

THE SELECTION PROCEDURE

for the designation by Air Oradea S.A. of a private partner for the operation of domestic and international flights from Oradea International Airport

October 26th, 2023

1. INTRODUCTION

1.1. Preliminary clarifications

- The selection procedure presents the steps and the set of mandatory requirements based on which Air Oradea S.A. ("**Air Oradea**") will designate a private partner for the conclusion of a joint venture agreement that will allow it to make investments, under profitable conditions, in the development of new domestic and international flights from Oradea International Airport (the "**Selection Procedure**").
- The interested economic operators will prepare and submit their offers in order to participate in the Selection Procedure in accordance with the requirements and the schedule of the procedure specified herein (the "**Offers**").
- The specifications below that indicate a specific manufacturer, a specific origin or a specific process or that refer to any brands, patents, types, to a specific origin or to a specific production are mentioned only to easily identify the characteristics of the services to be provided and do not have the effect of favouring or eliminating certain economic operators. These specifications shall always be deemed to bear the mention "or equivalent".
- The change, including the update of the content of the Selection Procedure, will be announced no later than 10 (ten) days before the deadline set for the submission of offers. Air Oradea reserves the right to extend the deadline for the submission of Offers and, accordingly, the deadline for preparing any requests for clarifications, or responses to clarifications, if deemed necessary as a result of the changes/updates made.
- This Selection Procedure is written in Romanian and translated into English. In case of discrepancies between the two versions, the Romanian version will prevail.
- By submitting an offer within this Selection Procedure, the economic operators confirm that they fully understand and agree to the terms and conditions of this Selection Procedure.
- We expressly mention the fact that, at any time of this Selection Procedure, Air Oradea reserves the right to cancel this Selection Procedure, without such cancellation giving rise to any obligation or liability of any kind towards the participants in the procedure and without Air Oradea being obliged to justify such cancellation.

1.2. The Applicable Law

- The Selection Procedure is not subject to the general framework of public procurement, as per Article 32 para. (1) of Law No. 98/2016.

- The selection procedure will be organized in compliance with the principles of transparency and ensuring equal treatment and shall be governed by the rules applicable in the field of state aid according to the Commission Communication on the notion of state aid as referred to in Article 107 paragraph (1) of the Treaty on the Functioning of the European Union (2016/C 262/01), in particular with regard to the Market Economy Operator Test (the "**MEO test**").

1.3. The type of contract to be concluded following the completion of the Selection Procedure (the "**Contract**")

- **Joint venture**, as per Articles 1.949-1.953 of Law No. 287/2009 (Civil Code), under the condition precedent of successfully completing the MEO test. In the event that the MEO test will not return the necessary outcomes, Air Oradea will waive the conclusion of the Contract, whereas the Selected Partner shall not be entitled to issue any claims for financial compensation.
- Estimated term of the Contract: **5 years**, conditional on the outcome of the MEO test.
- The Selected Partner will be **the majority partner in the joint venture**, the shareholding for the participation in the joint venture shall be subject to negotiation, depending on the outcome of the MEO test.

1.4. Air Oradea's contribution to the joint venture

- Financial contribution: maximum **EUR 3,000,000** (considering the maximum period of 5 years), from Air Oradea's own capital.

1.5. Contribution of the Selected Partner into the joint venture

- Contribution in kind: provision of the fleet, know-how regarding the launch and operation of flights, adequate staff, licenses and authorizations, business management, ticket sales (including undertaking responsibility, according to the relevant European legislation, for cancelled or delayed flights) and managing the website, ensuring by its own means, the marketing and advertising related to the launch and operation of the air flights.

1.6. The business plan

- The business plan and the financial projections related to the business targeted by the association will be developed based on the data provided by the Selected Partner. It will

include the balance sheet, the profit and loss account and the cash flow statement for a maximum forecast period of 5 years. In addition to the three types of financial statements previously mentioned, the private partner will submit the detailed assumptions underlying such financial projections and will also ensure the availability of its team to discuss, clarify and detail every aspect of the business plan that the Air Oradea team will deem necessary.

2. THE CONTEXT OF THE SELECTION PROCEDURE

2.1. The economic and local development context

Air Oradea's decision to establish an association with an airline operator is justified in terms of the increase in the rate of local economic development of the city of Oradea and Bihor County in recent years, thus establishing the need to ensure air accessibility to Bucharest and other European cities.

