Memphis International Airport Air Service Development Program

Effective Date:

July 30, 2013

Qualifications For Financial Incentives

Available to all certificated commercial service passenger airlines that have executed an Airport Use and Lease Agreement as a Signatory or Non-Signatory Airline providing new round trip scheduled daily air service between Memphis International Airport and one of the top 50 Memphis Domestic O&D markets no less than four (4) days per week or international service no less than four (4) days per week. Service must be new service that airline or their code share or alliance partner(s) have not provided for the preceding 12 months. Service must continue for a period of not less than 12 months. If service as required herein either ends or is reduced below the requirements under this Program, the Airline shall pay the Authority all fees that would have been due as if the financial incentive was not offered.

Financial Incentives (subject to availability of funds not to exceed \$1 million total)

Mainline Domestic Jet Service (100 seats or more)

- 1. Free landing fees (billing credit) for one year up to the maximum credit of \$50,000 per qualifying new city pair service with a maximum aggregate credit limit of \$250,000 per airline.
- 2. Terminal Building Rental Credit for one year up to the maximum credit of \$25,000 per qualifying new city pair service with a maximum aggregate credit limit of \$100,000 per airline.
- 3. Co-operative Advertising allowance up to a maximum of \$50,000 per qualifying new city pair service for one year. Funds are matching funds and are available for usage in the Memphis market or in the new service pair market area. Maximum limit of \$150,000 per airline.
- 4. Total maximum financial incentive per airline per year for qualifying Mainline Jet Service is \$500,000.

Regional Domestic Jet Service (99 seats or less)

- 1. Free landing fees (billing credit) for one year up to the maximum credit of \$20,000 per qualifying new city pair service with a maximum credit limit of \$100,000 per airline.
- 2. Terminal Building Rental Credit for one year up to the maximum credit of \$10,000 per qualifying new city pair service with a maximum credit limit of \$40,000 per airline per year.
- 3. Co-operative Advertising allowance up to a maximum of \$25,000 per qualifying new city pair service for one year. Funds are matching funds and are available for usage

in the Memphis market or in the new service pair market area. Maximum limit of \$75,000 per airline per year.

4. Total maximum financial incentive per airline per year for qualifying Regional Jet Service is \$215,000.

International Service

- 1. Free landing fees (billing credit) for one year up to the maximum credit of \$25,000 per qualifying new city pair service with a maximum aggregate credit limit of \$100,000 per airline.
- 2. Terminal Building Rental Credit for one year up to the maximum credit of \$25,000 per qualifying new city pair service with a maximum aggregate credit limit of \$75,000 per airline.
- 3. FIS Seat Fee Waiver for six (6) months up to the maximum credit of \$25,000 per qualifying new city pair service with a maximum aggregate credit limit of \$75,000 per airline.
- 4. Co-operative Advertising allowance up to a maximum of \$50,000 per qualifying new city pair service for one year. Funds are matching funds and are available for usage in the Memphis market or in the new service pair market area. Maximum limit of \$100,000 per airline.
- 5. Total maximum financial incentive per airline per year for qualifying International Service is \$350,000.