

**AGREEMENT FOR AIR SERVICES  
BY AND BETWEEN  
THE CITY OF PAGE  
AND  
CORPORATE FLIGHT MANAGEMENT, INC. D/B/A CONTOUR AIRLINES**

This Agreement for Air Services (this “Agreement”) is made and entered into as of this 1st day of October 2022 (the “Effective Date”) by and between Corporate Flight Management Inc. d/b/a Contour Airlines, a Tennessee corporation with its principal office at 808 Blue Angel Way, Smyrna, Tennessee 37167 (“Contour”), and The City of Page, a municipal corporation of the State of Arizona with its principal administrative office at 697 Vista Avenue, Page, Arizona 86040 (the “City”).

**Recitals**

**WHEREAS**, the City is the owner and operator of the Page Municipal Airport - Royce K. Knight Field with its principal administrative airport office at 238 N 10th Avenue, Page, Arizona 86040 (“Airport” or “PGA”); and

**WHEREAS**, the City, under Docket Number DOT-OST-1997-2694, Order 2022-2-22 (“Order”) and pursuant to 49 U.S.C. § 41745(a), has been awarded a grant under Federal Award Identification Number 69A3452260463 by the U.S. Department of Transportation (“DOT”) in the total amount of \$17,595,696 under DOT’s Alternate Essential Air Service Program (“Grant”), which the City will use to fund passenger air service at PGA; and

**WHEREAS**, Contour is a licensed direct air carrier under 14 C.F.R. Parts 119, 135, and 298, and holds all licenses, certificates, and permits from applicable governmental authorities for the conduct of its business as a direct air carrier; and

**WHEREAS**, DOT conducted a traditional Essential Air Service air carrier selection process for PGA. The City elected to opt out of the traditional Essential Air Service process and instead selected Contour to provide Alternate Essential Air Service (“AEAS”) at PGA as permitted by 49 U.S.C. § 41745(a) and DOT’s Order dated July 27, 2004 establishing AEAS (docket DOT-OST-2004-18715). DOT accepted the City’s AEAS election and its selection of Contour, with all AEAS flights to be conducted in accordance with 14 C.F.R. Pt. 380, subject to the terms and conditions of the Order and Grant.

**WHEREAS**, the City and Contour have entered into an Airport Terminal Lease Agreement dated August 8, 2018, which provides to Contour certain exclusive use space in the Airport’s passenger terminal and permits Contour to use other of the Airport’s facilities in connection with providing AEAS (as amended to date, the “Related Agreement”); and

**WHEREAS**, the parties hereto desire to enter into this Agreement to define the terms and conditions under which Contour agrees to provide AEAS under 14 C.F.R. Pt. 380, and the City agrees to pay Contour for said services through and subject to the Grant in order to guarantee Contour a minimum revenue for the AEAS.

**NOW THEREFORE**, in consideration for the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree, as follows:

1. **Incorporation of Recitals and Attachments.** The Recitals stated above and the Attachments hereto are integral parts of this Agreement and are incorporated herein as if restated in their full text.
2. **Term.** This Agreement shall commence on the Effective Date, and unless sooner terminated in a manner provided for herein, shall remain in full force and effect until September 30, 2026.
3. **Scope of Services.** Contour shall provide the AEAS as further detailed in Attachment A hereto, with a published timetable that supports a first flight date on October 1, 2022. The actual start of the AEAS is subject to the satisfaction of all applicable provisions of this Agreement and of the Related Agreement as well as the issuance of an approved 14 C.F.R. Pt. 380 Public Charter Prospectus (“Prospectus”) by DOT. Consistent with the Grant, Contour shall disclose in its solicitation materials for the flights provided under this Agreement that the flights are public charters, and consistent with 14 CFR 380.30(a), (i) that Contour is the public charter operator; and (ii) that Contour is also the direct air carrier that directly engages in the operation of the aircraft for the public charter flights.

Contour shall not be required to perform under this Agreement until the City and DOT have executed an agreement for DOT’s Grant award (“Grant Agreement”) under the AEAS program.