Based on the analysis of historical passenger traffic data in a 35 km area around the city of Oradea, with more than 60% flying from Budapest and Debrecen airports, it was concluded that there is a substantial potential of passengers who could be served by flights from Oradea International Airport. In particular, there is a significant potential considering the accelerated rate of economic growth of Bihor County, the increased interest of existing and potential investors, as well as the sustained development of local tourism in the recent years, as the Oradea International Airport is used below the existing potential, although it is located in one of the richest counties in Romania. The lack of air, road or rail traffic alternatives to ensure connectivity to other large cities in Romania or other member states in a reasonable time also supports the opportunity to open and operate new domestic and international routes from Oradea International Airport. Moreover, investments in airport infrastructure (such as runway extension, terminal construction, security equipment) were completed this year. Thus, Oradea International Airport possesses all the technical and market prerequisites to ensure the development of the economic activities of operating domestic and international flights from this airport, following the association to be concluded between Air Oradea and the private partner.

The designation of the winning bidder and the conclusion of the Contract will take place only under such conditions that will ensure compliance with the rules in the field of state aid, in a manner that shall ensure the exclusion of the granting of any economic benefit that the potential partner could not obtain under normal market conditions. In this regard, the mechanism of association will take into account the compliance with the "*pari-passu*" principle, as defined in the Commission Communication on the notion of state aid¹, as well as all the requirements necessary to carry out the MEO test. In this regard, the association will comply with the following essential criteria:

¹ Commission Notice on the notion of State aid as referred to in Article 107(1) of the Treaty on the Functioning of the European Union (2016/C 262/01).

- ⇒ the intervention of Air Oradea and the private partner will be decided and carried out at the same time;
- ⇒ the terms and conditions of the association will be the same for Air Oradea and the interested private partner, also by taking into account the possibility of increasing or decreasing the level of risk over time;
- ⇒ the intervention of the private partner will have to be of a real economic importance (*i.e.* not just symbolic or marginal).

2.2. The initiator of the Selection Procedure

Air Oradea S.A. is a joint-stock company, with its registered office in the Municipality of Oradea, 80 Calea Aradului, Bihor County, registered with the Trade Register under No. J5/2706/2021, CUI 45091220.

Air Oradea was established in October 2021 by the Oradea Municipality and Bihor County Council, with the aim of developing, under competitive market conditions, the economic activity of operating air flights from Oradea International Airport, and the company has as its main object of activity *NACE CODE 5110 – Passenger air transport*.

The share capital of Air Oradea is RON 15,000,000, is fully subscribed and paid in, and is divided into 1,000 shares with a nominal value of RON 15,000 each.

The Company's shareholding structure

Shareholders	Number of shares	Percentage *
Bihor County	400	40%
Oradea Municipality	600	60%

3. THE SCOPE OF THE SELECTION PROCEDURE

Air Oradea is considering the involvement of a private partner for the establishment of an association (in the form of a joint venture), in order to operate new air flights from/to the Oradea International Airport under conditions of economic profitability, following the next launch and operation plan of flight destinations:

Activity	Minimum frequency (flight/week)*	No. of minimum places (per year)	No. of maximum places (per year)
1. Route Oradea (OMR) – Bucharest (OTP) – scheduled flight <i>(mandatory activity)*</i>	5	36,400	140,000
2. Route Oradea (OMR) – London (any airport) – scheduled flight <i>(mandatory activity)*</i>	3	21,800	100,000
3. One or more charter routes departing from Oradea to relevant destinations <i>(optional activity, additional points will be granted)</i>	-	-	-

* Round trips will be considered.

4. SCHEDULE AND STAGES OF THE SELECTION PROCEDURE

Schedule of the Selection Procedure

Term	Date
1. Launch of the Selection Procedure	27.10.2023
2. Deadline for requesting clarifications from interested economic operators	10.11.2023
3. The transmission by Air Oradea of the answers to the requests for clarification received from any economic operators concerned	17.11.2023
4. Deadline for submission of offers	29.11.2023

5. MINIMUM QUALIFICATION REQUIREMENTS

The Selection Procedure is open to all private legal entities that meet the minimum qualification requirements set out below.

Bidders who do not meet all of the minimum qualification requirements set forth in this Section will be disqualified.

