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# SCHEDULES

## SCHEDULE 1

Section 55.

#### APPLICATION OF PART IV TO ASSOCIATED COMPANIES OF AIRPORT OPERATORS

#### Preliminary

This Schedule has effect for the purpose of authorising or requiring the imposition by the CAA under this Part (as it applies in accordance with this Schedule) of the following conditions in relation to an airport, namely-

- conditions under section 40(1) or 41(1) with respect to the accounts of an (a) associated company of the airport operator, and
- conditions under section 41(2) or 46(2) in respect of a course of conduct (b) pursued by such a company.

and for related purposes; and in this Schedule any such conditions are referred to as "subsidiary conditions".

### Section 39

- 2 Section 39(1) and (4) shall apply to any subsidiary conditions for the time being in force in relation to an airport as if
  - references to the airport operator were6references to the associated (a) company of the airport operator with respect to whose accounts the conditions were imposed or (as the case may be) that pursued the course of conduct in respect of which the conditions were imposed, and
  - (b) references to any such conditions as are mentioned in section 39(1) were references to any such conditions as are mentioned above.
- (1) Where an associated company of the airport operator in the case of any airport either carries on operational activities relating to the airport or is entitled to grant rights by virtue of which any such activities may be carried on by other persons, section 40(2)shall have effect in relation to the airport with the modifications specified in subparagraphs (2) to (4) below.
  - (2) After paragraph (a) there shall be inserted the following paragraph—
    - "(aa) such conditions as the CAA considers appropriate to secure that the accounts of any associated company of the airport operator, being a company which either carries on operational activities relating to the airport or is entitled to grant rights by virtue of which any such activities may be carried on by other persons, disclose-
      - (i) any subsidy furnished (whether by the making of loans on non-commercial terms or otherwise) by any person or authority to the company in connection with its business so far as consisting of the carrying on of operational activities relating to the airport, and the identity of any such person or authority,

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- (ii) any subsidy so furnished to that business by the company out of funds attributable to any other activities carried on by it, and
- (iii) the aggregate income and expenditure of the company attributable to any such operational activities (whether carried on by the company or by some other person); and".
- (3) After "the airport operator" where it occurs in paragraph (b) there shall be inserted "or the associated company".
- (4) After "the airport operator" where it last occurs there shall be inserted "or in paragraph (aa) to the accounts of any associated company of the airport operator".
- (5) Where—
  - (a) sub-paragraph (1) above does not apply to an airport at the time when conditions are imposed in relation to the airport under section 40(1)(a) or (b), but
  - (b) at any later time it appears to the CAA that that sub-paragraph then applies to the airport,

the CAA shall thereupon impose in relation to the airport such conditions as are mentioned in paragraphs (aa) and (b) of section 40(2) as modified by this paragraph.

In section 41—

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- (a) in subsection (1), the reference to section 40(2) shall be construed as including, in relation to an airport to which sub-paragraph (1) of paragraph 3 above applies, a reference to section 40(2) as modified by that paragraph,
- (b) in subsections (2), (3)(a) and (b) and (6), references to the airport operator shall be construed as including references to an associated company of the airport operator, and
- (c) in relation to such a company—
  - (i) the reference in subsection (2) to subsection (3) shall be construed as a reference to subsection (3)(a) and (b) (as modified by paragraph (b) above), and
  - (ii) the reference in subsection (6) to subsection (3)(a), (b) or (c) shall be construed as a reference to subsection (3)(a) or (b) (as so modified).

## Section 42

- In section 42(2) and (3)—
  - (a) references to an airport operator shall be construed as including references to an associated company of an airport operator, and
  - (b) in relation to such a company, references to any provision of section 41 shall be construed as references to that provision as modified by paragraph 4 above.

# Section 43

6 (1) Where an associated company of the airport operator in the case of any airport either carries on operational activities relating to the airport or is entitled to grant rights by virtue of which any such activities may be carried on by other persons, section 43(2)

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shall have effect in relation to any reference under section 43(1) with respect to the airport with the insertion after paragraph (a) of the following paragraph—

- "(aa) whether any associated company of the airport operator has, at any time during the relevant period, pursued—
  - (i) in relation to any operational activities carried on by the company and relating to the airport, or
  - (ii) in relation to the granting of a right by virtue of which any operational activities relating to the airport may be carried on by any other person or persons,
  - a course of conduct which has operated or might be expected to operate against the public interest; and".
- (2) In section 43(3), as it applies in relation to an associated company of an airport operator in accordance with this Schedule, the reference to the airport operator shall be construed as a reference to the associated company in question.