The City warrants and represents that it will take all steps necessary to have the Airport continue to be “Federalized” as that term is used by the Transportation Security Administration (“TSA”) and that all equipment and personnel (whether provided by the TSA or otherwise) for the screening of passengers and baggage will remain in place on and after October 1, 2022. The parties acknowledge and agree that Contour is not obligated to perform under this Agreement unless TSA screening is in place at PGA.

In addition, the parties understand and agree that no press releases, other media coverage (including, but not limited to, announcements on either party’s web site), marketing, or other public discussion of the start date or other specifics of the AEAS until Contour has obtained an approved Prospectus from the DOT.

Contour reserves the right to make all operational, ticket pricing, and ticket distribution decisions regarding the AEAS.

4. **Compensation for Services.**

In accordance with the terms and conditions set forth in the Grant Agreement between the City and DOT, the City agrees to pay, and Contour agrees to accept the compensation for Flight Segments and Non-Completed Flights during the Grant period of October 1, 2022, through September 30, 2026 as set forth in Attachment A hereto (“Compensation for Services”).

Except as otherwise permitted by DOT and the Grant, the City and Contour agree that planned Flight Segments that are cancelled in advance (prior to take off) may not be compensable for reasons including, but not limited to: temporary flight restrictions, no booked passengers in an outbound and corresponding return Flight Segments (as noted in Attachment A), mechanical issues, ATC issues, and crew shortages/issues (each a “Non-Completed Flight Segment”). As stated in the Grant, DOT will consider reimbursement of certain specific fixed, line-item expenses relating to Non-Completed Flight Segments under this Agreement (e.g. for fixed line item expenses related to Non-Completed Flight Segments arising due to airfield construction that leads to an extended closure of runway(s)). Such reimbursements must be directly related to fixed auditable expenses incurred by Contour despite the Flight Segments being cancelled. Per the Grant, such reimbursements must be paid to Contour prior to being considered for reimbursement by DOT. The total of such reimbursements for Non-Completed Flight Segment fixed, auditable expenses will not exceed the applicable limit stated in Attachment A for any month during the Term.

Contour will retain all revenue it earns from ticket sales and fees collected under this Agreement.

5. Invoicing and Payment.

A. Not later than the fifth (5<sup>th</sup>) business day of each calendar month, Contour will invoice the City for the Compensation for Services performed for the prior calendar month.

B. Within ten (10) calendar days of the City’s receipt of said monthly invoice from Contour, the City will submit the Compensation for Services to Contour via ACH payment as provided by Contour in a separate written communication to the City, in accordance with and subject to the Grant Agreement, DOT’s rules and regulations, as well as applicable state and federal law.

C. Subject to Section 4 of this Agreement, the obligations of the City, its agents and employees under this Section 5 will survive the expiration or termination of this Agreement.

6. Laws, Ordinances, and Regulations. Contour agrees that in its performance under this Agreement and the Related Agreement, it will comply with all present and future valid laws, ordinances, rules, and regulations of the Federal Government, State of Arizona, County of Coconino, the City of Page, the Airport (as its rules and policies are reasonably adopted), and agencies thereof relating to the subject matter of this Agreement and the Related Agreement. Contour will not engage and will not knowingly allow third parties illegal or unsafe conduct under this Agreement or the Related Agreement. Contour will ensure that it, and any party with which it contracts, will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of the Grant funds under this Agreement and its performance under the Related Agreement including but not limited to the following, as each may be amended in the future:

### *Federal Legislation:*

- Fair Labor Standards Act of 1938 – 29 U.S.C. § 201, *et seq.*
- Hatch Act – 5 U.S.C. § 1501, *et seq.*
- National Historic Preservation Act of 1966 – Section 106 – 16 U.S.C. § 470(f).
- Archeological and Historic Preservation Act of 1974 – 16 U.S.C. §§ 469 through 469c.
- Native Americans Grave Repatriation Act – 25 U.S.C. § 3001, *et seq.*
- Clean Air Act – P.L. 90-148, *as amended.*
- Coastal Zone Management Act – P.L. 93-205, *as amended.*
- Flood Disaster Protection Act of 1973 – Section 102(a) – 42 U.S.C. § 4001, *et seq.*
- American Indian Religious Freedom Act – P.L. 95-341, *as amended.*
- Architectural Barriers Act of 1968 – 42 U.S.C. § 4151, *et seq.*
- Power Plant and Industrial Fuel Use Act of 1978 – Section 403 – 42 U.S.C. § 8373.
- Contract Work Hours and Safety Standards Act – P.L. 87-581, 76 Stat. 357 (previously referred to as 40 U.S.C. § 327, *et seq.*).
- Copeland Anti-kickback Act – 18 U.S.C. § 874.
- National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, *et seq.* (consisting of P.L. 90-542 and amendments thereto).
- Wild and Scenic Rivers Act – 16 U.S.C. § 1271, *et seq.*
- Single Audit Act of 1984 – 31 U.S.C. § 7501, *et seq.*

