



COMMISSION FOR AVIATION REGULATION

APPLICATION FOR AN AIR CARRIER OPERATING LICENCE

Please read the accompanying notes before completing this application. Applicants should also familiarise themselves with the provisions of Regulation (EC) No. 1008/2008 of the European Parliament and of the Council on common rules for the operation of air services in the Community and the European Communities (Common Rules for the Operation of Air Services in the Community) Regulations 2008, S.I. No. 426 of 2008.

The following conditions must be met by an undertaking before an operating licence can be granted (see Article 4 of Regulation (EC) No. 1008/2008):

- (a) its **principal place of business** must be located in Ireland (SEE NOTE ONE);
- (b) it must hold a **valid AOC** as issued by the Irish Aviation Authority (SEE NOTE TWO);
- (c) it has one or more **aircraft** at its disposal through ownership or a dry lease agreement;
- (d) its **main occupation** is to operate air services in isolation or combined with any other commercial operation of aircraft or the repair and maintenance of aircraft;
- (e) its **company structure** allows the competent licensing authority to implement the provisions of the Regulation;
- (f) it meets the relevant **ownership and control** requirements of the Regulation- ownership and control by non EU Member States or nationals is not permitted (SEE NOTE THREE);
- (g) it meets the **financial conditions** specified in Article 5 of the Regulation (SEE NOTE FOUR);
- (h) it complies with the **insurance** requirements specified in Article 11 of the Regulation and in Regulation (EC) No 785/2004 (SEE NOTE FIVE);
- (i) it complies with the provisions on **good repute** as specified in Article 7 of the Regulation (SEE NOTE SIX).

The application must be completed in full and no questions should be left unanswered. Where appropriate, indicate "not applicable", "none" etc. The completed application form must be accompanied by the relevant application fee of **€7,285** (Category A) or **€2,428** (Category B) (SEE NOTE SIX) and should be returned to:-

Commission for Aviation Regulation,
3rd Floor,
Alexandra House,
Earlsfort Terrace,
Dublin 2.

Tel: +353 1 6611700

Fax: +353 1 6611269

E-mail: info@aviationreg.ie

N.B Any relevant changes which occur after the licence application has been submitted should be notified to the Commission immediately.

APPLICATION FOR AN AIR CARRIER OPERATING LICENCE

PLEASE COMPLETE IN CAPITAL LETTERS

Name of Applicant: _____

Business or Trading Names: _____

Registered Office: _____

Business Address: _____

Telephone No: _____

Fax No: _____

E-mail Address: _____

SECTION A - OWNERSHIP AND CONTROL OF BUSINESS

To be completed in respect of companies incorporated under the Companies Acts, 1963 to 2006 or similar legislation in other Member States.

- (i) Please complete in respect of each member of the board of directors and company secretary indicating clearly which are executive directors and which are nominee directors. In respect of each Director/Company Secretary, please provide evidence of nationality (e.g. copy of passport).

Name: _____
 Private
 Residential
 Address: _____

 Nationality: _____
 Title: _____

Name: _____
 Private
 Residential
 Address: _____

 Nationality: _____
 Title: _____

Name: _____
 Private
 Residential
 Address: _____

 Nationality: _____
 Title: _____

- (ii) To be completed in respect of any other person or entity who effectively controls or has a managing interest in the company (see NOTE SEVEN) or who acts as a shadow director for the company (see NOTE EIGHT).

Name: _____

Private
Residential

Address: _____

or
Registered
Office

Address: _____

Nationality: _____

Title: _____

- (iii) To be completed in respect of a company which is a subsidiary of another company (see NOTE NINE).