## Section 44

- (1) In relation to any reference to which paragraph 6(1) above applies, section 44(1)
  (a) shall have effect with the insertion at the end of sub-paragraph (ii) of "and any course of conduct which, in its opinion, has been pursued by an associated company of the airport operator in relation to any of the matters specified in subsection (2) (aa) of that section and has operated, or might be expected to operate, against the public interest,".
  - (2) in section 44(4) the reference to the airport operator concerned shall—
    - (a) in the case of a reference or variation under section 43 relating only to a course of conduct pursued by an associated company of an airport operator, be construed as a reference to that company, and
    - (b) in the case of a reference or variation under that section relating to courses of conduct pursued by an airport operator and such a company respectively, be construed as a reference to both the airport operator and the company.

# Section 45

- 8 (1) In section 45(3) the reference to an airport operator shall, in the case of a reference under section 43 relating wholly or in part to a course of conduct pursued by an associated company of an airport operator, be construed as, or as including, a reference to any such company (as the case may require).
  - (2) In section 45(6) the reference to the airport operator concerned shall be construed as mentioned in paragraph 7(2) above according to the nature of the reference under section 43.

#### Section 48

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- (1) In section 48(1)(a) the reference to the airport operator in relation to an airport shall be construed as including a reference to an associated company of the airport operator.
  - (2) Section 48(3), (5), (6) and (7) shall have effect in relation to any complaint against an associated company of an airport operator made by virtue of sub-paragraph (1) above as if any reference to an airport operator or to the airport operator concerned

were a reference to any such company or to the company against which the complaint is made (as the case may require).

## Section 49

- 10 (1) In section 49(1) and (9) any reference to an airport operator shall be construed as including a reference to an associated company of an airport operator.
  - (2) Where the permission for the time being in force in respect of an airport is revoked under section 49(9) (as it applies in accordance with sub-paragraph (1) above) by reason of an associated company's contravention of a compliance order, then (notwithstanding section 38(4)) a permission shall not again be granted under ths Part in respect of that airport unless it appears to the CAA that, if the CAA were to impose in relation to the airport any condition corresponding to the one whose breach gave rise to the making of the compliance order, that condition would be complied with by the person (whether the airport operator or an associated company of the airport operator) to whose activities any such condition would relate.
  - (3) In this paragraph "compliance order" and "contravention" shall be construed in accordance with section 49(11).

#### Section 50

- 11 (1) In section 50 any reference to an airport operator shall be construed as including a reference to an associated company of an airport operator.
  - (2) In that section, as it applies to any such company in accordance with subparagraph (1)—
    - (a) in subsection (1), the reference to section 40(2)(a) shall be construed as a reference to paragraph (aa) of section 40(2) (as modified by paragraph 3(2) and (4) above),
    - (b) in subsection (2), the reference to section 40(2)(b) shall be construed as a reference to that provision as modified by paragraph 3(3), and
    - (c) the references to section 39(1) and section 41(1) shall be construed as references to those provisions as modified by paragraph 2 and paragraph 4(a) above.

## Section 51

- 12 (1) Section 51(3) shall apply in relation to any subsidiary conditions as if the reference to section 40(2) were a reference to that provision as modified by paragraph 3 above.
  - (2) Section 51(5) shall apply in relation to any subsidiary conditions as if-
    - (a) references to the airport operator concerned were references to the associated company of the airport operator that pursued the course of conduct in respect of which the conditions were imposed; and
    - (b) the reference to section 41(3)(a), (b) or (c) were a reference to section 41(3)(a) or (b) (as modified by paragraph 4(b) above).
  - (3) Section 51(7) shall apply in relation to any subsidiary conditions as if the reference to the airport operator were a reference to the associated company with respect to whose accounts the conditions were imposed of (as the case may be) that pursued the course of conduct in respect or which the conditions were imposed.

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#### Section 54

<sup>13</sup> In [<sup>F1</sup>section 54(1A)], [<sup>F2</sup>references] to an airport operator shall be construed as including [<sup>F3</sup>references] to an associated company of an airport operator engaged in carrying on any operational activities relating to one or more airports.

#### **Textual Amendments**

- F1 Words in Sch. 1 para. 13 substituted (20.6.2003) by Enterprise Act 2002 (c. 40), s. 279, Sch. 9 para. 3(a); S.I. 2003/1397, art. 2(1), Sch.
- F2 Word in Sch. 1 para. 13 substituted (20.6.2003) by Enterprise Act 2002 (c. 40), s. 279, Sch. 9 para. 3(b); S.I. 2003/1397, art. 2(1), Sch.
- **F3** Word in Sch. 1 para. 13 substituted (20.6.2003) by Enterprise Act 2002 (c. 40), s. 279, Sch. 9 para. 3(c); S.I. 2003/1397, art. 2(1), Sch.

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