### *Executive Orders:*

- Executive Order 11246 – Equal Employment Opportunity.
- Executive Order 11990 – Protection of Wetlands.
- Executive Order 11998 – Floodplain Management.
- Executive Order 12372 – Intergovernmental Review of Federal Programs.

### *Federal Regulations:*

- 14 C.F.R. Pt. 13 – Investigative and Enforcement Procedures.
- 14 C.F.R. Pt. 16 – Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- 29 C.F.R. Pt. 1 – Procedures for predetermination of wage rates.
- 29 C.F.R. Pt. 3 – Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.
- 29 C.F.R. Pt. 5 – Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).
- 41 C.F.R. Pt. 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).
- 49 C.F.R. Pt. 18 – Uniform administrative requirements for grants and cooperative agreements to state and local governments

- 49 C.F.R. Pt. 23 – Participation by Disadvantaged Business Enterprise in Airport Concessions.
- 49 C.F.R. Pt. 24 – Uniform relocation assistance and real property acquisition for Federal and federally assisted programs.
- 49 C.F.R. Pt. 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- 49 C.F.R. Pt. 30 – Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.

As further assurances of its compliance with all applicable laws and rules, Contour will execute the Certification Regarding Influencing Activities in Attachment B hereto and the Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions in Attachment C hereto.

Contour will incorporate all required certifications in each second-tier subcontract and other vendor agreements in accordance with applicable law, regulation, or policy.

7. Compliance with Civil Rights Act and Related Laws and Rules. Without limiting its agreements in Section 6 hereof, Contour, for itself, its successors and assigns, agrees to comply with the following, as each may be amended in the future:

- Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d, *et seq.* (prohibits discrimination on the ground of race, color, or national origin) and DOT regulations issued pursuant to said Act (found at 49 C.F.R. Pt. 21), and as those statutes and regulations may be amended.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, *et seq.* (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects).
- Federal-Aid Highway Act of 1973, 23 U.S.C. § 324, *et seq.* (prohibits discrimination on the basis of sex).
- Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, *et seq.* (prohibits discrimination on the basis of disability) and 49 C.F.R. Pt. 27.
- The Age Discrimination Act of 1975, 42 U.S.C. § 6101, *et seq.* (prohibits discrimination on the basis of age).
- Airport and Airway Improvement Act of 1982, 49 U.S.C. § 47123 (prohibits discrimination based on race, creed, color, national origin, or sex, and is in addition to Title VI of the Civil Rights Act of 1964).
- The Civil Rights Restoration Act of 1987, P.L. 100-259 (broadens the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not).
- Titles II and III of the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12131-12189 (prohibits discrimination on the basis of disability in the operation of

public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by DOT regulations (found at 49 C.F.R. Parts 37 and 38).

- Non-Discrimination in Federally-Assisted Programs at the Federal Aviation Administration, 49 U.S.C. § 47123 (prohibits discrimination on the basis of race, color, national origin, and sex of individuals that participate in an activity carried out with money received from an Airport Improvement Program).
- Executive Order 12898, as amended by Executive Order 12948, entitled “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations”, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.
- Executive Order 1316 entitled “Improving Access to Services for Persons with Limited English Proficiency” and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI of the Civil Rights Act of 1964, reasonable steps are required to be made to ensure that LEP persons have meaningful access to programs (70 Fed. Reg. at 74087 to 74100).
- Title IX of the Education Amendments of 1972, 20 U.S.C. § 1681, *et seq.* (prohibits sex discrimination in education programs or activities).