5.1. Eligibility and financial capacity

Bidders must prove their eligibility and financial capacity (cumulative criteria):

- (i) The bidder must have an air operating license issued by an EU member state in accordance with EC Regulation 1008/2008 ²;
- (ii) The bidder must possess a mandatory insurance against accidents which shall cover passengers, goods, mail and civil liability, pursuant to the requirements of Regulation EC 785/2004 ³;
- (iii) The bidder or a member of its administrative, management or supervisory body or any person with power of representation, decision or control within the bidder has not been convicted by a final decision for committing any of the following crimes: (i) the establishment of an organized criminal group, provided for by Article 367 of Law No. 286/2009 on the Criminal Code, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (ii) corruption offenses such as bribery, bribe giving, influence peddling, buying influence, provided for in Articles 289-294 of Law No. 286/2009 on the Criminal Code, with subsequent amendments and supplementations, or crimes assimilated to corruption crimes provided for in Articles 10-13 of Law No. 78/2000 for the prevention, discovery and sanctioning of acts of corruption, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (iii) crimes against the financial interests of the European Union, provided for in Articles 18¹ -18⁵ of Law No. 78/2000, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (iv) acts of terrorism provided for in Articles 32-35 and Articles 37-38 of Law No. 535/2004 on the prevention and combating of terrorism, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (v) money laundering, provided for in Article 49 of Law No. 129/2019 for the prevention

and combating of money laundering and the financing of terrorism, as well as for the amendment and supplementation of some regulatory deeds, or the financing of terrorism, provided for in Article 36 of Law No. 535/2004, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (vi) trafficking and exploitation of vulnerable persons, provided for in Articles 209-217 of Law No. 286/2009 on the Criminal Code, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (vii) fraud, within the meaning of Article 1 of the Convention on the protection of the financial interests of the European Communities of November 27, 1995;

- (iv) The bidder has not breached its obligations concerning the payment of taxes, fees or contributions to the general consolidated State budget;
- (v) The bidder is not under insolvency, bankruptcy, preventive arrangement or liquidation proceedings;
- (vi) The bidder is not an undertaking in difficulty ², *i.e.* in the last 2 (two) years prior to the submission of the offer (respectively in 2021 and 2022): (i) the debt/equity ratio of the company is less than 7.5; and (ii) the interest coverage capacity calculated on the basis of EBITDA is above 1.0 or, if it is a company in difficulty, it shall submit upon sending its offer, an affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3, respectively on the date of contracting a letter of comfort issued by a banking institution in Romania/other member states of the European Union or (ii) an account statement certifying the availability of the amount of at least EUR 3,000,000 accompanied by an affidavit on the immobilization of funds for the purpose of the project;
- (vii) The bidder is not on the European Commission's blacklist of airlines that fail to meet safety standards, as listed in Annex A at the following address: https://transport.ec.europa.eu/transport-themes/eu-air-safety-list_en.
- (viii) The bidder holds an European air operator certificate (AOC) or other similar document issued by a competent authority in his country of origin;
- (ix) The bidder is the legal holder of the funds for the fulfilment of all obligations that will arise following its participation in the Selection Procedure;

² The undertaking in difficulty is any undertaking that is in at least one of the situations provided for in Article 2, section 18 letter e) of Regulation (EU) No. 651/2014 for declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

- (x) The bidder, its direct or indirect shareholders, the entities that control the bidder, the parent companies, the subsidiaries and their legal representative, including any of the members of the administrative or supervisory boards, members of the management team, employees or authorized persons, are not or have been not subject to any international sanctions imposed by the United Nations, the European Union or any other authority with jurisdiction over them or are not located in a country that is included on the European Union's blacklists;
- (xi) The bidder had a turnover of at least EUR 50,000,000 in the previous financial year.

5.2. Similar experience

The bidders must prove previous similar experience in air passenger transport (cumulative criteria):

- (i) The bidder must have at least 3 years of experience in the field of passenger air travel operations on domestic and international routes;
- (ii) The bidder must have operated actively, continuously, without any interruptions, route closures or withdrawals, on scheduled and charter flights for the last 2 years;
- (iii) The bidder must have ensured the transport of at least 1 million passengers in the last 3 years of operation (cumulative for the 3 years).

