

LOUISVILLE REGIONAL AIRPORT AUTHORITY
LEGAL NOTICE OF AMENDMENT OF REGULATIONS

The Louisville Regional Airport Authority (“The Authority”) recently amended Chapter 600 of its Regulations to change certain rates and charges. This constitutes the legal notice thereof in accordance with KRS 424.

The effective date of the amendment to the regulations is July 1, 2023. Additions are denoted by underline with deletions denoted by strikethrough. Copies of which may be found on the Authority’s website. www.flylouisville.com or you may contact the Sr. Vice President, Chief Legal & Administrative Officer at 502-363-8513 or 700 Administration Drive Louisville, KY 40209 for printed copies.

CHAPTER 600
CHARGES AND FEES

601 RATES, CHARGES AND FEES

- A. The Authority shall from time to time establish and publish general rates, charges and fees for the use of Airport landing areas, ramps, and common aviation facilities, and for commercial vendors, concessionaires and other Persons for the use or occupancy of Terminal or other ground use facilities, all upon such conditions as the Authority may deem in the best interest of maintaining, operating or expanding necessary Airport or air navigation facilities, and the public use thereof. Such general rates, charges and fees, when established and published as required by law, shall have the same force and effect as if a part of these Regulations. Published general rates, charges and fees shall not apply to Signatory Airlines or to any user of the Airport with whom the Authority has entered into a written agreement, license, or permit providing different rates, charges or fees. Nothing in such published general rates, charges and fees, or in these Regulations shall be deemed to grant authorization to any Person to conduct any commercial or other activity upon, or occupy any part of, the Airport for any purpose.
- B. Definitions. For purposes of Chapter 600:
- (1) An “AFFILIATE AIRLINE” is an air transportation company which flies in and out of the Airport on behalf of a Signatory Airline and (i) is providing transportation of property or passengers for the Signatory Airline (a) under essentially the same trade name of such Signatory Airline or the trade name of the parent company or wholly-owned subsidiary of the Signatory Airline, or (b) using essentially the same livery as a Signatory Airline, (ii) if flying under its own name at the Airport, is not selling any seats or transporting any cargo in its own name and all seats are being sold or all cargo is being transported in the name of the Signatory Airline, or (iii) is the parent company or wholly owned subsidiary of the designating Signatory Airline.
 - (2) “AIRPORT USE AGREEMENTS” are written agreements between an air transportation company and the Authority having terms and provisions substantially like those set forth in the form of agreements approved by the Authority’s Board on June 8, 2022.
 - (3) a “SIGNATORY AIRLINE” is an air transportation company which (i) provides air service; (ii) has executed an Airfield Use Agreement; and (iii) has either (y) entered into a Terminal Use and Lease Agreement for use and occupancy of the Terminal Building Area and the Terminal Apron Area having terms substantially the same as those contained in the

Terminal Use and Lease Agreement entered into by certain airlines effective July 1, 2022 and providing for the leasing of a minimum of 1,000 square feet of Exclusive Use Space or (z) leased or subleased from the Authority a minimum of five (5) acres or entered into a “through the fence” agreement allowing airfield access from adjoining facilities in each case for a term ending June 30, 2032.

- (4) a “NON-SIGNATORY AIRLINE” is an air transportation company which (i) provides air service at the Airport; and (ii) is not a Signatory Airline or Affiliate Airline.

602 BUILDING OCCUPANCY, HOLDOVER AND JOINT SPACE

- A. Nothing herein contained shall require the Authority to consent to, or shall be construed as consent to, the use of space within any building. The right of any Person occupying or using space to continue to use or occupy under these Regulations may be terminated by the Authority immediately upon notice, and such termination shall be effective at the conclusion of any period for which the rents have been paid prior to the receipt of such notice.
- B. Any Person occupying or using space in any building on the Airport, after the expiration of such Person’s contract, permit, lease or license, without written permission to do so from the Authority, shall pay rent at double the rate provided in such expired contract, permit, lease or license for each month or fraction thereof of occupancy of such space, which amount shall be payable, in advance, on the first day of each monthly period of extended occupancy, and where appropriate, shall be in addition to payment for utilities consumed in such space.
- C. In the event two or more Persons jointly occupy or use space, each shall be obligated to the Authority for the full amount due therefore, but the total amount received by the Authority shall not thereby be increased, and each of such occupants shall be credited with the amount paid by any other for such joint space.