In addition, Contour assures that it will undertake an affirmative action program as required by 14 C.F.R. Pt. 152, Subpart E, to insure that no person, on the grounds of race, creed, color, national origin, handicap or sex, be excluded from participating in any employment activities covered in this Agreement or the Related Agreement, and that no person be excluded on the grounds from participation in or receiving the services or benefits of any program or activity covered herein. Contour further assures that it will require that its covered suborganizations provide assurances to Contour that they similarly will undertake affirmative action programs and that such covered suborganizations will require assurances from their suborganizations, as required by 14 C.F.R. Pt. 152, Subpart E, to the same effect.

8. Contour’s Assurance Regarding Non-Discrimination. Without limiting its agreements in Sections 6 and 7 hereof, during the performance of this Agreement, Contour, for itself, its approved assignees, and successors in interest agrees as follows:

- A. *Compliance with Regulations:* Contour, including its agents and any contractors, will comply with the Acts and the Regulations relative to Non-discrimination in Federally assisted programs of the U.S. Department of Transportation, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.
- B. *Non-discrimination:* Contour, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contour will not participate directly or indirectly in the discrimination

prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 C.F.R. Pt. 21.

- C. *Solicitations for Subcontracts, Including Procurements of Materials and Equipment:* In all solicitations, either by competitive bidding, or negotiation made by Contour for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contour of Contour's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
  - D. *Information and Reports:* Contour will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City or DOT to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of Contour is in the exclusive possession of another who fails or refuses to furnish the information, Contour will so certify to the City or DOT, as appropriate, and will set forth what efforts it has made to obtain the information.
  - E. *Sanctions for Noncompliance:* In the event of Contour's noncompliance with the Non-discrimination provisions of this Agreement, the City will impose such contract sanctions as it or DOT may determine to be appropriate, including, but not limited to:
    - i. withholding payments to Contour under the Agreement until Contour complies; and/or
    - ii. cancelling, terminating, or suspending an Agreement, in whole or in part.
  - F. *Incorporation of Provisions:* Contour will include the provisions of subparagraphs 8.A through 8.E in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contour will take action with respect to any subcontract or procurement as the City or DOT may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contour becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contour may request the City to enter into any litigation to protect the interests of the City. In addition, Contour may request the United States to enter into the litigation to protect the interests of the United States.
9. Compliance with DOT Order. Contour and City agree to comply with their respective responsibilities and duties as set forth and implied in the DOT Order. Contour and City further agree to provide each other with written notice upon learning or obtaining information issued formally by the DOT indicating or confirming non-compliance with the following requirements as further explained under "Eligibility Discussion" of the DOT Order: the average subsidy per passenger must be less than \$1,000 during the most recent fiscal year, as determined by the DOT Secretary.

Notwithstanding the forgoing, the City and Contour acknowledge that on the Effective Date, the world-wide market for air travel has been impacted by the lingering effects of the COVID-19 pandemic. The City and Contour acknowledge that this situation is beyond the control of either party. The City and Contour reasonably expect that these circumstances may continue to negatively affect enplanements at the Airport throughout the Term.

10. Monthly Activity Reports. Contour shall provide to the City a monthly report of (i) number of Flight Segments scheduled; (ii) number of flights completed; (iii) for any Flight Segments cancelled, the reason for the cancellation; (iv) number of revenue passengers carried (enplanements and deplanements); and (v) total revenue. Contour's passenger reservation and departure control systems will be Contour's sole source of passenger and revenue information for this report, as well as any other passenger-related reports issued by Contour under or as a result of this Agreement or the Related Agreement. Contour's flight scheduling and dispatching system will be Contour's sole source of flight operation information for any reports submitted to the City by Contour under or as a result of this Agreement or the Related Agreement.
11. Related Agreement. Contour's performance under this Agreement is subject to the negotiation, execution, ratification, and ongoing effectiveness of the Related Agreement. The commencement of AEAS under this Agreement is predicated upon the fulfillment of each party's pre-operational obligations under the Related Agreement, if any. The commencement of AEAS under this Agreement is also predicated upon TSA's maintaining the staff and equipment at PGA to screen passengers and bags on and after October 1, 2022 and the ratification of this Agreement by the governing bodies of the Airport and the City
12. Termination. This Agreement may be terminated upon fifteen (15) days' written notice to the other party (unless otherwise specified below) upon the happening of any of the following events:
  - A. By either party:
    - i. In the event that the Grant is terminated, revoked, or if DOT or the Federal Government fails or refuses to continue funding the Grant;
    - ii. Upon the termination or expiration of the Related Agreement;
    - iii. In the event that the other party is in breach or default under any provision of this Agreement and such other party does not cure such breach or default within thirty (30) days after the non-breaching or non-defaulting party gives written notice to the other party specifying the breach or default;
    - iv. At any time with or without cause upon sixty (60) days' written notice to the other party, subject to the requirements of the Grant, the Grant Agreement, and DOT rules and policies. In the event of a termination by Contour under this Section 12.A.iv, prior to the effective date of such termination, Contour will cure any default in the payment of any fees or charges to the City under the Related Agreement.