5.3. Technical capacity

The bidders must fulfil the following requirements (cumulative criteria):

- (i) The bidder possesses a fleet consisting of a minimum of 5 turbocharged (jet) aircraft owned or leased (*wet or dry lease*), with a capacity of at least 140 seats;
- (ii) The bidder has the capacity to ensure the exclusive allocation of an aircraft for the operation of flights from Oradea International Airport, by undertaking all the technical and financial obligations deriving therefrom (such as technical and maintenance personnel, spare parts, corresponding flight schedule);
- (iii) The bidder has the capacity to ensure the launch and operation of the flights provided for in Section 3;
- (iv) The bidder uses an international booking and ticketing system accessible by tour operators and travel agencies and has its own booking and ticketing website.

6. PARTICIPATION DOCUMENTS AND RULES REGARDING THE SUBMISSION OF OFFERS

6.1. Participation documents

In order to prove the fulfillment of the minimum qualification requirements, the bidders shall submit the following documents, which are **mandatory**:

Supporting documents attesting to the eligibility and financial capacity

Requirement	Document
(i) The bidder must possess an air operating license issued by an EU member state as per EC Regulation 1008/2008 ² ;	- At the time of submitting the offer: Copy of the operating license within the validity period.
(ii) The bidder must have a mandatory insurance against accidents, which covers passengers, goods, mail and civil liability as per the requirements of Regulation EC 785/2004 ³ ;	- At the time of submitting the offer: Copy of the mandatory insurance within the validity period.
(iii) The bidder or a member of its administrative, management or supervisory body or any person with power of representation, decision or control within the bidder has not been convicted by a final decision for committing any of the following crimes: (i) the establishment of an organized criminal group, provided for by Article 367 of Law No. 286/2009 on the Criminal Code, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (ii) corruption offenses such as bribery, bribe giving, influence peddling, buying influence, provided for in Articles 289-294 of Law No. 286/2009 on the Criminal Code, with subsequent amendments and supplementations, or crimes assimilated to	<p>- At the time of submission of the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3;</p> <p>- At the time of contracting: criminal record for the bidder and criminal record of the members of the administration, management or supervisory body of the bidder or of those who have the power of representation, decision or control within the bidder.</p>

corruption crimes provided for in Articles 10-13 of Law No. 78/2000 for the prevention, discovery and sanctioning of acts of corruption, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (iii) crimes against the financial interests of the European Union, provided for in Articles 18¹ -18⁵ of Law No. 78/2000, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (iv) acts of terrorism provided for in Articles 32-35 and Articles 37-38 of Law No. 535/2004 on the prevention and combating of terrorism, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (v) money laundering, provided for in Article 49 of Law No. 129/2019 for the prevention and combating of money laundering and the financing of terrorism, as well as for the amendment and supplementation of some regulatory deeds, or the financing of terrorism, provided for in Article 36 of Law No. 535/2004, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (vi) trafficking and exploitation of vulnerable

<p>persons, provided for in Articles 209-217 of Law No. 286/2009 on the Criminal Code, with subsequent amendments and supplementations, or by the corresponding provisions of the criminal legislation of the state in which such legal or natural person was convicted; (vii) fraud, within the meaning of Article 1 of the Convention on the protection of the financial interests of the European Communities of November 27, 1995;</p>	
<p>(iv) The bidder has not breached its obligations concerning the payment of taxes, fees or contributions to the general consolidated budget;</p>	<ul style="list-style-type: none"> - At the time of submission of the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3; - At the time of contracting, if applicable, the following deeds will be submitted: fiscal certificate attesting to the non-existence of outstanding debts related to the payment of taxes, fees or contributions to the generally consolidated State budget, not older than 30 days.
<p>(v) The bidder is not undergoing insolvency, bankruptcy, preventive arrangement or liquidation;</p>	<ul style="list-style-type: none"> - At the time of the submission of the offer: Certificate issued by the competent Trade Register Office no later than 30 days before the date of submission of the offer (either issued in paper form or with an electronic signature of the competent Trade Register), in original; - At the time of submitting the offer: copy of the tax registration certificate.
<p>(vi) The bidder is not a company in difficulty, <i>i.e.</i> in the last 2 (two) years prior to the submission of the offer (respectively in</p>	<ul style="list-style-type: none"> - At the time of submission of the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person

