



VIRGIN ISLANDS PORT AUTHORITY AVIATION DIVISION

CYRIL E. KING AIRPORT
PO Box 31707
St. Thomas, VI 00803

HENRY E. ROHLSSEN AIRPORT
PO Box 1134
St. Croix, VI 00821

AIRLINE SERVICE INCENTIVE

Approved: November 22, 2022

In order to encourage new and/or additional air service to Cyril E. King Airport (STT), St. Thomas and/or Henry E. Rohlsen Airport (STX), St. Croix, United States Virgin Islands, the Virgin Islands Port Authority (VIPA) hereby promulgates the following incentive:

Applicability: This incentive is available to any scheduled commercial jet passenger airline or charter jet airline that either currently serves or wishes to serve St. Thomas/St. Croix (or both), United States Virgin Islands airport markets from outside the USVI Territory.

Incentive: For a period of one year during the term of the Incentive Period (as defined below), VIPA's Landing Fee will be waived in the following percentage: 100%. Additionally, during the one-year period, Terminal Parking Fees; User Fees (Arrival); and User Fees (Departure) will be reduced by 50%.

Requirements: In order to participate in the Incentive Program, an airline must provide new or additional flight frequencies to St. Thomas/St. Croix (or both), United States Virgin Islands. This new air service may be of two types:

- *New Route* - The airline provides service on a route not served by that airline during the same period of the previous year.
- *Added Frequencies on Existing Route* - The airline provides additional flights on a route served by that airline during the previous year.

Incentive Period: December 1, 2022 through November 30, 2024.

The airline will receive a waiver of 100% of the landing fees and a waiver of 50% of the user fees (departure and arrival) and terminal parking fees for the period of ONE YEAR from date of institution of the new or additional service during the Incentive Period, so long as the one-year period does not extend beyond the close-out date of November 30, 2022. The airline may take advantage of the incentive for each new and/or additional service instituted during the Incentive Period.

New airline service routes must arrive at Cyril E. King Airport either before 1:00pm or after 5:00 pm (Atlantic Standard Time). New airline service routes into the Henry E. Rohlsen Airport are not subjected to arrival restriction requirements of post 5:00pm (Atlantic Standard Time).

Incentive Clause: All airlines who participate in the Airline Service Incentive Program shall also accept the incentive clause. Whereas service routes provided, must remain for a period no less than two years or all fees waived during the incentive period shall be billed at 100% to the company/airline participating in the incentive program and accepting the incentive agreement.

VIPA retains the right to cancel/modify the agreement based on airline non-performance

Compliance with Federation Aviation Administration (“FAA”) Requirements: VIPA believes this incentive complies with FAA requirements because: 1) it is designed to increase air service to a specific airport, 2) it applies to all scheduled commercial jet passenger airlines and all charter jet airlines, and 3) it is of limited duration.