

**SIGNATORY AIRLINE POLICY  
(Passenger Airlines)**

**Effective October 21, 2015**

**A. Eligibility for Signatory Airline Rates and Charges**

In each Operating Year of the Wayne County Airport Authority (the "Authority"), the Authority will charge the following airlines operating at Detroit Metro Airport (the "Airport") the Authority's then current rates for Activity Fees, Terminal Rentals, Terminal Use Charges, Shared Use Fees, Common Use Gate Fees and other airline charges for such Operating Year calculated under the Authority's standard Airport Use and Lease Agreement without any additional fees, surcharges or premiums:

1. Any airline that has signed the Authority's standard Airport Use and Lease Agreement (a "Signatory Airline"). Eligibility for becoming a Signatory Airline is addressed in "**B. Eligibility for becoming a Signatory Airline,**" below.
2. Any "Affiliate" (defined below) of a Signatory Airline.

For purposes of this Policy, "Affiliate" means any air transportation company that:

- a. is a parent or subsidiary of a Signatory Airline, or is a corporation that shares the same parent as a Signatory Airline, or
- b. operates under essentially the same trade name as a Signatory Airline (e.g., "XXX Express") and uses essentially the same livery as a Signatory Airline;

*provided that:*

- i. no "Major Airline", as such term is defined by the Federal Aviation Administration, will be an "Affiliate" of another Major Airline under this definition unless clause (a) above defines the relationship between such airlines at the Airport;
- ii. the affiliated Signatory Airline provides written notice to the Chief Executive Officer of the Authority that an air transportation company meets the definition of "Affiliate" in this Policy, and such Signatory Airline and such Affiliate execute the Authority's standard Operating Affiliate Operating Agreement and are in compliance with the terms thereof;
- iii. the affiliated Signatory Airline serves as a financial guarantor for all fees and charges and Passenger Facility Charges ("PFCs") payable to the Authority with respect to the operations of the Affiliate;

- iv. the financial guarantee required by paragraph (iii) above shall remain in effect until sixty (60) days after the affiliated Signatory Airline gives the Authority written notice that an air transportation company otherwise meeting the definition of an “Affiliate” with respect to such Signatory Airline no longer shall be considered an Affiliate of such Signatory Airline for purposes of this Policy; and
- v. “Affiliate” status shall be rescinded automatically if the Signatory Airline’s Airport Use and Lease Agreement terminates, for whatever reason.

During the period of time that an air transportation company is an “Affiliate” in accordance with the terms of this Policy, the Affiliate shall:

(A) be charged at the same rates for Terminal Rentals, Activity Fees and other fees and charges as the affiliated Signatory Airline,

(B) participate in any end-of-year reconciliation process relating to Activity Fees, and

(C) not be entitled to a separate Weighted Majority vote under the Airport Use and Lease Agreements, but such Affiliate’s landed weight shall be consolidated with the affiliated Signatory Airline’s for purposes of determining the affiliated Signatory Airline’s Weighted Majority voting status.

- 3. Any airline operating regularly scheduled service at the Airport, if:
  - a. For each month, up to twelve (12) continuous months from the date such airline commences service at the Airport, such airline (i) schedules (as published in the Official Airline Guide (the “OAG”) or any successor publication) and operates at least thirteen (13) flights per calendar week from the Airport to destinations within the United States, or three (3) flights per calendar week from the Airport to destinations outside the United States, and (ii) is current in the payment of all obligations to the Authority (including, but not limited to, the payment of PFCs); or
  - b. For an airline that has met the requirements in paragraph (a), above, for its first twelve (12) months of service at the Airport, for each month during the following six (6) months (i.e., from the thirteenth (13<sup>th</sup>) month through the eighteenth (18<sup>th</sup>) month) of its continuous service at the Airport, such airline (i) schedules (as published in the OAG or any successor publication) and operates at least twenty-six (26) flights per calendar week from the Airport to destinations within the United States, or six (6) flights per calendar week to destinations outside the United States, and (ii) is current in the payment of all obligations to the Authority (including, but not limited to, the payment of PFCs).

An airline will be eligible to pay Terminal Rentals, Activity Fees and other fees and charges pursuant to this paragraph 3, at the Signatory Airline rates, only

during the first continuous eighteen (18) months of its operations at the Airport.

## **B. Eligibility for Becoming a Signatory Airline**

Any airline operating at the Airport that meets the following criteria is eligible to become a Signatory Airline by entering into the Authority's standard Airport Use and Lease Agreement:

1. Leases from the Authority at least one (1) gate (and the associated terminal space at the gate) and 1,000 square feet of ancillary terminal space (i.e., ticket counters and airline operation space) on a preferential use basis, or if no such gates or space are available for direct lease from the Authority such airline subleases such gate(s) and space from another airline operating at the Airport; provided, that, if such airline operates service from the Airport only to a destination outside the United States such airline's use of a common use or shared use gate will satisfy the above gate lease requirement;
2. Has maintained a minimum flight schedule at the Airport (as published in the OAG or any successor publication) of twenty-six (26) flights per calendar week from the Airport, for a continuous period of six (6) months, and continues to maintain such schedule at the time such airline enters into the Airport Use and Lease Agreement; *unless* such airline operates service from the Airport only to a destination outside the United States in which case the requirement is maintenance of a minimum flight schedule at the Airport (as published in the OAG or any successor publication) of (a) three (3) flights per calendar week from the Airport, for a continuous period of twelve (12) months, and (b) an average of at least six (6) flights per calendar week in at least six (6) of the twelve (12) months; and
3. Is current in the payment of all obligations to the Authority as of the date such airline's Airport Use and Lease Agreement is executed on behalf of the Authority (including but not limited to the payment of PFCs), and has not been late in the payment of any obligation to the Authority within the prior six (6) month period.

Notwithstanding the provisions of the Authority's standard Airport Use and Lease Agreement, if at any time after an airline has entered into the Airport Use and Lease Agreement, such airline no longer meets the criteria set forth in 2., above, such airline will no longer be entitled to the special rights of a Signatory Airline under such agreement until it meets such criteria once again, i.e., it will be treated as a non-Signatory Airline and will not be charged the Signatory Airline rates for its rentals, fees and charges, and it will not be entitled to participate in the Weighted Majority voting process.