<p>2021 and 2022): (i) the debt/equity ratio of the company is less than 7.5; and (ii) the interest coverage capacity calculated on the basis of EBITDA is above 1.0 or, if it is a company in difficulty, it shall submit upon contracting, one of the following documents: (i) a letter of comfort issued by a banking institution in Romania/other member states of the European Union or (ii) an account statement certifying the availability of the amount of at least EUR 3,000,000 accompanied by an affidavit on the immobilization of funds for the purpose of the project;</p>	<p>authorized by the bidder, with the content provided in Form 3;</p> <p>- At the time of contracting, if applicable, will be submitted, if in difficulty, either (i) a comfort letter issued by a banking institution in Romania/other member states of the European Union, or (ii) an account statement that certifies the availability of the amount of at least EUR 3,000,000, accompanied by an affidavit on the immobilization of the funds for the purpose of the project.</p>
<p>(vii) The bidder is not on the European Commission's blacklist of airlines that fail to meet safety standards, as listed in Annex A at the following address: https://transport.ec.europa.eu/transport-themes/eu-air-safety-list_en;</p>	<p>- At the time of submitting the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3</p> <p>-</p>
<p>(xii) The bidder is the legal holder of the funds for the execution of all obligations that will arise from its participation in the Selection Procedure;</p>	<p>- At the time of submitting the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3</p>
<p>(xiii) The bidder, its direct or indirect shareholders, the entities that control the bidder, the parent companies, subsidiaries and their legal representative, including any of the members of the administrative or supervisory boards, members of the management team, employees or authorized persons, are not or have been not subject to any international sanctions imposed by the United Nations, the</p>	<p>- At the time of submitting the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3</p>

<p>European Union or any other authority with jurisdiction over them or are not located in a country that is included on the European Union's blacklists;</p>	
<p>(xiv) The applicant possesses an European air operator certificate (AOC) or other similar document issued by a competent authority in its country of origin;</p>	<p>- At the time of submitting the offer: Copy of the air operator certificate within the validity period.</p>
<p>(xv) The bidder had a turnover of at least EUR 50,000,000 in the previous financial year.</p>	<p>- At the time of submitting the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3</p> <p>- At the time of contracting, if applicable, a copy of the financial statements for the previous financial year, certified by the competent fiscal authorities, will be submitted.</p>

Supporting documents attesting to the similar experience

Requirement	Document
<p>(i) The bidder must have at least 3 years of experience in the field of passenger air travel operations on domestic and international routes;</p>	<p>At the time of submitting the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3</p>
<p>(ii) The bidder must prove constant active operation, without interruptions, flight closures or withdrawals, on scheduled and charter flights for the last 2 years;</p>	
<p>(iii) The bidder must have ensured the transport of at least 1 million passengers in</p>	

the last 3 years of operation (cumulative for the 3 years);	
---	--

Supporting documents attesting to the technical capacity

Requirement	Document
(i) The bidder must have at his disposal a fleet consisting of a minimum of 5 turbocharged (jet) aircraft owned or leased (wet or dry lease), with a capacity of at least 140 seats;	- At the time of submitting the offer: Descriptive presentation of the fleet, including aircraft configurations.
(ii) The bidder has the capacity to ensure the exclusive allocation of an aircraft for the operation of flights from Oradea International Airport, while undertaking all the technical and financial obligations deriving therefrom (e.g. technical and maintenance personnel, spare parts, corresponding flight schedule);	- At the time of submission of the offer: Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3
(iii) The operator uses an international reservation and ticketing system accessible by tour operators and travel agencies and has its own website for booking and ticketing;	- At the time of submitting the offer: Presentation of the booking and ticketing system.

6.2. Basic conditions regarding the structure and content of the offer

Bidders will submit all the participation documents that make up the content of the bid, in the order indicated:

Reference number	Participation document
1.	Cover letter, with the content provided in Form 1
2.	Power of attorney (if applicable) with the content set out in Form 2

3.	Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder, with the content provided in Form 3
4.	GDPR information note, with the content provided in Form 4
5.	Copy of the operating license
6.	Copy of the mandatory insurance within the validity period
7.	Copy of the tax registration certificate
8.	Original of the Certificate issued by the competent Trade Register Office no later than 30 days before the date of submission of the offer (either issued in paper form or with an electronic signature of the competent Trade Register)
9.	Copy of the air operator certificate (AOC)
10.	Fleet presentation, including aircraft configurations
11.	Presentation of the booking and ticketing system
12.	Financial proposal , with the content presented in Form 5