Name of Parent Company: _____

Registered Office Address

or

Business address: _____

- (iv) To be completed in respect of a company which is holding company for another company (see NOTE NINE)

Name of Holding Company: _____

Registered Office Address

or

Business address: _____

- (v) The following legal documents must be included with the application:-
 - a. Memorandum and Articles of Association
 - b. Certificate of Incorporation
 - c. Certificate of Registration of any trading or business names
 - d. Copy of any Shareholders Agreement or any side/ancillary agreements relating to the rights of respective shareholders in the company. Please note, in certain cases, the Commission may require a signed declaration from the Company Secretary confirming there are no undeclared agreements in existence that confer powers outside the disclosed legal documents.

PLEASE NOTE

1. In the case of companies which are subsidiaries of, or holding companies for other companies, any particulars required to be furnished in relation to the applicant may also be required to be furnished in relation to any other company or companies concerned or in relation to the group of companies as a whole.
2. APPLICANTS ARE ADVISED TO TAKE SPECIAL CARE TO ENSURE THAT ALL THE INFORMATION IN SECTION A IS UP TO DATE.

SECTION B - CAPITALISATION

Please complete in respect of each shareholder (NOTE THREE)

Date Shares acquired	Name, address & nationality of shareholder	Description of shares held & nominal value	No. of shares held

Specify (on a separate sheet if necessary):

- I. amount of authorised share capital _____
- II. amount of fully paid-up share capital _____
- III. issued for cash _____
- IV. issued otherwise than for cash _____
- V. details of any share capital not fully paid up _____

SECTION C - SHAREHOLDINGS IN OTHER COMPANIES

Give full details (on a separate sheet) of any shareholding of more than 10% by the applicant or any director, shareholder or partner in any other company, including shareholdings held in the name of a spouse, nominee or agent.

SECTION D - BORROWINGS, CREDIT ARRANGEMENTS, ETC.

Please specify (on a separate sheet):

D.1

- (i) overdraft facilities available (if any) and name of bank or other financial institution involved,
- (ii) security given for overdraft(s), (if any),
- (iii) other borrowings and securities/collateral given in relation thereto;

D.2

details of mortgages, liens, charges or other encumbrances, etc,

D.3

- (i) amount and nature of Directors loans invested in the Company,
- (ii) name of director(s) to whom the Company is liable for loan capital.

SECTION E - ASSETS

Please specify (on a separate sheet):

SECTION F - PAST ACTIVITIES

Please provide (on a separate sheet):

F.1

details of companies, enterprises or business ventures with which the applicant or any director, shadow director, shareholder or partner was previously associated in a proprietorial role or as a director, shadow director or shareholder;

F.2

details of any company, enterprise or business venture involved in bankruptcy, insolvency or winding-up proceedings with which the applicant or any director, shadow director, shareholder or partner was involved;

F.3

particulars of any offence of which the applicant or persons who will continuously and effectively manage the operations of the undertaking including any director, shadow director, shareholder or partner has been convicted.

SECTION G - AIRCRAFT AND ACTIVITIES

G.1

Particulars of aircraft to be operated by the company -

Registration Marks	Name and type	Year of Manufacture	Maximum Take-off Weight (Kgs)	Maximum Seat Capacity

G.2

For each aircraft state, method of acquisition (e.g. purchased, leased etc.) and annual repayments/lease costs -

G.3

If aircraft is leased, please include copy of lease agreement.

G.4

(I) Summary of proposed operations/ business activities -

(II) Will the company engage in any other business activities apart from air transport?
If so give details-

(III) Projected turnover in first year of trading:

€ _____

SECTION H – INSURANCE

Name of insurer: _____

Address: _____

Contact Person: _____

E-mail Address: _____

Tel Number: _____

Fax Number: _____

(See NOTE FIVE for insurance requirements)

SECTION I – PROOF OF GOOD REPUTE

Article 7 of Regulation (EC) No 1008/2008 requires that for the purpose of issuing an operating licence, proof is required that the persons who will continuously and effectively manage the operations of the undertaking are of good repute (e.g. lack of criminal record) or that they have not been previously declared bankrupt. Good repute is evidenced by the production of suitable documents/certifications issued by the competent authorities in the Member State of origin or the Member State where the person has his/her permanent residence showing that those requirements are met.