B. By Contour:

- i. If Contour is unable to obtain the governmental or other approvals necessary to commence or conduct the AEAS;
- ii. If Contour and the City have not executed the Related Agreement on or before November 15, 2022;
- iii. If the City fails to make any payment when due and does not make such payment within ten (10) days after written notice or demand thereof; or
- iv. In the event of a forced or voluntary grounding of one or more of Contour's aircraft types that lasts for more than ten (10) days.

C. By the City:

- i. If any governmental, FAA, or other air carrier fitness approvals necessary for Contour to commence or continue the AEAS are revoked or expire without being renewed and such circumstance is not cured within thirty (30) days after the City's written notice to Contour;
- ii. If TSA fails or refuses to Federalize the Airport or revokes the Airport's Federalized status and such failure, refusal, or revocation is not cured or rescinded within ninety (90) days;
- iii. If the City, in spite of its best efforts, does not receive the applicable portions of the Grant funds for any sixty (60) day period;
- iv. If, in any ninety (90) consecutive calendar day period, Contour cancels more than eight percent 8% of the Flight Segments for that 90 day period as authorized by Contour's then current Prospectus due to: (a) Aircraft mechanical or other aircraft availability issues; or (b) crew availability issues. Flight Segments cancelled due to weather, air traffic control/NOTAM, Airport or governmental actions or inaction; or events of Force Majeure (including without limitation, Force Majeure events impacting the Aircraft, Aircraft maintenance, or crew), will not be included in the calculation of cancelled Flight Segments for the purpose of this Section 12.C.iv.

13. Remedies Upon Termination.

- A. A termination pursuant to Sections 12(A)(ii) and 12(A)(iv) shall not limit the non-breaching or non-defaulting party's right to pursue or enforce any of its rights under this Agreement or otherwise.
- B. Any termination or expiration of this Agreement shall not affect the City's obligation to pay Contour all amounts owing to Contour as of the effective date of such expiration or termination for performance completed through such date.
- C. In the event of any termination or expiration of this Agreement for any reason, the City shall pay all amounts owed to Contour as of the effective date of expiration or termination, in accordance with the provisions of this Agreement.

D. In the event of any termination of this Agreement (except under Sections 12(A)(i) or 12(C)(iii) hereof) or the Related Agreement by the City occurring prior to the end of the Term of this Agreement, if the City notifies DOT that it intends to continue to maintain its link to the national air transportation system through AEAS by finding a new air carrier to provide the service described herein for the remainder of this Grant's Term or to re-enter the traditional Essential Air Service program, then such termination of this Agreement will be suspended and Contour, the City, and the Airport will continue to perform under this Agreement and the Related Agreement while the City or the DOT secures replacement air service ("Hold In"). Hold In will continue from the effective date of the City's termination through the earlier of: (i) the end of the Term; (ii) the date immediately preceding the day on which the new air carrier commences service; or (iii) such other date as the parties may mutually agree in writing. In no event will Hold In continue past September 30, 2026 unless the DOT and the City extend the term and the funding of the Grant and Contour and the City enter into corresponding extensions of the Term of this Agreement and the Related Agreement.