6.3. Rules regarding the submission of the Offers

6.3.1. Rules regarding the form of presentation of participation documents

Bidders will consider the following mandatory rules regarding the form of presentation of the documents for participation in the Selection Procedure:

1. All participation documents that are not in electronic format shall be scanned individually, saved in pdf files. and signed electronically with a signature obtained from an accredited/qualified provider, only once, regardless of the number of pages of the document.
2. All participation documents submitted by foreign legal entities will be accompanied by an authorized translation into Romanian. All authorized Romanian translations will also be sent along with the foreign language documents.
3. All participation documents will be also available at the bidder in original or as a copy certified by the legal representative of the bidder or the authorized person according to the relevant power of attorney and will be sent in paper format to Air Oradea, upon request, at any time during the Procedure of Selection.
4. In the case of authorized translations of the participation documents issued in a foreign language, the original authorized translation must be available at the bidder.
5. All documents referred to in Section 6.1 above, submitted by foreign legal entities, which represent "*official documents*", within the meaning of the Convention of 5 October 1961 Abolishing the Requirement of Superlegalisation for Foreign Public Documents, will bear

the apostille of the competent authorities of of the state in whose territory they were drawn up (in case they are drawn up in the territory of a state that is a signatory to the Hague Convention of October 5, 1961) or, as the case may be, they will be superlegalized (in case they are drawn up in the territory of a state which is not a signatory to the Hague Convention of October 5, 1961).

- ⇒ If necessary, the Assessment Committee shall also be entitled to request clarifications regarding the participation documents submitted by the bidders, at any time during the stage of assessment of the submitted files. It will be possible to allow all bidders, under similar and non-discriminatory conditions, to correct any formal and/or material deficiencies, without significantly changing the participation documents submitted.
- ⇒ Failure by the bidders to submit any of the participation documents provided for in Section 6.1 or requested by the Assessment Committee, within the term provided hereto, leads to the disqualification of the bidder from the Selection Procedure. Likewise, the failure by the bidders to submit the mandatory documents required for contracting, if applicable, leads to the impossibility of concluding the contract with that bidder, whereas **the selected bidder shall not be entitled to issue any claims for financial compensation.**
- ⇒ If, according to the content of the documents submitted by the bidders, the minimum qualification requirements provided for in this Selection Procedure are not fulfilled, those bidders will be excluded.

6.3.2. Validity of the offer

The validity of offers must be at **least 60 calendar days as of their submission**. The offer with a shorter validity will be deemed non-compliant, and may be rejected by the Assessment Committee.

The offer presented by the bidder is binding for the bidder.

Air Oradea can request the extension of the validity of the offers, in exceptional situations that require such an extension or if this is necessary for the smooth running of the assessment procedure. The Selected Partner undertakes to extend the submitted offer until the expected date for the conclusion of the Contract, at the request of Air Oradea. If a bidder does not comply with this request, its Offer will be rejected.

6.3.3. The language in which the Offer shall be drafted

Offers must be submitted in **Romanian**. For foreign bidders, an authorized Romanian translation is valid, but this will be the version that prevails.

The offer must contain an express provision regarding the prevailing version in Romanian.

6.3.4. The currency used

The currency used to prepare the financial offer is Euro (EUR). When calculating the euro equivalent of the amounts expressed in a currency other than the euro, the exchange rate communicated by the National Bank of Romania at the end of 2022 will be taken into account (1 EUR = 4.9474 RON).

6.3.5. The binding and unconditional character of the Offer

Submitted offers must be binding and unconditional throughout their validity period. However, conditioning shall be accepted as regards the obtaining of corporate approvals for the negotiation and signing of the contract, in the event that the bidder is selected as the winner.

6.3.6. The method for the submission of the Offer

Offers will be sent electronically, until 29.11.2023, 23:59, to the following email address: airoradea@oradea.ro

All times specified in this procedure refer to **Romania's local time (GMT+2 hours)**.

A bidder will submit only one offer, alternative offers from the same bidder will not be accepted.

The participation documents provided for in Section 6.2 shall be sent in a single email, or several, if they cannot be sent in a single email, due to the size of the attachments.

All participation documents submitted will be signed electronically, with a qualified electronic signature, obtained from an accredited supplier, belonging to the bidder's legal representative or authorized person according to **Form 2**.

