

## **AGREEMENT FOR MARKETING INCENTIVES**

**THIS AGREEMENT** is made and entered as of the date indicated on the City's signature page below, by and between the **CITY AND COUNTY OF DENVER** (the "**City**"), a Colorado municipal corporation, and **UNITED AIRLINES, INC.**, a certified air carrier with its principal place of business in Chicago, Illinois and authorized to do business in the State of Colorado (the "**Airline**") (collectively referred to herein as the "**Parties**").

### **W I T N E S S E T H**

**WHEREAS**, the City owns and operates Denver International Airport ("**DEN**"); and

**WHEREAS**, the Airline will commence regular passenger service between Frankfurt, Germany ("**FRA**") and DEN, on or about May 2, 2019; and

**WHEREAS**, the City's Air Service Incentive Program is intended to support new air service to DEN, in part through marketing new passenger service; and

**WHEREAS**, the City wishes to obtain professional services to specifically promote public and industry awareness and use of DEN facilities and Airline's new regular passenger services between FRA and DEN; and

**WHEREAS**, the Airline is ready, willing and able to provide or cause to be provided the services required by the City, and to perform the services called for hereunder subject to the conditions hereinafter set out;

**NOW, THEREFORE**, for and in consideration of the premises and other good and valuable consideration, the parties hereto agree as follows:

1. **LINE OF AUTHORITY:** The Chief Executive Officer of the Airport (the "**CEO**"), or her designee or successor in function authorizes and directs all work performed under this Agreement. Until otherwise notified by the CEO, the Airport's Director of Air Service Development ("**Director**") is designated as the authorized representative of the CEO through whom services performed under this Agreement shall be directed and coordinated and whose approval shall be deemed to be the approval of the CEO. In furtherance of the foregoing, any reference to the CEO hereinbelow shall be deemed a reference to the Director unless notified, in writing, by the CEO. The Director may designate a Project Manager, if applicable, under this Agreement.

2. **SCOPE OF SERVICES:** All work performed under this Agreement shall be done in a manner consistent with the spirit and intent of the Air Service Incentive Program, as explained

in the attached *Exhibit A*. The Airline shall provide to the City a comprehensive marketing strategy, that includes the creative rendering, media plan and work flow for the work to be performed hereinunder, in writing (the “**Scope of Services**”), which is attached hereto as *Exhibit B*. By City’s execution of this Agreement, the City hereby memorializes its approval of the Scope of Services and the amount or amounts to be paid by the City for the publications, events, materials, advertising campaigns, marketing programs, and advertisements. In consideration of the City’s agreement to pay the Maximum Contract Liability to Airline, the Airline will promptly undertake, perform and furnish (or cause to be promptly undertaken, performed and furnished) the services hereinafter described in this Agreement and the Scope of Services, including the following tasks:

- A. Initiation and implementation of promotional events, advertising campaigns and marketing programs directed toward promoting public and industry awareness of the new services offered by Airline at DEN, in a manner consistent with advertising norms and customs in the United States, which promotional event, advertising campaigns and marketing programs may be conducted in any location or media, including in Germany.
- B. Development of support materials promoting the benefits of DEN to targeted travelers in specific markets selected by Airline, highlighting Denver and DEN as the international gateway to the Rocky Mountain region; and, highlighting the characteristics making DEN the gateway of choice for the region for an increasing number of passengers.

Nothing in this Agreement shall preclude the Airline from undertaking any advertising, marketing, or promotional program that it, in its sole discretion, deems appropriate. It is agreed, however, that if the particular advertising, marketing or promotional activity is not approved by the City pursuant to this Agreement, it will not be included in the Airline's invoices to the City.

3. **NATURE OF SERVICES TO BE PERFORMED:** The Airline shall consult with and receive the approval of the City in the development of the Scope of Services. To the extent the campaign, promotional events, advertising, and marketing program are not consistent with the requirements of this Agreement or the Scope of Services, Airline shall obtain the approval from the City for such campaign, promotional events, advertising and marketing program not consistent with the Scope of Services or this Agreement. Airline agrees to diligently and professionally perform all the work described herein, and provide services consistent with the following:

A. Publications: The Airline agrees that when printed materials are used, the name “Denver International Airport” or “DEN,” with or without its logo, shall appear prominently on the material.