14. Confidential Information.

- A. To the extent allowed by federal and Arizona law, all parties agree to hold in strict confidence all confidential and proprietary information, either designated as such by the party disclosing the information (the "Disclosing Party") to the other party (the "Receiving Party") or under reasonable circumstances to be considered as confidential information, whether in written, oral or other form, which it received from the Disclosing Party prior to, or in the course of, this Agreement (collectively, "Confidential Information"). Each party further agrees to use the Confidential Information solely to perform or to exercise its rights under this Agreement, and at a minimum to take all measures necessary to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in any case no less than reasonable measures). Confidential Information includes, without limitation, (i) the terms of this Agreement, and (ii) flight and accommodations booking information related to the Air Service.
- B. To the extent allowed by federal and Arizona law, all parties agree that they will not disclose any Confidential Information to any third party without the prior written consent of the Disclosing Party, (i) except when required to do so by law or by a court of competent jurisdiction; (ii) except to attorneys, accountants, air service consultants under contract to Receiving Party, or lending institutions of either party which have been informed of the confidential nature of such information; or (iii) unless such provisions are publicly known through no disclosure that is prohibited hereunder.
- C. Any party may disclose another party's Confidential Information in response to law, regulation, or a valid court order or other governmental action, provided that (a) if it can be done in compliance with the law or order, the Disclosing Party is notified in writing prior to disclosure of the information, and (b) to the extent it can be accomplished in compliance with the law or order, the Receiving Party assists the Disclosing Party, at the Disclosing Party's expense, in any attempt by the other to limit or prevent the disclosure of the

Confidential Information.

15. **Advertising and Promotion.** The parties agree that all advertising and promotion for the AEAS will strictly adhere to all applicable laws, as well as all applicable rules, regulations, and interpretations of the Federal Aviation Administration and the DOT.
16. **Fares and Inventory Management.** Contour shall at all times have the right and discretion to determine air fares and to determine seat inventory based on the Gauge of Service, as defined in Attachment A hereto, provided by Contour during the Term.
17. **Governing Law.** This Agreement shall be construed in accordance with, and shall be governed by, the laws of the State of Arizona without regard to any conflict of law rules. Venue for the settlement of any and all disputes shall be the State and Federal courts of the State of Arizona.
18. **Force Majeure.** Except as otherwise expressly provided in this Agreement, neither party shall be liable for performance hereunder to the extent such performance is prevented, impaired, or delayed as a result of acts of God, severe weather, natural disaster, earthquake, fire, war, military action, terrorist action, labor disputes, or any court order or action of any governmental, administrative or judicial entity; or by any other reason or circumstance, similar or dissimilar, beyond the reasonable control of such party; provided, however, such party shall (a) provide the other party with prompt written notice thereof, and (b) resume performance under the Agreement within fourteen (14) calendar days of the first nonperformance. If either of the parties is unable to perform under the Agreement within fourteen (14) days of the first non-performance under this Section 18, then either party may terminate this Agreement upon written notice to the other.
19. **Indemnification.** Contour agrees to indemnify, defend and hold harmless the City and the Airport and their respective elected or appointed officials, officers, directors, employees, and agents (the "City Indemnified Parties") from and against any and all Claims arising out of or in connection with, or related to (i) the willful misconduct or negligent acts, errors or omissions of Contour as the case may be, their subcontractors, affiliates or any person directly or indirectly employed by Contour while engaged in any activity associated with or related to Contour's performance under this Agreement; and (ii) Contour's breach of its obligations under this Agreement.  
  
The rights and obligations of the parties under this Section 19 shall survive any termination or expiration of this Agreement.
20. **Waiver of Consequential Damages.** Except with respect to the indemnification obligations hereunder, no party shall be liable to any other for any special, incidental or consequential damages or lost profits arising out of this Agreement, even if such party had been advised of the possibility of such damages.
21. **Insurance.** At all times during the term of this Agreement, Contour shall carry and maintain, at its sole cost and expense, the insurance coverage as expressly set forth in the Related Agreement.