If a Member State does not issue the kind of documents referred to above, the licensing authority will accept a declaration (an oath or solemn declaration) made by the person concerned before a competent judicial or administrative authority or, where appropriate, a notary or qualified professional body of the Member State of origin or the Member State where the person has his/her permanent address. A sample Solemn Declaration is attached.

The Commission will require that the documents referred to above be presented no more than three months after their date of issue.

SECTION J- MANAGERIAL STAFF

Please provide (on a separate sheet) the following details in respect of all managerial staff:-

- (I) Name
- (II) Address
- (III) Nationality
- (IV) Position
- (V) Qualifications
- (VI) Details of experience
- (VII) I/We the undersigned, declare that, to the best of my/our knowledge and belief, the particulars given are true and complete and that there have been no changes in the financial resources, ownership and control of the business other than those notified in this form.

SECTION K - OTHER INFORMATION

Please provide (on a separate sheet) details of the following:

K.1

name, address and contact number(s) of applicant's legal representative,

K.2

name, address and contact number(s) of applicant's banker(s),

K.3

name, address and contact number(s) of applicant's auditor/accountant,

K.4

address and contact number(s) of applicant's principal place of business.

I/we also authorise the Commission, or any officer approved by the Commission, to apply to all or any of the persons or bodies specified in Section K of this application form, and all such persons or bodies are hereby authorised to give such information as may be sought from them hereunder, for the purpose of substantiating the particulars furnished in this application.

Name _____ Signature _____

Date _____ Official Position _____

Name _____ Signature _____

Date _____ Official Position _____

Name _____ Signature _____

Date _____ Official Position _____

Name _____ Signature _____

Date _____ Official Position _____

Name _____ Signature _____

Date _____ Official Position _____

Where the applicant is a body corporate this form must be signed by **each** of the directors.

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NOTES

NOTE ONE

Article 2 (26) of Regulation (EC) No 1008/2008 defines the concept of '*principal place of business*' as the head office or registered office of a Community air carrier in the Member State within which the principal financial functions and operational control, including continued airworthiness management, of the Community air carrier are exercised.

NOTE TWO

Before a licence can issue the applicant must be the holder of a valid Air Operator's Certificate granted by the Irish Aviation Authority which affirms that the operator in question has the professional ability and organisation to secure the safe operation of aircraft for the aviation activities proposed. The Irish Aviation Authority can be contacted at Aviation House, Hawkins Street, Dublin 2. Tel: +353 1 6718655, Fax: +353 1 6793349, website: www.iaa.ie.

NOTE THREE

Article 4 (f) of Regulation (EC) No 1008/2008 requires that Member States and/or nationals of Member States own more than 50% of the undertaking and effectively control it, whether directly or indirectly through one or more intermediate undertakings, except as provided for in an agreement with a third country to which the Community is a party. The tests of ownership and effective control are separate and both have to be met to achieve compliance.

NOTE FOUR

Applicants must submit a business plan for, at least, the first **three** years of operation. The business plan should include a detailed description of the air carrier's intended commercial activities including the applicant's financial links with any other commercial activities in which the applicant is engaged either directly or through related undertakings. Details of any market research undertaken should also be included. **The Business Plan must be provided in electronic format (in Microsoft Excel) to include all links and workings so that the Commission can see how each figure is arrived at.**

In submitting the financial data, applicants should be aware that the Commission is obliged to satisfy itself that the applicant can:

- (a) meet at any time its actual and potential obligations established under realistic assumptions, for a period of 24 months from the start of operations; and
- (b) meet its fixed and operational costs incurred by operations according to its business plan and established under realistic assumptions, for a period of three months from the start of operations without taking into account any income from its operations.

When submitting a business plan the following particulars should be included as set out under point 1 of Annex I of Regulation (EC) No 1008/2008:

- (I) The most recent internal management accounts and, if available, audited accounts for the previous financial year. (Does not apply to new companies).