603 POLICY FOR ESTABLISHING CERTAIN RATES, FEES AND CHARGES

- A. The basic policy of the Authority is that the Airport System will be operated, maintained and developed on at least a self-sustaining basis, without the use of local tax revenues and in a manner designed to meet the covenants under the Louisville Regional Airport Authority Airport System Revenue Bond Resolution. To this end, rates, fees and charges to airlines operating at Louisville Muhammad Ali International Airport without a written agreement with the Authority, will be established, subject to the right of the Authority to amend its Schedule of General Rates, Charges and Fees as permitted by law and consistent with the provisions of said Revenue Bond Resolution and other obligations of the Authority.
- B. In return for use of premises, and the rights, licenses, and privileges granted hereunder and for the undertakings of the Authority, airlines and other users of airport facilities agree to provide the Authority information and to pay the Authority, without deduction or set off, certain rentals, fees, and charges as set forth in these Regulations. Users shall furnish to the Authority on or before the 10th day of each month, an accurate report of their activities at the Airport during the preceding month, setting forth all data the Authority deems reasonably necessary to calculate the fees and charges due the Authority under these Regulations. These activities may include, as appropriate, total number of landings for the month by type of aircraft, the certificated weight of each aircraft, the use of aprons, holdrooms and loading bridges not leased to airline on a Preferential Basis, length of stay information in hours or days, and the total number of enplaning and deplaning passengers reported as to “scheduled” and “charter”. All fees and charges shall be due and payable within fifteen (15) days from date of invoice unless otherwise specified on the invoice. Any payment not received on or before the due date shall accrue interest as specified in Section 604 below.

604 INTEREST AND SERVICE CHARGE

- A. All rentals, fees or other charges due the Authority under these Regulations, under any written agreement, permit or license (except under a written agreement, permit or license executed prior to the adoption of these Regulations), or otherwise, shall be due on the due date specified in the agreement with or permit or license issued by the Authority or, in the absence thereof, on the invoice issued therefore. There shall be an interest and service charge of one and one-half percent (1-1/2%) per month, on any amount due and unpaid to the Authority under such agreement, permit, license or invoice commencing on the first day following the due date thereof and accruing at a daily rate thereafter. The obligation for payment of such interest and service charge shall be a part of all agreements, permits or licenses hereafter executed by the Authority, whether or not expressed therein and whether or not reference to this Regulation is made therein. In no case shall such interest and service charge be less than ten dollars (\$10.00) per assessment per month.
- B. To the extent any interest and service charge provided in Section 604A of these Regulations shall exceed the amount or rate allowed by law under the particular circumstances, such charge shall be reduced to the maximum amount allowed by law.

605 SCHEDULE OF GENERAL RATES, CHARGES, FEES, AND PENALTIES

This Schedule of General Rates, Charges and Fees is adopted pursuant to KRS 183.133 and Section 601 of the Regulations of the Louisville Regional Airport Authority and shall be deemed a part of the Regulations.

A. Landing Fees, both Airports, each landing, Non-Based Commercial Aircraft Operators:

One Dollar and ~~Thirty-Two-Five~~ and ~~Three-Six~~ Tenth Cents (~~\$1.303256~~) per 1,000 pounds of Maximum Landing Weight; minimum: \$5.00 per Aircraft. No fee applies to Exempt Landings, as defined in the Airport Use Agreement, as may be amended from time to time. Exempt Landings include ferry flights and any landing of an aircraft which after having taken off from the Airport, and without landing at any other airport, shall return to land at the Airport because of (i) weather conditions, (ii) mechanical or operating failure or causes, (iii) any other reason of caution or emergency, (iv) training flights, or (v) maintenance check flights.

B. License Fees for Based Commercial Aircraft Operators, Both Airports:

Annually, for each Aircraft operated under certificate issued by the Federal Aviation Administration pursuant to:

- (1) 14 CFR, Part 135 (FAR Part 135) - Seven Hundred Dollars (\$700);
- (2) 14 CFR, Part 121 (FAR Part 121) - One Thousand Four Hundred Dollars (\$1,400);

In addition to any other applicable rates, fees, or charges established by this Schedule or agreed to by the Operator and the Authority.

C. Fuel Flowage Fees, Aircraft Fuels:

- (1) Louisville Muhammad Ali International Airport
 - (a) Except for sales to which subsections b, c, or d of this Section C. (1) applies, Four and one half cents (\$.045) per gallon sold or delivered for any purpose, including to itinerant (non-Airport based) military aircraft other than resale in the regular course of business.
 - (b) One and one quarter cents (\$.0125) per gallon sold or delivered to non-scheduled air carriers.

