

TRANSPORTATION SERVICES AGREEMENT
Between Roswell International Air Center and SkyWest Airlines, Inc.

WS ~~Original~~ This Transportation Services Agreement (this "Agreement") is made and entered into this 3rd day of September 2025 (the "Effective Date"), by and between SkyWest Airlines, Inc. ("SkyWest") and the Roswell International Air Center ("Airport"). Capitalized terms used and not otherwise defined shall have the meaning set forth in Section 1 below.

WITNESSETH:

A. SkyWest operates as a United Express carrier pursuant to an agreement with United Airlines ("Carrier")

B. SkyWest and Airport desire for SkyWest to provide nonstop jet service between the Market Segments identified below, operated as United Express branded flights.

C. SkyWest has agreed to provide such service subject to the terms and conditions hereinafter set forth herein.

NOW, THEREFORE, in consideration of the premises and of the mutual obligations and undertakings hereinafter set forth, the parties agree as follows:

1. **Definitions.** As used in this Agreement, the following terms shall have the meanings set forth below:

"Airline Costs" means, for each Market Segment, the sum of Non-Fuel Costs and Fuel Costs attributable to the operations of such Market Segment, determined in accordance with standard SkyWest accounting practices.

"Commencement Date" means, as to each Market Segment, the date of the commencement of first operation of Market Segment flight.

"Fuel Costs" will, as to each Market Segment, be the actual fuel costs, including related fueling costs, taxes and fees associated with operating such Market Segment, and taking into account any and all discounts, subsidies, markdown, rebate, or other reduction on cost (if any) that may be provided to SkyWest in connection with such operations.

"Market Passenger Revenue" shall mean, for each Market Segment, the product of total revenue passengers for such Market Segment multiplied by the average market segment fares for such Market Segment, in each case, determined in accordance with standard industry practice.

"Market Segments" means round trip non-stop service between the following airports:

Roswell International Air Center (ROW) to Denver International Air Center (DEN); and
Denver International Air Center (DEN) to Roswell International Air Center (ROW).

"Maximum Subsidy Amount" means \$7,000,000 (seven million dollars) @ 3,500,000 (three million five hundred thousand dollars) annually.

"Non-Fuel Costs" will, as to each Market Segment, be calculated as a fixed rate of \$2,550 per block hour of operation with respect to such Market Segment.

"Term" has the meaning set forth in Section 5 below.

2. **Scheduling and Commencement Date.** As to each Market Segment, SkyWest will schedule the following United Express branded round-trip flights on CRJ 200 aircraft with a minimum of fifty (50) seats as follows:

ROW to DEN - at least 2 daily/14 weekly¹; with an anticipated Commencement Date of February 17, 2026.

It is agreed that SkyWest Airlines will schedule the flights initially as a mid-day turn. Commercially reasonable efforts will be made to schedule the flights on an overnight basis (remain overnight or RON) at a time when SkyWest Airlines feels market conditions warrant.

3. **Monthly Statements and Quarterly Statements.**

- A. Within fifteen (15) days following the end of each calendar month during the Term, SkyWest will provide Airport a summary of the following data for each Market Segment for the applicable month of determination: revenue, fuel costs, block hours of operation and the corresponding non-fuel related costs, load factors and number of revenue passengers for the Market Segment for the applicable month of determination, in each case determined in accordance with standard SkyWest accounting practices and applicable industry standards, as the case may be.
- B. At the end of each calendar quarter during the Term (as defined below), SkyWest will determine the following data for each Market Segment during such calendar quarter: average market segment fares, the number of revenue passengers, the number of flights, the total block hours operated, the Market Passenger Revenue and the Airline Costs, in each case determined in accordance with standard SkyWest accounting practices and applicable industry standards, as the case may be.

4. **Operating Subsidy.** If, for any calendar quarter, the combined Market Passenger Revenue for all Market Segments, is greater than the combined Airline Costs for all Market Segments, then, no subsidy is owed by Airport to SkyWest for such calendar quarter. If, however, for any calendar quarter, the combined Airline Costs for all Market Segments are greater than the combined Market Passenger Revenue for all Market Segments, then, the difference will be paid by the Entity to SkyWest as its subsidy for such period, with such payment to be paid within thirty (30) days after receipt of an invoice reflecting such subsidy amount from SkyWest. In no event with the cumulative subsidy payments, if any, paid by Airport to SkyWest exceed the Maximum Subsidy Amount.

5. **Term.**

- A. The term of this Agreement shall commence on the Effective Date, and terminate on February 17, 2028 or until the Maximum Subsidy Amount has been paid by Entity to SkyWest, whichever comes first; or, unless otherwise earlier terminated as provided herein (the "Term").
- B. Either party may terminate this Agreement for convenience upon sixty (60) days prior written notice to the other party.