(1) Collateral. The Airline may produce and distribute brochures promoting the benefits of DEN to targeted travelers in specific markets selected by the Airline, highlighting Denver and DEN as the international gateway to the Rocky Mountain region; and, highlighting the characteristics making DEN the gateway of choice for the

region for an increasing number of passengers.

(2) Direct Mail. The Airline may produce and distribute a direct mail piece for distribution in Denver to announce the Airline's new non-stop service at DEN.

(3) Press Kits. The Airline may create a press kit to be distributed to the media featuring the Airline's new service at DEN.

B. Promotional Events: The Airline agrees that when special events, promotions or receptions are selected as the promotional vehicle, the CEO shall be involved in approving targeted audiences.

C. Advertising Campaign: The Airline agrees that for any advertising created for this purpose, the name "Denver International Airport" or "DEN" shall appear prominently in any such advertising. The Airline will produce and implement an advertising campaign related to the new service planned at DEN. This campaign should include, but is not limited to, print and media costs associated with advertising projects which promote DEN and the Airline's new service both to the traveling public and to trade members of the airline industry.

D. Placement of Advertising: The Airline shall place no advertisement created pursuant to this Agreement in any media without the prior written approval by the CEO of the content and placement of the advertisement, which approval shall not be unreasonably withheld, conditioned or delayed. The CEO shall approve or disapprove any advertising, marketing, or promotional materials submitted to the City within seventy-two (72) hours of the City's receipt thereof. If the CEO has not approved or disapproved such advertising, marketing, or promotional materials submitted to the City within such seventy-two (72) hour period, such materials shall be deemed approved by the CEO. Nothing in this Agreement shall preclude the Airline from undertaking any advertising, marketing, or promotional program that it, in its sole discretion, deems appropriate. It is agreed, however, that if the particular advertising, marketing or promotional activity is not derived from the Scope of Services approved by the City pursuant to this Agreement or deemed approved as provided above, it will not be included in the Airline's invoices to the City.

E. Use of Funds: All funds provided under this Agreement must go directly toward production of materials and/or placement of marketing for flights between Denver and FRA. Funds provided under this Agreement may be used for other advertising, special events, promotional items, or marketing activities only with the prior written approval of the CEO. However, under no circumstances shall funds provided under this Agreement be used to offset any other Airline cost.

#### 4. **COMPENSATION AND FEES:**

A. Compensation for Services: The City agrees to pay to the Airline, and the Airline agrees to accept as its sole compensation for its complete costs incurred and services rendered hereunder, all costs (up to the Maximum Contract Liability) incurred by Airline in

undertaking the development of the campaign or promotional event, placing and publishing advertising, and developing a marketing program and the provisions of the Scope of Services, in all cases consistent with the requirements of this Agreement. Airline shall obtain the City's consent for any campaign, promotional event, or marketing program undertaken by the Airline that is not consistent with the Scope of Services and for the cost of which Airline anticipates to get reimbursed by the City. All such sums shall be paid subject to these provisions and to the refund and surety provisions of Section 8 of this Agreement.

B. Pro rata Compensation: Airline's current published schedule is three hundred and twenty-two departures (322) in the first year of service (May 2, 2019 to May 1, 2020) (the "**Current Schedule**"). In the event the frequency of service is adjusted by Airline during the Term of the Agreement, the compensation stated herein will be adjusted accordingly, provided the service is not discontinued or reduced to less than fifty percent (50%) of the Current Schedule.

C. Invoices: The Airline shall submit invoices for payment, which shall be stated in U.S. dollars, and which shall include the following items:

- (1) The date and nature of the services rendered.
- (2) Adequate documentation to support the invoice, including, to the extent not previously provided to the City, documentation of the content of any advertisements placed and published pursuant to this Agreement, and currency exchange rate calculation for any services paid in foreign currency, which calculation shall be based on USD/the relevant foreign currency mid-rate for the date of the transaction, and
- (3) The signature of an authorized officer of the Airline, certifying that the invoice has been examined and has been found to be correct.