22. Assignment. No party may assign this Agreement or any interest herein without obtaining the prior written consent of the other party.
23. Entire Agreement and Modifications. This Agreement and the Related Agreement embody the entire agreement and understanding of the parties and, as of its Effective Date, terminates and supersedes all prior or contemporaneous agreements and understandings, whether written or oral, between the parties covering the subject matter hereof, except the Related Agreement. The provisions of this Agreement shall govern all services to be provided hereunder by the parties, and no addition, amendment, waiver, or modification of (or execution of any document contrary to) these provisions shall be effective unless signed by a duly authorized representative of each party. The Attachments to this Agreement are integral parts of the Agreement and are incorporated herein by reference as if fully restated herein. Time is of the essence in the performance of this Agreement.
24. Severability. In the event that any one or more of the provisions of this Agreement shall be determined to be invalid, unenforceable or illegal, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal and unenforceable provision had never been contained herein with the remainder of this Agreement being enforced to the fullest extent possible.
25. Relationship of the Parties. Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between the parties or constitute any party to be the agent of the other party for any purpose. No party shall have any authority to act for or bind the other party in any way, or to represent that it has such authority.
26. Notices. Any notice required to be given by any party to any other pursuant to this Agreement shall be in writing and shall be deemed to have been properly given if delivered in person, sent by overnight delivery or sent by registered or certified mail, return receipt requested, addressed to the other party at the following address, and shall be deemed to have been given on the day so delivered, transmitted or mailed:

To Contour:

Corporate Flight Management, Inc. d/b/a Contour Airlines  
808 Blue Angel Way  
Smyrna, Tennessee 37167  
Attention: Matt Chaifetz, CEO

To the City and the Airport:

City of Page  
697 Vista Avenue  
Page, Arizona 86040  
Attention: Kyle Christiansen, Aviation Director – City of Page

Either party to this Agreement has the right to change their representative or address for notice to any other location or individuals by giving at least five (5) business days' prior written notice to the other party in the manner set forth above.

27. Headings/Construction. The headings contained herein are for convenience of reference and are not intended to define or limit the scope of any provision of this Agreement. The terms and conditions of this Agreement will be interpreted in accordance with their plain meaning and not for or against any presumed drafting party.
28. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties, their successors and permitted assigns. There is no intent to benefit any third parties.
29. Further Assurances. Each of the parties shall do and perform, at such party's expense, such further acts and execute and deliver such further instruments and documents as may be required by applicable law or as may be reasonably requested by the other party to effectuate the purposes of this Agreement.
30. No Waiver. No waiver of a breach of any provision of this Agreement by any party shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing and signed by a duly authorized representative of the waiving party. Except as expressly set forth herein, no delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
31. No Remedy Exclusive. Except as expressly set forth herein, no remedy herein conferred upon or reserved to a party herein is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. In order to entitle a party to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice other than such notice as may be herein expressly required.
32. Expenses. Unless otherwise specified in this Agreement, each party to this Agreement agrees to be responsible for its own costs, expenses, and charges (including, without limitation, legal fees, advisory fees, and accounting fees) in connection with the preparation of this Agreement and the transactions contemplated hereunder.
33. Counterparts. This Agreement may be executed (by electronic mail or otherwise) in counterparts, any of which may be electronic, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures shall have the same force and effect as manual signatures for all purposes.
34. Conflicts. In the event of any conflict between this Agreement and the Related Agreement, the language, terms, and conditions of the Related Agreement will govern. In the event of a conflict between this Agreement or the Related Agreement and the Grant, the language, terms,


and conditions of the Grant will govern.

35. Federal Aviation Act. Nothing contained in this Agreement or the Related Agreement shall be construed to grant or authorize the granting of any exclusive right prohibited under the Federal Aviation Act of 1958, as amended.

[This portion left intentionally blank - signatures provided on the following page]


IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives as of the Effective Date.

**On Behalf of the City of Page:**

By:   
Darren Coldwell, City Manager

9-29-22  
Date

Approved as to form:

  
City Attorney



**On Behalf of Corporate Flight Management, Inc. d/b/a Contour Airlines:**

By:   
Matthew Chaifetz, CEO

October 1, 2022  
Date

**Attachment A to the Agreement for Air Services  
By and Between  
The City of Page  
and  
Corporate Flight Management, Inc. d/b/a Contour Airlines**