- (c) 2.0 mil per gallon on first 750,000 gallons per month sold or delivered to scheduled air carriers and military aircraft based at the Airport.
- (d) 1.5 mil per gallon over 750,000 gallons per month sold or delivered to scheduled air carriers and military aircraft based at the Airport.

(2) Bowman Field - Seven cents (\$.07) per gallon.

D. Aircraft Parking Fees, on Land Not Under Lease:

Aircraft may park free of charge on land not leased to a Fixed Base Operator or used as Terminal Aprons for periods not to exceed the first eight (8) hours during a calendar month. After the first eight (8) hours in any calendar month, continuous or intermittent parking of each Aircraft shall be at the following rates:

(1) Louisville Muhammad Ali International Airport:

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Type of Aircraft	Rate per Day or Fraction Thereof
Single Engine	\$ 5.00
Multi Engine Less than 12,500 lbs.	8.00
12,500 – 25,000 lbs.	10.00
25,000 – 50,000 lbs.	15.00
50,000 – 75,000 lbs.	20.00
75,000 – 150,000 lbs.	30.00
150,000 – 300,000 lbs.	55.00
300,000 – 450,000 lbs.	95.00
Over 450,000 lbs.	125.00

(2) Bowman Field:

Type of Aircraft	Rate per Day or Fraction Thereof
Single Engine	\$ 5.00
Multi Engine Less than 12,500 lbs.	8.00
12,500 – 25,000 lbs.	10.00
25,000 – 50,000 lbs.	15.00
50,000 – 75,000 lbs.	20.00

E. Non-Contract Space Rentals:

Rental for any exclusive or shared-use space occupied without a current written lease, contract or agreement with the Authority, including temporary use of such space, shall be at the following monthly, daily or per use rates as applicable:

(1) Louisville Muhammad Ali International Airport:

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- (a) **Terminal Space** - Monthly rate of ~~Four-Five~~ Dollars and ~~Seventy-four~~~~Eight~~ Cents (\$~~54.0874~~) per square foot, with a minimum charge of \$250.00 per month or fraction thereof.
- (b) **Air Carrier Common Use Area Fees** (Bag Claim, Bag Make Up, Holdroom)- Eighty percent (80%) of the total required fees is prorated for a calendar month on the basis of the Airline's local deplaned passengers (bag claim) or enplaned passengers (bag make up and holdroom) during the preceding month in relation to the deplaned/enplaned passengers for all users of the Common Use bag

claim/bag make up/holdroom area during the period (or as estimated if last month's number of actual passengers is not available).

Twenty percent (20%) is divided equally among the Signatory Airlines (including for the purposes hereof those of its Affiliate Airline(s) but excluding those on flights for which such Signatory Airline served as an Affiliate Airline(s) for another Signatory Airline) for which the local portion of its deplaned/enplaned passengers in such month totaled at least one percent (1%) of all deplaned/enplaned passengers for such month, plus any scheduled airlines, not already covered by the definition of Signatory Airline, whose deplaned/enplaned passengers in such month totaled at least one percent (1%) of all deplaned/enplaned passengers for such month.

Each air carrier signatory to the Airport Use and Lease Agreements and every other air carrier using the terminal building at Louisville Muhammad Ali International Airport pays monthly one-twelfth (1/12) of its share of the total annual fees. Non-Signatory Airlines using the Terminal at Louisville Muhammad Ali International Airport pays monthly 1.15 times one-twelfth (1/12) of their share of the total annual fees.

- (c) **Terminal Apron Area Parking** - Monthly billings for the Terminal Apron Area Rental Rate for Airlines that are loading and unloading passengers, during a Fiscal Year, for use of the Terminal Apron Area shall be measured by dividing the Airline's total operations by the total operations for all such Signatory Airlines, Affiliate Airlines and Non-Signatory Airlines. For purposes of this formula "Airline's total operations" shall mean the actual number of aircraft operations (take-offs and landings) at the Airport during the most recent preceding 1-month period for which the Authority has received operations reporting from the Signatory Airlines, Affiliate Airlines and Non-Signatory Airlines. Non-Signatory Airlines pays monthly 1.15 times one-twelfth (1/12) of their share of the total operations.

Each individual operation is limited to a maximum of four (4) hours while the terminal is open. Airline's use beyond the maximum time will be treated as an additional operation, unless the aircraft is relocated away from the gate to a remote aircraft parking area. Remote aircraft parking areas are subject to additional fees as specified in part (d) of this section.