The Airline shall promptly provide on request from the City additional supporting documentation reasonably requested in connection with any invoice submitted by the Airline for payment under this Agreement. The City shall remit all payments to Airline due hereunder in accordance with Section 22 hereof.

5. **PAYMENT FOR PARTIAL SERVICES**: If the Agreement is terminated without cause pursuant to Paragraph 8A, the Airline's total compensation shall be limited to the sum of invoices which have already been submitted, audited and approved at the time of termination, plus the costs which have been incurred and the reasonable value of services rendered prior to termination, but have not been approved for payment at the time of termination. The reasonable value of any such subsequent billed cost or service shall be evidenced by an invoice provided by Airline (and such other documents substantiating such invoice as reasonably requested by the City, including Airline's proof of payment) for services rendered. If upon termination any amounts are due and owing to Airline under this Agreement, Airline agrees that the City shall be

entitled to offset amounts due and owing to Airline under this Agreement against any amounts due and owing from Airline for landing fees under the Landing Fees Incentive Agreement.

**6. MAXIMUM CONTRACT LIABILITY:**

A. Any other provisions of this Agreement notwithstanding, in no event shall the City be liable for payment under this Agreement for any amount in excess of **Two Million United States Dollars and No Cents (US 2,000,000.00)** (the “**Maximum Contract Liability**”), which Maximum Contract Liability amount provided above is based upon the number of flights operated by the Airline between DEN and FRA for the first year of service (and given that the Airline’s service contemplated hereunder is one year, it is a prorated amount of the total marketing incentive available for weekly service of five (5) days per week, for a full twelve (12) months).

The Airline shall not decrease the frequency of service to less than fifty percent (50%) of the Current Schedule. If the Airline does not provide non-stop service between FRA and DEN at a minimum of fifty percent (50%) of the Current Schedule during the first year of service, then the incentives shall terminate from and after the date Airline ceases to provide non-stop service between FRA and DEN at a minimum of fifty percent (50%) of the Current Schedule during the first year of service.

B. Payment under this Agreement shall be paid from the Airport System Fund. The City has no obligation to make payments from any other source, nor to issue additional revenue bonds to satisfy such costs. The City is not under any obligation to make any future encumbrances or appropriations for this Agreement nor is the City under any obligation to amend this Agreement to increase the Maximum Contract Liability above.

**7. TERM:** The Term of this Agreement shall **commence on May 2, 2019, and shall terminate on May 1, 2020**, unless sooner terminated as provided for herein.

**8. TERMINATION; REFUND OF PAYMENTS:**

A. Termination: Either Party may cancel and terminate this Agreement without cause by giving not less than thirty (30) days prior written notice to the other Party, and may cancel and terminate this Agreement with cause by giving not less than ten (10) days prior written notice to the other Party. Any such notice shall state the effective date of such cancellation and termination. If the CEO elects to cancel or terminate the Agreement, immediately upon receipt of the notice, the Airline shall cease all further work, take all reasonable and necessary steps or procedures to curtail and hold additional cost occurrence to a minimum, and commence an orderly termination of the Agreement. Upon any termination of this Agreement as provided herein, the City shall nevertheless pay Airline all amounts due to Airline hereunder or all amounts incurred by Airline on or prior to the date of Airline’s receipt of such notice of termination from the City. This provision shall survive the expiration or any earlier termination of this Agreement.

B. Refund of Payments: If the City or the Airline terminates this Agreement for cause, including but not limited to if the Airline does not provide non-stop service between

FRA and DEN at a minimum of fifty percent (50%) of the Current Schedule, then all amounts paid to the Airline by the City under this Agreement shall be refunded to the City within thirty (30) days of the date of the notice of termination. This provision shall survive the termination of this Agreement or expiration of the Term.