"management account" is defined under Article 2 (23) and means a detailed statement of income and costs of an air carrier for the period in question including a breakdown between air-transport-related and other activities as well as between pecuniary and non-pecuniary elements;
- (II) A projected balance sheet, including profit and loss account, for the following three years.
- (III) The basis for projected expenditure and income figures on such items as fuel, fares and rates, salaries, maintenance, depreciation, exchange rate fluctuations, airport charges, air navigation charges, Groundhandling costs, insurance, etc. Traffic/revenue forecasts.
- (IV) Details of the start-up costs incurred in the period from submission of application to commencement of operations and an explanation of how it is proposed to finance these costs.
- (V) Details of existing and projected sources of finance.
- (VI) Details of shareholders, including nationality and type of shares to be held, and the Articles of Association. If part of a group of undertakings, information on the relationship between them.
- (VII) Projected cash-flow statements and liquidity plans for the first three years of operation.
- (VIII) Details of the financing of aircraft purchase/leasing including in the case of leasing the terms and conditions of contract.

NOTE: Any changes which arise after the above material has been submitted should be notified to the Commission. Where appropriate a revised business plan should be submitted.

SMALL OPERATORS (Category B)

The financial requirements for small operators engaged exclusively in unscheduled operations with aircraft of not more than 10 tonnes maximum take-off weight and/or less than 20 seats are less rigorous with regard to the details furnished in the business plan mentioned above. However, as per the requirements of Article 5 (3) of Regulation (EC) No 1008/2008, such undertakings are required to demonstrate that their net capital is at least €100,000 or provide, when requested by the licensing authority, all relevant information for the purposes of the assessment referred to under Article 5 (1), in particular the data referred to in point 1 of Annex 1. For companies that operate scheduled services or whose turnover exceeds €3 million per year, the full financial requirements of Article 5 may be applied.

REVIEW OF OPERATING LICENCES

Operating licences are subject to review by the licensing authority:

- (a) two years after a new operating licence has been granted,
- (b) when a potential problem has been suspected, or
- (c) at the request of the European Commission.

SUBMISSION OF AUDITED ACCOUNTS

Audited accounts are required to be submitted on an annual basis **no later than six months** from the last day of the financial year in accordance with Article 8 (4) of the Regulation.

During the **first two years of operation**, the data referred to in point 3 of Annex 1 of the Regulation shall be made available to the Commission upon request. The required data is as follows:

- (a) Audited accounts no later than six months following the last day of the relevant financial year, unless otherwise provided for in national law and, if necessary, the most recent internal management balance sheet.
- (b) A projected balance sheet including profit and loss account, for the forthcoming year.
- (c) Past and projected expenditure and income figures on such items as fuel, fares and rates, salaries, maintenance, depreciation, exchange rate fluctuations, airport charges, air navigation charges, Groundhandling costs, insurance, etc.
Traffic/revenue forecasts.
- (d) Cash-flow statements and liquidity plans for the following year.

Under Article 9 (3) of the Regulation, when audited accounts have not been communicated within the deadline indicated in Article 8 (4), the Commission is required to without undue delay request the air carrier to communicate these audited accounts. If the audited accounts are not communicated within **one month**, the operating licence may be revoked or suspended.

Applicants should also note that a levy/late fee applies to licence holders who fail to submit to the Commission annual audited accounts within 6 months of the company's financial year end as per the relevant requirements (SEE NOTE SIX).

NOTE FIVE

Article 4 (h) of Regulation (EC) No 1008/2008 requires undertakings applying for an Operating Licence comply with the insurance requirements specified in Article 11 of Regulation (EC) No 1008/2008 and in Regulation (EC) No 785/2004.

Article 11 of Regulation (EC) No 1008/2008 states that notwithstanding Regulation (EC) No 785/2004, an air carrier shall be insured to cover liability in case of accidents with respect to **mail**.