- (d) **Hardstand Terminal Apron Parking** - ~~Seventy-Eighty-three~~^{seven} Cents (\$0.~~8377~~) per 1,000 pounds of certificated gross landed weight for each use of Terminal Apron Area for parking of aircraft or equipment or any other such use that are not utilizing a passenger boarding bridge (remote aircraft parking) not under lease, the duration of each such use not to exceed eight (8) hours while the Terminal is open.
- (e) **Per Day Airline Ticket Counter Usage Fees, Louisville Muhammad Ali International Airport Terminal Building** - Airlines or Persons may use airline ticket counters not under lease to a Signatory Airline or tenant. The airline ticket counter use will include ticket counter podium(s), ticket counter bag belt use, and queuing area with stanchions; provided, enclosed office space (where available) may be included as requested. The Per Day Airline Ticket Counter Usage Fee rate is ~~Fifteen-Sixteen~~ and ~~Six-Seven~~-tenths Cents (\$0.~~156167~~) per square foot, plus ~~Thirteen-Fourteen~~ Dollars and ~~Twenty-three~~^{Eighteen} Cents (\$1~~34,1823~~) for ticket counter bag belt use.

(2) Bowman Field:

Administration Building - One Dollar and Seventeen Cents (\$1.17) per square foot per month with a minimum charge of One Hundred Fifty Dollars (\$150.00) per month or fraction thereof.

F. Bowman Field Authority T-Hangar Monthly Rates

T-Hangar Number	Monthly Rental Rate
401-432	\$ 363.00
1-4, 7-10, 12, 14-15, 17-24, 26-29, 32-35, 37,39-49, 51-54, 57-60, 62, 64-65, 67-74, 76-79, 81-87, 89-95, 97-100, 302-305, 307-315, 317-325, 327-330	\$ 310.00
5-6, 11, 13, 16, 25, 30-31, 36, 38, 50, 55-56, 61, 63, 66, 75, 80, 88, 96, 101, 301, 306, 316, 326	\$ 394.00
332-335, 354-357, 359-362, 381-384	\$ 397.00
331, 353, 358, 380	\$ 438.00
337-343, 345-351, 364-370, 372-378	\$ 454.00
336, 352, 363, 379	\$ 531.00
344, 371	\$ 567.00

G. Louisville Muhammad Ali International Airport and Bowman Field Permit Fees

(1) Louisville Muhammad Ali International Airport

- (a) For the non-exclusive privilege of conducting business on the Airport and providing services to tenants of the Airport and others, including, but not limited to, normal and customary ground handling services, aircraft cleaning and detailing, ground equipment service and maintenance, selling and brokering of glycol, the application of glycol, sorting of cargo and mail, and other third party services, Persons shall obtain a permit to conduct such activity from the Authority, and shall pay to the Authority a fee of ten percent (10%) of all monthly gross receipts derived from conducting and providing such services. Person agrees that it will perform the services only on the basis of written contracts with one or more of the tenants on the Airport. Person shall provide the Authority with copies of such contracts upon request. Person is not authorized to perform any other activity or conduct any other business at the Airport under this permit.

(2) Bowman Field

- (a) Commercial Operators - As defined in Chapter 800, Commercial Operators shall pay an annual permit fee as follows:
 - (i) Fixed Base Operator (FBO) - \$2,500.00
 - (ii) Specialized Aviation Service Operator (SASO) - \$1,000.00

or

as stipulated under a specific agreement or contract between the Commercial Operator and the Authority.
- (b) Independent Operators – As defined in Chapter 800, Independent Operators shall pay an annual permit fee of \$200.00.

H. Bowman Field Penalties

If a Commercial or Independent Operator is found to be conducting any Commercial Activity on the Airport without Authorization and the proper permits or agreements from the Authority, The Commercial or Independent Operator shall be subject to the following fines and penalties:

- (1) The first offense - \$250.00
- (2) The second offense - \$450.00
- (3) The third offense – removed from, and prohibited from entering Airport property.

I. Other Charges

Excessive Utility Charge - If a tenant is not assisting in the proper maintenance of environmental controls (i.e., leaving doors open to the outside in extreme hot or cold temperatures), and the Authority is incurring additional utility charges due to the tenants lack of cooperation, the Authority has the right to bill the tenant, the actual amount of additional utility charges or One Hundred Dollars (\$100) per day, whichever is greater.

T-Hangars - Lost or Additional T-Hangar Keys or Gate cards may be issued for a \$25.00 non-refundable fee.

J. Non-Authority Sponsored Activities

For the privilege of conducting a non-Authority sponsored activity at the Airport, operators shall contact the Authority in advance and sign the required agreements to obtain the Authority's permission for the activity.