- Route:** Page Municipal Airport - Royce K. Knight Field (PGA) to/from: (i) Phoenix Sky Harbor International Airport (PHX); or (ii) an alternate Hub Airport
- Hub Airport:** Means PHX, or any other large- or medium-hub airport\*
- Flight Segment:** Means either a one-way flight between PGA and the Hub Airport; or a one-way flight between the Hub Airport and PGA;
- Flight Segment Fee:** For each Flight Segment during the Term, Three Thousand Five Hundred Fifty Nine and 00/100 Dollars (\$3,559.00 USD)
- Maximum Subsidy:** (A) For each 12 month period beginning October 1 and ending September 30 during the Term, Four Million Three Hundred Ninety Eight Thousand Nine Hundred Twenty-Four and 00/100 Dollars (\$4,398,924.00 USD)
- (B) For the Term, Seventeen Million Five Hundred Ninety Five Thousand Six Hundred Ninety-Six and 00/100 Dollars (\$17,595,696.00 USD)
- Non-Completed Flight Segments:** For any single month in during the Term, the reimbursement of fixed, auditable expenses relating to Non-Completed Flight Segments will not exceed Three Hundred Sixty Six Thousand Five Hundred Seventy Seven and 00/100 Dollars (\$366,577.00 USD)
- Gauge of Service:** Twin jet regional airliner configured with 30 passenger seats. In the event of a temporary mechanical or crewing issue, Contour may provide equivalent service, either using other aircraft from within its own fleet or with substitute service contracted from another direct air carrier. As soon as practical, Contour will inform the City of any such issue, including an explanation of the issue and the time frame of which the issue will be remedied.
- Timetable:** 1,248 planned flight segments (624 round trips on the Route) during each 12 month period beginning October 1 and ending September 30 during the Term. The parties understand and agree that the City's air travel market has significant seasonal variances. From time to time during the Term, Contour will adjust the timetable for the Route which may include, but will not be limited to changes in the: flight frequencies for each day of the week including weekends, departure and arrival times, and the hub airport to or from which service will be provided (either PHX or another large- or



medium-hub airport). Contour will provide a copy of each timetable to the City concurrent with its filing of such timetable with the DOT.

**TSA Screening:** All flights on the Route will operate to and from the passenger terminal at PGA into one of the passenger terminals at PHX airport and will be conducted on a "TSA Sterile" basis.

**\*Additional Notes:**

- A. If both the outbound and corresponding return flight between PGA and PHX on any calendar day have no booked passengers within 24 hours of the planned departure time of the outbound flight, then subject to compliance with all applicable DOT rules and regulations, Contour may, but is not required to, cancel both the outbound and corresponding return Flight Segments. However, if Contour cancels such Flight Segments, Contour shall inform City of such cancellation and also report such cancelled Flight Segments in its Monthly Activity Report. In accordance with Section 4 of the Agreement and consistent with DOT policy, such cancelled Flight Segments are not eligible for Compensation for Services, but will not be counted as a cancellation under Section 12.C.iv of the Agreement.
- B. Contour may substitute service to PHX with service to McCarran International Airport in Las Vegas, Nevada (LAS). No change will be made in the Flight Segment Fee or maximum subsidy in the event that LAS is substituted for PHX. In such event, the definition of "Route" herein shall be expanded to include PGA-LAS-PGA and the definition of "Flight Segment" herein shall be expanded to include either a one-way flight between PGA and LAS or a one-way flight between LAS and PGA.

**Attachment B to the Agreement for Air Services  
By and Between  
The City of Page  
and  
Corporate Flight Management, Inc. d/b/a Contour Airlines**

**CERTIFICATION REGARDING INFLUENCING ACTIVITIES  
Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Influencing Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Corporate Flight Management d/b/a Contour Airlines



Matthew Chaifetz

CEO

October 1, 2022

Signature

Printed Name

Title

Date

**Attachment C to the Agreement for Air Services  
By and Between  
The City of Page  
and  
Corporate Flight Management, Inc. d/b/a Contour Airlines**

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters**

(1) Contour certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this Grant Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification;


(d) Have not within a three-year period preceding this Grant Agreement had one or more public transactions (Federal, State or local) terminated for cause or default.

(e) Does not have any Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the DOT is aware of the unpaid tax liability, unless DOT has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government

(f) Has not been convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the DOT is aware of the conviction, unless DOT has considered suspension or debarment of the corporation and made a determination that this action is not necessary to protect the interests of the Government.

(2) Where Contour is unable to certify to any of the statements in this certification, Contour shall attach an explanation to this document.

Corporate Flight Management d/b/a Contour Airlines

	Matthew Chaifetz	CEO	October 1, 2022
Signature	Printed Name	Title	Date