For clarity purposes, the date and time of transmission of the Offer will be the date and time when Air Oradea received the last email containing all the documents constituting the Offer.

Offers submitted after this deadline will not be taken into consideration and will not be reviewed.

6.3.7. The costs of preparing the Offer

Air Oradea will not be liable for any costs or expenses incurred by the bidder because of the bidder's participation in this Selection Procedure, regardless of whether the bidder is designated as the winner or not.

These costs may include, but are not limited to, costs related to the preparation of the Offer or any other activities related thereto and performed during the procedure or any costs related to the negotiation of the contract. The costs related to the preparation and presentation of the Offer, the review and negotiation of the transaction documents, the representation before the courts or administrative jurisdictions and/or

other similar expenses generated by the participation in this procedure shall be the responsibility of the bidders and will not be reimbursed by Air Oradea to any bidder.

7. COORDINATES OF THE JOINT VENTURE

- **First associate:** The Selected Partner
- **Second associate:** Air Oradea
- **Contributions:**
 - the contribution of the first associate will consist of the provision of the fleet, the know-how regarding the launch and operation of the flights, adequate staff, licenses and authorizations, the management of the activity, the sale of tickets and the administration of the website, ensuring the marketing and publicity related to the launch and operation of the flights provided in Section 3;
 - the contribution of the second associate will consist of the financial contribution requested by the Selected Partner (financial contribution).

The contributions will be put in concrete terms and individualized in the first meeting of the Board of Directors.

- **Quotas:** Quotas will be established based on the contribution requested by the Selected Partner, as well as the business plan projections and the MEO test results.
- **Management of the association:** The association will be managed by a board of directors, composed of 2 members appointed by both partners according to the Contract.
- **Minimum obligations of the Selected Partner:**
 - to make available to the association the necessary fleet, equipment, know-how and personnel necessary to launch and operate the flights subject of Section 3;
 - to ensure the executive management and financial and accounting records of the association;
 - to develop the association's strategy and present it to the other associate;
 - to distribute the financial result between the associates, according to their shareholdings;
 - to prepare the association's accounts, to file statements and make payments, including the payment of fees due in accordance with the applicable legal provisions;
- **The participation of the associates in the financial performance of the association, respectively in the benefits and losses of the association:** it will be decided as per the Contract, after performing and verifying the hypotheses of the MEO test. The share in profit and loss may fluctuate annually depending on the association's business plan.

8. ASSESSMENT OF THE OFFERS SUBMITTED

The assessment of the Offers will be based on the participation documents submitted, whereas the bidder whose Offer receives the highest number of points, according to the assessment grid below, will be declared the winner.

Following the evaluation of the Offers, a final ranking of the bidders will be established. In case of equality of scores between two or more bidders, the tie-breaker will be represented by the ratio of offered capacity compared to the financial contribution of Air Oradea (the requested amount divided by the offered capacity).

Scoring grid

Criterion	Scores
<p>1. The contribution requested by the bidder from Air Oradea (total per 5 years)</p> <p><i>For the Admissible Offer with the lowest contribution – 50 points</i></p> <p><i>For the rest of the eligible Offers, the score will be calculated using the following formula:</i></p> $PP(n) = C(\min) / C(n) \times 50$ <p><i>where:</i></p> <p><i>PP(n): the score obtained by Offer n for the requested Contribution factor;</i></p> <p><i>C(min): the lowest contribution within the admissible Offers;</i></p> <p><i>C(n): the contribution requested under the admissible Offer under assessment.</i></p>	50
<p>2. Number of seats</p> <p><i>For the admissible Offer with the largest number of seats – 15 points</i></p> <p><i>For the rest of the eligible Offers, the score will be calculated using the following formula:</i></p> $PP(n) = C(n) / C(\max) \times 15$ <p><i>where:</i></p>	15