K. General Requirements:

- (1) Persons not having authorization from the Authority shall not conduct Commercial Activity at the Airport, including use of the Airport driveways, without a Permit or lease issued in compliance with this and other Regulations of the Authority. Any Person desiring such a Permit may obtain one by duly filing an application with the Executive Director on forms provided by the Authority; provided, Authority approves such application. Information to be furnished by applicants shall include, but may not be limited to, the following: (i) Name, form of business entity of Applicant and place of formation or incorporation; (ii) Address of applicant and designation of person and address to whom all correspondence from the Authority should be directed; (iii) Agent and registered address for service of legal process; (iv) Proof of insurance coverage required by this Regulation, including a copy of the insurance policy or certificate of insurance; (v) Any other information the Executive Director deems necessary properly to implement this Regulation.
- (2) Nothing in this Schedule of General Rates, Charges and Fees shall be deemed to grant Authority approval to conduct any Commercial Activity or other activity upon the Airport without prior express written approval and upon such further terms and conditions as may be prescribed in such approval.

606 RENTAL CAR OPERATIONS - LOUISVILLE MUHAMMAD ALI INTERNATIONAL AIRPORT

A. Off-Airport Rental Car Operators

- (1) For the privilege of conducting business by providing vehicles to passengers at or picked up at the Airport, and using Authority provided driveways, Terminal curb areas and other Airport facilities (the "Concession"), each rental car operator ("Operator") operating at the Airport without a concession agreement with the Authority shall obtain a permit to do so from the Authority ("Permit") and pay to the Authority a fee (the "Fee") of ten percent

(10%) of all monthly gross receipts derived from rental of vehicles to passengers picked up at the Airport.

The Operator shall separately state and collect the ten percent of gross receipts to be paid to the Authority in all rental contracts for all rentals, services or fees paid by its customers. Such amount shall be identified as "Concession Fee" on each rental contract. The Operator shall state in all rental agreements the Vehicle License Fee, Loss Damage Waiver Fee, Collision Damage Waiver Fee, or other pass through fees allowed herein. Any such amounts collected by Operator shall be included in the Gross Receipts. The Concession Fee amounts collected shall be subject to an allowable recoupment fee or concession fee recovery by the Operator and such recoupment fee shall not make the Concession Fee to exceed 11.11%. No other pass-through fees or charges, including property taxes, shall be allowed other than exceptions allowed herein. The Authority shall have the right to modify or delete this requirement upon thirty (30) days' written notice to each operator if it concludes, in its sole discretion, that its treatment of such a fee is not in the best interest of the Authority, is contrary to accepted industry practices, or is unlawful.

- (2) Within fifteen (15) calendar days after the end of each calendar month in which operations covered by this Regulation have been conducted, Operator shall submit to the Authority payment of the Fee together with a duly certified statement of gross receipts derived from such operations in such form and detail as the Authority may from time to time specify, verifying the amount of such Fee that is due and payable for such month. The Authority reserves the right to audit the Operator's books, including the general ledger, and records of receipts at any reasonable time, for the purpose of verifying the gross receipts reported by the Operator hereunder. No demand of payment or performance of any obligation of Operator hereunder need be made, but it shall be the duty of the Operator to pay monies and perform all other obligations hereunder when due without demand. Failure to pay any amount or to perform any other obligation when due hereunder shall entitle the Authority, in addition to any other remedy, to revoke or suspend the Operator's Permit upon issuance of written notice of the violation(s) and failure of the Operator to cure same within the time specified therein, until any such violation is cured.
- (3) The term "gross receipts" as used herein shall mean, for all purposes hereof, in the case of each rental transaction, the greater of (i) the amount stated on the rental agreement or other documentation at the time the customer takes delivery of the vehicle, or (ii) the revenue actually received on account of such vehicle rental transaction, plus the aggregate of the entire amount of all revenues received and services performed for cash, on credit or otherwise, of every kind, name and nature arising out of or from Operator's operations at or from the Airport, regardless of actual collection, including without limitation:
 - (a) Amounts paid by customers of Operator separately billed as additional charges in consideration for waiver by Operator of its right to recover from customers for damage to the vehicle rented (commonly referred to as collision damage waiver "CDW" or loss damage waiver "LDW"), including unbundled CDW or LDW (unbundling commonly referred to as Rental Car Companies' practices of having agreements with customers that stipulate an "all inclusive" rate that, in addition to time and mileage, may include loss damage waiver, collision damage waiver, liability insurance supplement, personal accident insurance, and personal effects coverage);
 - (b) Any charges separately billed to customers for any time, mileage, pre-paid toll service, cellular phones, child seats, additional driver fees, underage or overage driver, global positioning navigational system equipment, satellite radio/data service, cellular phone/laptop/tablet charging devices, including any fees,

surcharges and all other charges, derived from or incidental to the Operator's Concession under a Permit;