¹ Some exceptions may be possible on limited days subject to United targeted schedule reductions at affected airport. All frequencies are to be scheduled on a nonstop basis. Operational issues resulting in cancellations will not be billed to the Entity. The actual Commencement Date may vary based [United][Delta] scheduling.

- C. If Entity fails to make any subsidy payment required hereunder within five (5) days after receipt of written notification from SkyWest specifying such default, then, SkyWest may terminate this Agreement at its sole option by written notice to Entity.
6. **Operations.** All operation of Marketing Segment flights will be operated in accordance with all applicable laws and regulations of the U.S. Department of Transportation, the Federal Aviation Administration and the Transportation Security Administration and in accordance with SkyWest's agreement with United Airlines.
7. **Limitation on Damages.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR CLAIMS FOR INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE, SPECIAL OR EXEMPLARY DAMAGES, INCLUDING LOST REVENUES, LOST PROFITS OR LOST PROSPECTIVE ECONOMIC ADVANTAGE, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, REGARDLESS OF WHETHER A CLAIM IS BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, VIOLATION OF ANY APPLICABLE DECEPTIVE TRADE PRACTICES ACT OR SIMILAR LAW, RULE OR GOVERNMENTAL REGULATION OR ANY OTHER LEGAL OR EQUITABLE PRINCIPLE, AND EACH PARTY RELEASES THE OTHER PARTIES AND THEIR AFFILIATES FROM LIABILITY FOR ANY SUCH DAMAGES.
8. **Governing Law.** *WS New Mexico* This Agreement shall be governed by and construed in accordance with the laws of the State of ~~Utah~~ (excluding Utah conflict of laws principles that might call for the application of the law of another jurisdiction) as to all matters, ~~and to the extent that it relates to~~ *WS*
9. **Waiver of Jury Trial.** Each party hereby knowingly, voluntarily and intentionally waives any right they may have to a trial by jury in respect of any litigation arising out of, under or in connection with this Agreement.
10. **Force Majeure.** Neither party will be responsible to the other party for its failure to perform its responsibilities hereunder in the event and to the extent that such performance is delayed or prevented for a period of at least fifteen (15) consecutive business days, by any cause beyond its control and not caused by the party claiming relief hereunder, including, without limitation, acts of God, public enemies, epidemics, war, insurrection, acts or orders of governmental authorities, fire, flood, explosion, riots or the recovery from such cause ("Force Majeure"). Either party may terminate this Agreement immediately if the other Party is unable to perform its obligations hereunder due to any such Force Majeure event, which continues for a period of thirty (30) consecutive days or more.
11. **Notices.** All notices, demands, requests, consents, and approvals by either party to this agreement shall be made in writing and sent by U.S. mail, or by recognized overnight courier, or by hand delivery, or by facsimile transmission (if confirmed by email, overnight courier or hand deliver). All such notices shall be addressed as follows:

To:

To: SkyWest Airlines
444 South River Road
St. George, UT 84790
Attn: Wade Steel

12. **Miscellaneous.** This Agreement is the complete agreement between the parties and supersedes any prior oral or written agreement between the parties concerning the subject matter of the Agreement. This Agreement supersedes any provision of any other agreement between the parties hereto to the extent such provision relates to the same or similar matters addressed herein. If any

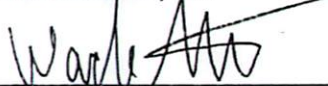
provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in effect. This Agreement may not be transferred, modified, amended or assigned, in whole or in part, except in a writing signed by the parties. If an assignment occurs, the assignment shall not relieve the assigning party of its liabilities or obligations under this Agreement. This Agreement is binding upon successors and assigns of the parties. A waiver by either party of any term or condition of this Agreement in one or more instances shall not constitute a permanent waiver of the term or condition or of any other term or condition of this Agreement or a general waiver.

IN WITNESS WHEREOF, the parties hereto affix their duly authorized signatures as of the date set forth on the first page of this Agreement.

Roswell International Air Center

By: 
Mayor, City of Roswell

SKYWEST AIRLINES, INC.

By: 
Wade Steel - Chief Commercial Officer

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19.

NON-APPROPRIATION

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Governing Body of of the City of Roswell for the performance of this Agreement, particularly but not limited to NMSA 1978 §6-1-11. If sufficient appropriations and authorization are not made by the Governing Body of of the City of Roswell, such act will constitute termination this Agreement by giving SkyWest ~~30~~ ⁶⁰ days written notice of such termination. The City's decision as to whether sufficient appropriations are available shall be accepted by SkyWest and shall be final. SkyWest waives any rights to assert an impairment of contract claim against the City in the event of immediate or Early Termination of this Agreement by the City.