Regulation (EC) No 785/2004 sets out the minimum insurance cover required by air carriers in respect of liability for passengers, baggage, cargo and third parties.

Please arrange to have the attached Insurance Declaration completed by your insurer/broker and return it to the Commission with your application for approval.

NOTE SIX

The following fee structure applies with regard to air carrier licensing:

Application Fee	€7,285 (Category A)
	€2,428 (Category B)
Annual Fee	€7,285 (Category A)
	€2,428 (Category B)
Additional Approval Fee	€1,943
Late Fee	€1,943

Further clarification on fee structure applicable to Air Carrier Licensing:

- 1) **Application Fee** – Fee payable in respect of a new application for an Air Carrier Operating Licence (ACOL).
- 2) **Annual Fee** – Annual monitoring fee payable by holders of an ACOL to cover the examination of documents (Accounts, Insurance, Ownership & Control etc.) on a regular basis as required under the Regulations.
- 3) **Additional Approval Fee** – Payable in respect of applications for approval relating to substantial changes in licensed activity or company structure as outlined under Article 8 (5). If in doubt as to what a substantial change relates to, please contact the Airline Licensing Department for further details.
- 4) **Late Fee** – A late fee applies to licence holders (i.e. Category A licence holders and Category B licence holders whose turnover exceeds €3 million per year) who fail to submit to the Commission annual audited accounts within 6 months of the company's financial year end as per the relevant requirements of Article 8 (4) of Regulation (EC) No. 1008/2008.

Note that fees applicable to Airline Licensing will be adjusted annually for changes in the Consumer Price Index (CPI).

The above clarifications are intended to be of assistance to applicants/licence holders. Please contact the Commission for any further detail or clarification if required.

Payment Methods

- For new applications payment should be made to the Commission using a Euro Cheque drawn on an Irish Bank or a Bank Draft. This payment should be included with the application form.
- For all other fees payment methods available are:
 - (i) Electronic transfer into the Commission's bank account- *please contact the Commission for bank account details.*
 - (ii) Euro Cheque drawn on an Irish Bank
 - (iii) Bank Draft

Please note that payment is due within 30 calendar days from the date of the invoice that will be issued. Your Customer number should be quoted as a reference.

It should be noted that the fee payable on application for an Operating Licence is non-refundable.

NOTE SEVEN

Effective control as defined in Article 2 (9) of Regulation (EC) No 1008/2008 means a relationship constituted by rights, contracts or any other means which, either separately or jointly and having regard to the considerations of fact or law involved, confer the possibility of directly or indirectly exercising a decisive influence on an undertaking, in particular by:

- (a) the right to use all or part of the assets of an undertaking;
- (b) rights or contracts which confer a decisive influence on the composition, voting or decisions of the bodies of an undertaking or otherwise confer a decisive influence on the running of the business of the undertaking.

NOTE EIGHT

In addition to those who are formally appointed as directors, any person, other than a professional adviser, with whose instructions the directors of the company normally comply is a 'shadow director'. In other words, where a person who is not a director exerts such an influence over the company's directors that those directors are accustomed to acting in accordance with that person's instructions, that person is a shadow director. (Section 27 of the Companies Act, 1990)

NOTE NINE

See Section 155 of the Companies Act, 1963.

NOTE TEN

The Commission is subject to the Freedom of Information Act, 1997.

The Commission undertakes to use its best endeavours to hold confidential any information provided by you in this application subject to the Commission's obligations under law, including the Freedom of Information Act.

Should you wish that any of the information supplied by you in this application should not be disclosed because of its sensitivity, you should identify it and specify the reasons for its sensitivity.

NOTE ELEVEN

Please note that applications should be made well in advance of the proposed commencement of operations as it is important that the Commission has adequate time to process applications. Applicants are advised **not** to attempt to anticipate the issue of an Air Carrier Operating Licence by selling tickets or taking bookings in advance of securing an operating licence.

