

Air Service Incentive Program

How The Program Works:

1. The Authority will provide an Air Service Incentive Package ("Incentive Package") to an Airline, provided the Airline operates <u>new or expanded service</u> to destinations determined by the Authority as unserved or under-served from Airport.

2. The airline may suggest new or expanded service routes to the Authority, or the Authority may make such determinations by performing an analysis conducted by an Authority- retained consultant. The decision to offer the Incentive Package shall remain the sole discretion of the Authority.

3. The Incentive Package provided by the Authority shall be offered for new non-stop service to new cities or for expanded service to existing cities. This may also include seasonal service.

4. Service expansions by existing airlines must represent a net increase in service to establish eligibility for the Authority's Incentive Package.

5. If the new or expanded service is not operated for an anticipated period, the Incentive Package will conclude at the same time the new or expanded service is reduced or terminated.

6. The Incentive Package offered by the Authority will be offered to all airlines as well as any of their defined affiliate airlines that may serve the Airport.

7. Should the Airline choose not to request implementation of the Incentive Package, such action shall not preclude the Authority from advertising for any new or existing service from the Airport.

8. The waiving of gate use fees, which shall be calculated on a percentage of the total flights operated by Airline, shall include the total of all flights operated by Airline and its affiliated airlines.

9. Provided that a new or expanded service is added as provided for in the above paragraphs, the following Incentive Package shall be provided to Airline by the Authority:

The Authority may waive the following fees for a promotional period:

Aircraft Remain Overnight (RON) parking fees. Aircraft Landing Fees. Preferential Use Ticket Counter. Common Use Gate Per-Turn Fees. Air Carrier Joint Use Space Charges. Terminal Exclusive Use Space Charges to include ATO, BTO and other operational support areas, i.e. ramp operations space.

Marketing/Advertising

The Authority shall provide the Airline with an advertising package to promote the launch of new or expanded markets. Additional new markets may also be considered for additional assistance. Requests may be submitted to the Airport for consideration.

Airline advertising is eligible for this funding, and the airline chooses its placement. The airline agrees that in utilizing Authority-paid advertising, said advertising shall be specific to the City of Birmingham, Alabama, and contain the Airport logo.

In coordination with the Airline and Airline's advertising agency, all advertising must be approved by the Authority . In the event the Airline desires to increase advertising that will exceed the maximum established by the Authority's Incentive Package, the Airline may do so at their own expense. All advertising must be paid in full by the airline. Invoices will be reimbursed to the airline at close of advertising period.

For more information about the program, or to receive current rates and charges, please contact TJ Williams, Vice President of Air Service Development by calling 205.595.0533 or by emailing: twilliams@flybhm.com