9. **OWNERSHIP OF WORK PRODUCT:** Each Party agrees that it has no ownership interest in and will not infringe or interfere with any trademark, servicemark, symbol, logo, trade dress or intellectual property of the other Party, but may use such upon the express written permission of the Party owning the protected property. It is understood and agreed that all drawings, promotion media and other documents which are created by the Airline shall remain the property of the Airline, and the City may use such drawings, promotion media or other documents with the express written permission of the Airline; however, the Airline shall not be held liable for damage resulting from any use of said documents.

10. **ADVERTISING AND PUBLIC DISCLOSURES:** The Airline shall not include any reference to this Agreement or to work performed hereunder in any of its advertising or public relations materials without first obtaining the written approval of the CEO. Any oral presentation or written materials related to DEN and in connection with this Agreement shall include only presentation materials, work product, designs, renderings and technical data that are consistent with the Scope of Services and have been otherwise approved or deemed approved by the City. The CEO shall be notified at least seven (7) days in advance of the date and time of any such public disclosure regarding this Agreement or the work to be performed hereunder. Nothing herein, however, shall preclude the transmittal of any information to officials of the City, including without limitation, the Mayor, the CEO, any member or members of City Council, and the Auditor.

11. **COORDINATION AND LIAISON:** The Airline agrees that during the term of this Agreement it shall fully coordinate all services provided pursuant to this agreement with the Director.

12. **STATUS OF AIRLINE:** The Airline acknowledges and agrees that they are parties to an Airport Use and Facilities Lease Agreement, dated January 7, 1992 (as amended and supplemented from time to time, the “**Existing Agreement**”) and that the Airline has become a Signatory Airline as defined in DEN’s Rules and Regulations. This Agreement is expressly subject to all of the terms and conditions set forth in the Existing Agreement. It is further understood and agreed by and between the parties hereto that the status of the Airline shall be that of an independent contractor retained on a contractual basis to perform professional or technical services for limited periods of time as described in Section 2.11.3(C) of the Charter of the City, and it is not intended nor shall it be construed that the Airline, its employees or subcontractors are employees or officers of the City under Chapter 18 of the Revised Municipal Code or for any purpose whatsoever.

13. **AIRLINE’S INSURANCE:** The Airline agrees to insure its operations in accordance with the terms of the Existing Agreement.

14. **NO THIRD PARTY BENEFICIARIES:** The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to the City and Airline, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person on such Agreement. It is the express intention of the City and the Airline that subconsultants and any other person other than the City or the Airline receiving any benefits from this Agreement shall be deemed to be incidental beneficiaries only.

15. **ASSIGNMENT:** The Airline covenants and agrees that it will not assign or transfer its rights hereunder; provided, however, nothing contained herein shall preclude the Airline from engaging third party contractors to provide the Scope of Services hereunder. Except as provided in the immediately preceding sentence, any attempt by the Airline to assign or transfer its rights hereunder shall automatically terminate this Agreement and all rights of the Airline hereunder.

16. **APPROVAL AND APPROVAL BY ELECTRONIC COMMUNICATION:** Any approval given by the CEO (or the Director as the CEO's designee as provided in Section 1 above) hereunder, shall be deemed approval of the City hereunder. Further, any approval of the city or Airline required hereunder may be given to the other Party via email communication at the following respective email address for each Party: If to the City, to Laura Jackson at [Laura.Jackson@flydenver.com](mailto:Laura.Jackson@flydenver.com). If to the Airline, to Jason Chu at [Jason.Chu@united.com](mailto:Jason.Chu@united.com).

17. **EXAMINATION OF RECORDS:** The Airline agrees that, until the expiration of three (3) years after the final payment under this Agreement, the CEO and City Auditor or any of their duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers and records of the Airline involving transactions related to work performed under this Agreement. The Airline, upon request by either, shall make such books and records available for examination and copying in Denver.