<p><i>PP(n): the score obtained by Offer n for the number of seats factor;</i></p> <p><i>C(max): the largest number of seats within the admissible Offers;</i></p> <p><i>C(n): the number of places within the admissible Offer under assessment.</i></p> <p><i>Any offer with a minimum number of seats is considered compliant. Any offer that does not respect the minimum number of seats will be rejected as non-compliant.</i></p> <p><i>Offers that exceed the maximum number of seats provided in Section 3 will not be scored additionally.</i></p>	
<p>3. Number of jet aircraft > 5</p> <p><i>For the Admissible Offer with the largest number of jet aircraft – 5 points</i></p> <p><i>For the rest of the eligible Offers, the score will be calculated using the following formula:</i></p> $PP(n) = C(n) / C(max) \times 5$ <p><i>where:</i></p> <p><i>PP(n): the score obtained by Offer n for the jet aircraft factor;</i></p> <p><i>C(max): the largest number of jet aircraft within the admissible Offers;</i></p> <p><i>C(n): the number of aircraft within the admissible Offer under assessment.</i></p> <p><i>Any offer with a number of 5 jet aircraft is considered compliant. Any offer that does not meet the minimum number of 5 jet aircraft will be rejected as non-compliant.</i></p>	5
<p>4. The bidder has flight attendants who speak Romanian</p> <p><i>All bidders who meet the criteria will receive the maximum score – 5 points</i></p>	5
<p>5. Ensuring the connectivity of Oradea with a hub, at the bidder's proposal, which ensures, through its own operations, the connectivity of passengers to international destinations (scheduled flights) with a stopover of no more than 3 hours</p>	5

<i>All bidders who meet the criteria will receive the maximum score – 5 points</i>	
<p>6. The bidder must operate on the date of submission of the offer scheduled flights to Bucharest and London.</p> <p><i>All bidders who meet the criterion (operate, from any airport, both flights to/from Bucharest and flights to/from London, regardless of the London airport), will receive the maximum score – 5 points</i></p>	5
<p>7. The bidder ensures the introduction of one or more charter routes departing from Oradea to relevant destinations</p> <p><i>All bidders who meet the criteria and propose feasible charter flights departing from Oradea will receive the maximum score - 15 points</i></p>	15

9. APPOINTMENT OF THE SELECTED PARTNER

After the application of the scoring grid by the Assessment Committee, the **bidder whose Offer receives the highest number of points will be designated as the Selected Partner**. Air Oradea will communicate the outcome of the Selection Procedure by e-mail.

Within 5 (five) working days as of designation of the Selected Partner, unless there are pending complaints, Air Oradea will request the Selected Partner to submit all supporting documents necessary at the time of contracting, according to Section 5 of this Selection Procedure.

The Selected Partner will submit the requested documents within no more than 10 (ten) working days. Any unjustified refusal to submit the requested documents within the indicated period leads to the impossibility of concluding the Contract.

In order to negotiate and sign the Contract, Air Oradea and the Selected Partner will collaborate in order to carry out the business plan and the MEO test, and the Selected Partner undertakes to provide Air Oradea with all the requested documents within no more than 10 (ten) working days from the date of the request hereto.

The MEO test will be carried out by Air Oradea, within a period of approximately 8 weeks. Under the condition precedent of the positive outcomes of the MEO test, the parties will proceed to negotiate the Contract, which will not last more than 4 weeks.

In case (i) the outcomes of the MEO test are not satisfactory for Air Oradea or (ii) the parties do not sign the Contract until **March 31, 2024**, with the possibility of extending this term unilaterally by Air Oradea, for justified reasons, the Selection Procedure will be cancelled.

In the event of the cancellation of the Selection Procedure for the reason mentioned above, the Selected Partner shall not be entitled to request damages or any other type of compensation for possible damages. The Selected Partner understands and assumes the fact that, by participating in this Selection Procedure, such accepts the condition precedent of a business plan attesting to the profitability of the association and the return on investment, as it emerges from the outcomes of the MEO test.

10. CHALLENGING THE OUTCOME. THE PROCEDURE FOR THE SETTLEMENT OF COMPLAINTS

Bidders shall be entitled to challenge the outcomes of the assessments carried out by the Assessment Committee. Any complaint related to the Selection Procedure will be drawn up in writing, in Romanian (or will be accompanied, at least, by an authorized translation in Romanian) and will be submitted by email, to the email address: airoradea@oradea.ro within 3 (three) working days as of the notification of the Selected Partner.

The Board of Appeals will settle the complaint and communicate its answer within no more than 5 (five) working days as of registration of the complaint.

11. ANNEXES

- **Form 1** – Cover letter
- **Form 2** – Power of attorney
- **Form 3** - Affidavit, in original, signed by the legal representative of the bidder or by the person authorized by the bidder
- **Form 4** – Information regarding the processing of personal data
- **Form 5** – The financial proposal