- (c) Any charges separately billed to customers for prepaid fueling or as reimbursement for refueling an automobile which is rented pursuant to a rental agreement under which the customer is obligated to return the automobile with the same amount of gasoline as furnished at the inception of the rental (commonly referred to as "fuel to fill");
- (d) The amount of any corporate or volume discounts or rebates, including any discounts or adjustments granted to customers for customers service issues;
- (e) The value of pre-paid coupons and vouchers sold to corporations, tour operators or individuals, either in advance or invoiced after use, even if the rental charges are not shown on the actual closing rental agreement (For purposes of this paragraph, "value" shall mean the amount paid by the customer);
- (f) The full rate that would have otherwise been charged to those receiving complimentary automobiles, including automobiles provided to tour operators, their affiliates, representatives or other third parties for the promotion of business, or automobiles otherwise provided in exchange for goods, services, or accommodations;
- (g) Any charges separately billed to customers of Operator for Vehicle License Fee ("VLF") including all items included in the VLF line item except federal, state or municipal sales taxes or other similar taxes such as property taxes;
- (h) The amount charged for drop off fees, intercity fees or other similarly named fees that are charged to customers for one-way vehicle rentals;
- (i) The amount of all charges for rental agreements entered into although the vehicle initially rented is exchanged elsewhere and a new rental agreement is submitted therefore;
- (j) Proceeds from the sale of vehicles for retail to general consumers under no formal program or from formal programs such as "rent-to-own" or "rent-to-buy"; and
- (k) Any amounts charged by Operator to the customer as a pass through to its customer of Fees.
Except:
 - (l) The amount of any federal, state, local, sales or tourism taxes, U-Drive-It / Motor Vehicle Usage taxes or other similar taxes separately stated and collected from customers of Operator now or hereinafter levied or imposed;
 - (m) Any sums received by Operator as compensation for damage to automobiles or other property of Operator, or for loss, conversion, or abandonment of such automobiles including charges to a customer for: towing of a damaged vehicle; payment of transporters to drive a damaged vehicle to the Operator's place of business; replacement of lost or damaged keys; citations, fees, and tolls issued by law enforcement or other governmental or quasi-governmental authorities; fees for release of a vehicle from impound storage; costs for repair and/or extensive cleaning of a vehicle due to damage; and other expenses incurred by Operator and reimbursed by the customer to return a vehicle back to service because of damage,

to the extent that such charges do not exceed the actual documented cost of the costs incurred by Operator;

- (n) Customer Contract Fee (as defined later in this section);
 - (o) Any discounts separately stated on the rental agreement at the time the customer takes delivery of the vehicle, and are recorded and reported in separately documented accounts from non-excludable discounts. Operator forfeits exclusion of all discounts in the event otherwise allowable discounts are commingled with any non-excludable amounts. No exclusion shall be allowed for any amount retained by a third party as a financing discount which may apply by reason of Operator's acceptance of credit cards or other credit arrangements. No exclusion shall be allowed for the portion of retroactive rebates, dividends or refunds to any customer upon attainment of a specified volume of rentals attributable to revenue or as part of any other marketing plan which does not list the discount on the rental agreement at the commencement of the rental transaction;
 - (p) Proceeds from the sale of cars for wholesale to those other than the general consumer;
 - (q) Proceeds from the sale of Operator's capital assets.
- (4) Operator's vehicles used to pick up or drop off customers at the Airport shall be covered by auto liability insurance providing coverage for bodily injury and property damage, in the single limit amounts of not less than \$1,000,000. The Authority shall be furnished a copy of said certificate of insurance, in which the Authority shall be named an additional insured, with satisfactory assurance that said insurance will not be canceled without thirty (30) days prior written notice of such cancellation to the Authority.
- (5) Persons not having a concession agreement or other authorization from the Authority shall not rent vehicles to passengers to be picked up at the Airport, without a Permit issued in compliance with this and other Regulations of the Authority. Any Person desiring such a Permit may obtain one by duly filing an application with the Executive Director on forms provided by the Authority. Information to be furnished by applicants shall include, but may not be limited to, the following: (i) Name, form of business entity of Applicant and place of formation or incorporation; (ii) Address of applicant and designation of person and address to whom all correspondence from the Authority should be directed; (iii) Agent and registered address for service of legal process; (iv) Proof of insurance coverage required by this Regulation, including a copy of the insurance policy or certificate of insurance; (v) Any other information the Executive Director deems necessary properly to implement this Regulation. Permits issued hereunder shall expire, unless sooner terminated, on December 31 of each year. Applications for renewal permits shall follow the same procedures as for permits hereunder.