NOTE TWELVE

Article 10 (1) of Regulation (EC) No 1008/2008 provides that, *'The competent licensing authority shall take a decision on an application as soon as possible, and not later than three months after all the necessary information has been submitted, taking into account all available evidence. The decision shall be communicated to the applicant. A refusal shall indicate the reasons therefore.'* Decisions by Member States to grant, suspend or revoke operating licences are published in the *Official Journal of the European Union*.



INSURANCE DECLARATION

We _____ (Name)

acting as Insurance Broker or Lead Insurer to

Name and Address of airline:

confirm that the said airline has valid Insurance which meets the requirements of Regulation (EC) No 785/2004 on insurance requirements for air carriers and aircraft operators (see annex) and Article 11 of Regulation (EC) No 1008/2008 (if relevant).

Policy/Policies Number(s) _____

with a renewal date of _____

covering passengers , baggage , cargo , mail and third parties (tick as appropriate).

The insurance covers (please tick)-

all aircraft operated by the insured on its AOC

the following aircraft (a list may be submitted)



Policy Details¹

The following limit/s apply:

For Aviation Passenger, Third Party, Baggage and Cargo Liability

.....
.....

For Third Party War Risk (AVN52)

.....
.....

The following geographical restrictions apply:

.....
.....
.....

The agreed insurance policy period runs

from.....until.....

The following conditions with regard to cancellation are applicable (all conditions with regard to cancellation are to be stated):

.....
.....
.....

¹ Insurance cover must exist for each and every flight, regardless of whether the aircraft operated is at the disposal of the air carrier through ownership or any form of lease agreement, or through joint or franchise operations, code-sharing or any other agreement of the same nature.



We undertake to notify the Commission for Aviation Regulation regarding any lapse or mid-term cancellation of this policy.

Date of issue: _____

Signature: _____

Name (BLOCK CAPITALS): _____

Tel: _____

Fax: _____

E-mail address: _____

Company Stamp:



ANNEX

As per the requirements of Regulation (EC) No 785/2004 on insurance requirements for air carriers and aircraft operators, the following minimum levels of insurance cover must be in place for each and every flight. The insured risks shall also include acts of war, terrorism, hijacking, acts of sabotage, unlawful seizure of aircraft and civil commotion.

- (I) For passenger liability- the minimum insurance cover is 250,000 SDRs² per passenger
- (I) For liability in respect of baggage, the minimum insurance cover is 1,000 SDRs per passenger in commercial operations
- (II) For liability in respect of cargo, the minimum insurance cover is 17 SDRs per kilogram in commercial operations
- (III) With regard to third party liability, the following minimum levels apply per accident and for each and every aircraft:

Category	MTOM (kg)	Minimum insurance (million SDRs)
1	<500	0,75
2	<1000	1,5
3	<2700	3
4	<6000	7
5	<12000	18
6	<25000	80
7	<50000	150
8	<200000	300
9	<500000	500
10	500000	700

² Special Drawing Rights- an international unit of currency set by the International Monetary Fund (IMF). See www.imf.org for current rates.

SAMPLE- See Section I of application form

SOLEMN DECLARATION

I, _____ of _____ aged eighteen years and upwards DO SOLEMNLY AND SINCERELY DECLARE as follows:-

that I have not previously been declared bankrupt and I am of good repute having no previous history of serious professional misconduct and having never been convicted of a criminal offence.

I make this SOLEMN DECLARATION conscientiously believing the same to be true and in accordance with the requirements of Article 7 of Regulation (EC) No 1008/2008 and for the benefit of the Commission for Aviation Regulation.

Declared by the said
this _____ day of _____ 200____
at _____
in the County of the City of _____
before me, a Commissioner for Oaths/Practising Solicitor,
and I know the Deponent (or I know who knows the
Deponent)

COMMISSIONER FOR OATHS/PRACTISING SOLICITOR