the period of the operation of the introduced destination until its expiration.

Along with the request from paragraph 1 of this article, the Beneficiary of the financial support shall submit an operational plan that in particular contains: the period for which the increase in the operation of the new destination is requested, number of flights on a weekly basis, number of planned arriving and departing passengers carried by the airline, number of seats offered and amount of the requested financial support shown by years which should be realistic with real numbers.

The period for which the agreement will be amended can only be within the period from January 1, 2025 and ending with December 31, 2027.

## **GOVERNING LAW**

### **Article 12**

Unless otherwise stipulated by the provisions of this Agreement, the provisions of the Law on Obligation Relations and other adopted legal regulations valid in the Republic of North Macedonia shall be applied accordingly to this Agreement.

## **RESOLUTION OF DISPUTES**

### **Article 13**

The Parties shall use their best efforts to settle amicably all disputes arising out of or relating to this Agreement or its interpretation.

All disputes arising out of and in connection with this Agreement, that cannot be settled amicably, including disputes relating to issues related to its effective creation, violation or termination, as well as legal actions arising therefrom, will finally be resolved through arbitration in accordance with the Law on International Commercial Arbitration of the Republic of North Macedonia.

In case of initiation of arbitration proceedings, the following principles will be applied:

- The number of arbitrators shall be three.
- The procedure shall be conducted in the Macedonian language.
- The place of arbitration shall be in Skopje, Republic of North Macedonia.

## **UNILATERAL TERMINATION**

### **Article 14**

The Provider may unilaterally terminate this Agreement, if the Beneficiary:

- Did not fulfill the conditions of Article 4 of this Agreement
- Did not secure permission to fly in accordance with Article 5 of this Agreement.

## **SUPERVISION**

### **Article 15**

The Provider, through the Ministry of Transport, performs constant and regular supervision for the fulfillment of the rights and obligations of this Agreement.

## **LANGUAGE**

### **Article 16**

This Agreement is concluded in Macedonian and English language.

In case of any conflicting interpretation between the Contracting Parties, the version of the contract in the Macedonian language shall prevail.

**NUMBER OF SPECIMENS**  
**Article 17**

This Agreement is concluded in 4 (four) original copies, for the each of the languages in two copies, for each of the Contracting Parties.

**ENTRY INTO FORCE**  
**Article 18**

This Agreement enters into force on the day of its conclusion and shall be applied for the period specified in Article 3 of this Agreement.

PROVIDER  
of financial support

BENEFICIARY  
of financial support

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