B. Rental Car Customers

- (1) Until June 30, 2022, for the privilege of using Authority-approved Airport facilities as the origin for the rental, pick-up or delivery of rental cars, or as the origin or destination for being transported or shuttled to off-airport locations for the rental of rental cars, each Rental Car Customer using such Authority-provided Airport facilities shall pay to the Rental Car Company from which it rents a car, in trust for the benefit of the Authority, a fee (the "Customer Contract Fee") of \$4.00 per day, or partial day, for each rental of any car rented at the Airport. Beginning July 1, 2022, the Customer Contract Fee shall be \$6.00 per day, or partial day, for each rental of any car rented at the Airport. The collection of a Customer Contract Fee shall be limited to the first seven (7) days of any customer rental agreement.

- (2) For purposes of this Section, the term "Rental Car Customer," shall mean any person or entity who rents a car, truck or other motorized vehicle.
- (3) For purposes of this Section, the term "Rental Car Company" shall mean any person or entity who rents cars, trucks or other motorized vehicles, or who picks up customers in contemplation of renting cars, trucks or other motorized vehicles, at the Airport, all whether pursuant to a concession agreement, a permit or otherwise.
- (4) For purposes of this Section, the term "Rental Car Transaction" shall mean the rental of one car, truck or other motorized vehicle by one person, one entity or one combination of persons and/or entities, for an uninterrupted period of time.

607 FLIGHT CREW PARKING – LOUISVILLE MUHAMMAD ALI INTERNATIONAL AIRPORT

Parking for flight crew members, who are employed by air carriers who provide regularly scheduled service in the terminal building at Louisville Muhammad Ali International Airport, will be provided by the Authority for a fee of One Hundred and Eighty Dollars (\$180.00) per year. Such fee is to be paid annually at the time the parking access is granted or annual renewal thereof. Parking privileges are at the discretion of the Executive Director.

608 INSURANCE REQUIREMENTS

A. General Requirements

- (1) Except under the terms and conditions of a lease, license, contract, permit or other agreement issued by the Authority which provides for a different limit, any Person conducting a commercial operation of any kind on or from the Airport shall be required to provide, at such Person's sole expense, certificates of insurance in a company or companies acceptable to the Authority in which insurance the Authority shall be named an additional insured, in the following minimum amounts:
 - (a) For activities conducted on the runways or taxiways at Louisville Muhammad Ali International Airport, liability insurance coverage for property damage and bodily injury in the single limit amount of \$10,000,000.00; and
 - (b) For activities conducted in the AOA, liability insurance coverage for property damage and bodily injury in the single limit amount of \$2,000,000.00; and
 - (c) For all activities conducted outside the AOA, \$1,000,000.00 combined single limit liability insurance coverage; and
 - (d) Workers' Compensation insurance covering all employees of such commercial operation in the amounts required by law.
 - (e) For all Ground Transportation Operators, auto liability insurance providing coverage for bodily injury and property damage, in the single limit amounts as set forth by the Commonwealth of Kentucky. The amounts and kinds of insurance required under a lease, contract, license, permit or other agreement may be different from that herein, but in no case shall such insurance coverage be less than the minimums herein specified.
- (2) The Authority shall review the insurance requirements annually in comparison with industry standards and availability.

