

Essential Air Service Proposal

PADUCAH, KENTUCKY DOT-OST-2009-0299

Corporate Flight Management Inc. d/b/a Contour Airlines A Tennessee Corporation 808 Blue Angel Way, Smyrna, TN 37167



Dear Mr. Faulk,

Contour Airlines is pleased to submit this proposal for our continued fulfilment of Essential Air Service to Paducah, Kentucky (PAH). As part of our proposal, we are offering the community an annual average of 12-weekly flights to the hubs of Charlotte (CLT) and Chicago (ORD).

We have been a proud member of this community since launching service to the region in 2022. As part of this proposal, Contour Airlines will continue to utilize twin-engine regional jet aircraft, comfortably configured with 30 seats. Passengers can connect to Contour partners American, United, and Alaska Airlines.

We are confident that Contour's continued service to Paducah, Kentucky will be advantageous for the airport, local community, and the broader region's economic development.

Thank you for the consideration.

Ben Munson

President





Introduction to Contour Airlines



Corporate History

- Founded in 1982 in Nashville, Tennessee
- Current management assumed control in 2015 reset business model and launched growth strategy

Our Platform

- Contour Aviation includes EAS operations, private jet charters, Part 145 maintenance, and FBO services
- Airline has been optimized for EAS Markets
 - Significant portion of company's business is EAS flying, commercial and operational functions built accordingly
 - Connections to multiple major airline partners
 - High level of community engagement across all levels





Connect to 30 Cities



Fleet of Over 35 Aircraft



700+ Employees





Inflight Experience



Flight Attendant on every flight



36" pitch at every seat



Food & Beverage on every flight



Free Carry-On & Free Checked Bag



Our Airline Network

- Largest independently branded regional airline operating in the EAS program
- Contour operates the second largest Essential Air Service (EAS) network in the country
- Contour has maintained its commitment to its Essential Air Service communities — never terminating service during course of contract



Partner Portfolio

Major Airline Connecting Partners







- American Airlines was the first major airline partner.
 In 2025 Contour customers will have access to
 American frequency flyer program.
- In 2024, Alaska Airlines and United Airlines were added to the partner profile.
- With multiple partners, Contour provides additional schedule and fare options for passengers.

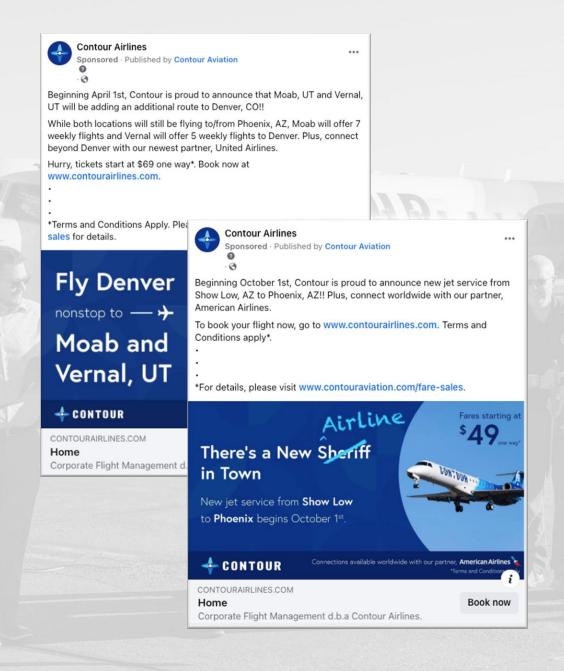
Distribution Strategy

- Contour tickets, regardless of connecting carrier, will distribute across all traditional channels.
- Both Contour and connecting flights will display on all major OTAs and Meta-searches, as well as our partner airline sites.
- Contour actively engages with all carriers to provide better connections, distribution, and product experience for EAS communities

Promoting Traffic Growth

Contour Marketing Difference

- Independent brand supported by professional agencies to build awareness
- Contour has assumed a marketing budget of \$25,000 per year for the term of the agreement to maximize service awareness
- Promotional fares with discounted price point relative to most regional travel options
- Emphasis on traffic stimulation



Contour Bid

Bid Overview	
Essential Air Service Market	PAH
Frequency	12 weekly Round-Trips
Hub(s)	CLT and ORD (12 Total)
Aircraft Type	30-Seat Regional Jet
Term	48 months preferred
Annual Escalation	5% Year over Year

Notes

All flights to be conducted as 14 CFR Part 380 public charters. Accordingly, service is contingent on community waiving its rights to scheduled air transportation or submitting a proposal for Alternate Essential Air Service (AEAS).

	•
nerat	ınnc
perat	10113

Operations			
Scheduled	l R/Ts Per Week	12	
Compl	etion Factor	97%	
Annua	Departures	1,211	
Seats p	er Departure	30	
Revenue			
Forecas	st Passengers	30,000	
Ave	rage Fare	\$78	
Tota	l Revenue	\$2,340,000	
_			
Expenses			
Depa	rture Costs	\$2,042,187	
Aircraft C	perating Costs	\$4,499,294	
Overhead	and Ownership	\$1,308,027	
M	arketing	\$25,000	
Tota	Expenses	\$7,874,508	
Profit Co	mponent (5%)	\$393,725	
Proposed S	ubsidy Year 1	\$5,928,233	
Proposed S	ubsidy Year 2	\$6,224,645	
Proposed S	ubsidy Year 3	\$6,535,877	
Proposed S	ubsidy Year 4	\$6,862,671	



www.ContourAirlines.com