B. Bowman Field Minimum Standards Insurance Requirements

- (1) Commercial Operators shall be required to provide, at such Person's sole expense, certificates of insurance in a company or companies acceptable to the Authority in which insurance the Authority shall be named an additional insured, in the following minimum amounts:
 - (a) Fixed Based Operators - public liability insurance issued by an insurance company or companies acceptable to the Authority, with combined single limits of not less than \$5,000,000, which provides coverage for public liability, property damage, bodily injury, and automotive and on-airport automotive liability both licensed and unlicensed, (ii) not less than \$1,000,000 of hangar keeper and aircraft liability insurance coverage, and (iii) not less than \$2,000,000 products liability insurance coverage.
 - (b) Specialized Aviation Service Operators
 - (i) Aircraft Maintenance and Repair Services – At a minimum, public liability insurance issued by an insurance company or companies acceptable to the Authority, with combined single limits of not less than \$2,000,000, which provides coverage for public liability, property damage, bodily injury, and automotive and on-airport automotive liability both licensed and unlicensed, (ii) not less than \$1,000,000 of hangar keeper and aircraft liability insurance coverage, and (iii) not less than \$2,000,000 products liability insurance coverage.
 - (ii) Avionics, Instrument, and/or Propeller Maintenance Services – At a minimum, public liability insurance issued by an insurance company or companies acceptable to the Authority, with combined single limits of not less than \$2,000,000, which provides coverage for public liability, property damage, bodily injury, and automotive and on-airport automotive liability both licensed and unlicensed, (ii) not less than \$1,000,000 of hangar keeper and aircraft liability insurance coverage, and (iii) not less than \$2,000,000 products liability insurance coverage.
 - (iii) Aircraft Rental/Flight Training - At a minimum, public liability insurance issued by an insurance company or companies acceptable to the Authority, with combined single limits of not less than \$1,000,000, with a per seat limit of \$100,000.
 - (iv) Aircraft Sales - At a minimum, public liability insurance issued by an insurance company or companies acceptable to the Authority, with combined single limits of not less than \$1,000,000.
 - (v) Other Commercial Aeronautical Activities – Limits of liabilities shall be determined by type of service and products being offered and shall be defined in a permit, agreement or other contractual document with the Authority.
- (2) Independent Operators
 - (a) Mechanics - At a minimum, public liability insurance issued by an insurance company or companies acceptable to the Authority, with combined single limits of not less than \$1,000,000.
 - (b) Flight Instructors - At a minimum, public liability insurance issued by an insurance company or companies acceptable to the Authority, with combined single limits of not less than \$1,000,000, with a per seat limit of \$100,000.

C. **Non-Signatory Airlines**

Any air carrier operating into Louisville Muhammad Ali International Airport that is not operating under a contractual agreement with the Authority shall provide at such company's sole expense, certificates of insurance in a company or companies acceptable to the Authority in which insurance the Authority shall be named an additional insured, in the following minimum amounts:

- (1) Aircraft liability insurance and comprehensive form general liability insurance, covering bodily injury, personal injury, property damage, cross-liability, products/completed operations liability, premise liability, war risk coverage and contractual liability with the following liability limits which shall be combined single limit per occurrence, on occurrence form policy.
 - (a) For Airlines operating Airplane Design Group (ADG) I – fifty million dollars (\$50,000,000)
 - (b) For Airlines operating Airplane Design Group (ADG) II – one hundred million dollars (\$100,000,000)
 - (c) For Airlines operating Airplane Design Group (ADG) III – five hundred million dollars (\$500,000,000)
 - (d) For Airlines operating Airplane Design Group (ADG) IV – five hundred million dollars (\$500,000,000)
 - (e) For Airlines operating Airplane Design Group (ADG) V – seven hundred fifty million dollars (\$750,000,000)
 - (f) For Airlines operating Airplane Design Group (ADG) VI – seven hundred fifty million dollars (\$750,000,000)

With respect to coverage for products/completed operations and personal injury, except with respect to passengers, a sublimit of not less than twenty five million dollars (\$25,000,000) per occurrence, and in the annual aggregate, shall be permitted with the approval of the Authority. Said aircraft liability shall be applicable to owned, non-owned, and hired aircraft.

- (2) Automobile liability insurance with a liability limit of not less than ten million dollars (\$10,000,000) for all owned, non-owned, and hired vehicles operated by or on behalf of Airline at the Airport, including any additional or replacement vehicles.
- (3) Liquor liability insurance for Airline serving alcoholic beverages in an amount not less than twenty-five million dollars (\$25,000,000) per occurrence.
- (4) Hangarkeepers liability insurance or other appropriate insurance in an amount adequate to cover any aircraft or non-owned property in the care, custody and control of Airline at Airport, but in any event in an amount not less than fifty million dollars (\$50,000,000) per occurrence.
- (5) Employer's liability insurance in an amount not less than one million dollars (\$1,000,000) per occurrence.
- (6) Airline shall likewise maintain workers' compensation insurance or evidence of self-insurance, in accordance with the laws of the Commonwealth of Kentucky, covering all its employees who may from time to time be at the Airport in such capacity. Airline shall require each of its agents, licensees, subcontractors, and suppliers of the leased premises to maintain such workers' compensation insurance covering their employees coming on Airport premises in connection with Airline's operations hereunder. Upon request by the

Authority, Airline shall furnish the Authority with evidence of such workers' compensation insurance in a form acceptable to the Authority. However, in no circumstance will the Authority be required to provide Worker's Compensation coverage for any Airline's employee, officer, representative, agent, contractor, subcontractor, supplier, vendor or any other person in connection with any work performed on the Airport or in any way connected to the operations of the Airport.