17. **FEDERAL PROVISIONS:** This Agreement is subject and subordinate to the terms, reservations, restrictions and conditions of any existing or future agreements between the City and the United States, the execution of which has been or may be required as a condition precedent to the transfer of federal rights or property to the City for airport purposes, and the expenditure of federal funds for the extension, expansion or development of DEN. The provisions of the attached *Appendix A* are incorporated herein by reference. The City represents and warrants that (a) this Agreement is in compliance with the City's Air Incentive Program, and (b) the incentives provided hereunder, and the City's Air Incentive Program are in compliance with Federal Aviation Administration (the "FAA") Air Carrier Incentive Program and the FAA's Air Carrier Incentive Program Guidebook.

18. **NOTICES:** Notices concerning termination of this Agreement, notices of alleged or actual violations of the terms or provisions of this Agreement, and other notices shall be made as follows:

By Airline to: Chief Executive Officer  
Airport Office Building, 9<sup>th</sup> Floor  
Denver International Airport  
8500 Peña Boulevard  
Denver, Colorado 80249

By City to: United Airlines, Inc.  
Attn: Jason Chu  
233 South Wacker Dr.  
Chicago, IL 60606  
Email: [Jason.Chu@united.com](mailto:Jason.Chu@united.com)  
Telephone: 872-825-6814

Said notices shall be delivered personally during normal business hours to the appropriate office above or by prepaid certified mail, return receipt requested. Mailed notices shall be deemed effective upon deposit with the U.S. or German Postal Service. Either Party may from time to time designate substitute addresses or persons where and to whom such notices are to be mailed or delivered, but such substitutions shall not be effective until actual receipt of written notification thereof.

19. **NON-DISCRIMINATION:** In connection with the performance of work under this Agreement, Airline agrees not to refuse to hire, nor to discharge, promote or demote, nor to otherwise discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and Airline further agrees to insert the foregoing provision in all subcontracts hereunder.

20. **DISPUTES:** It is agreed and understood by the parties hereto that disputes arising under or related to this Agreement shall be resolved by the procedure set forth for resolution of disputes between Airline and the City in the Existing Agreement.

21. **AGREEMENT MADE IN COLORADO; VENUE:** This Agreement shall be deemed to have been made in and shall be construed in accordance with the laws of the State of Colorado. Venue for any action arising hereunder shall be in Denver, Colorado.

22. **PROMPT PAYMENT:** Payments under this Agreement will be made to the Airline in accordance with the City's Prompt Payment Ordinance, D.R.M.C., Section 20-107, et seq., Denver Revised Municipal Code, subject to the Maximum Contract Liability set forth herein. Payments shall be based upon monthly invoices and receipts submitted by Airline in accordance with the provision of this Agreement and that have been audited and approved by the City. The Airline agrees that interest and late fees shall be payable by the City hereunder only to the extent



authorized and provided for in the City's Prompt Payment Ordinance. For any subcontractor or subconsultant engaged by Airline under this Agreement, the Airline is subject to Section 20-112, D.R.M.C., requiring the Airline to pay its subconsultants in a timely fashion. A payment is timely if it is mailed to the subconsultant no later than seven (7) days after receipt of any payment from City.

23. **ENTIRE AGREEMENT:** The parties acknowledge and agree that the provisions contained herein constitute the entire agreement and that all representations made by any officer, agent or employee of the respective parties unless included herein are null and void and of no effect. No alterations, amendments, changes or modifications, unless expressly reserved herein, shall be valid unless executed by an instrument in writing by all the parties with the same formality as this agreement.

24. **CITY EXECUTION OF AGREEMENT:** This Agreement is expressly subject to and shall not be or become effective or binding on the City until it has been approved by City Council, if so required by law, and fully executed by all signatories of the City and County of Denver. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same, and it may be signed electronically by either Party in the manner specified by the City.

**END OF DOCUMENT  
APPENDIX, SIGNATURE PAGES, AND EXHIBITS FOLLOW**

## APPENDIX A

### COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS

NOTE: As used below the term "Contractor" shall mean and include Airline, and the term "sponsor" shall mean the "City."

During the term of this Contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

1. **Compliance with Regulations.** The Contractor will comply with the Title VI List of Pertinent Non-Discrimination Statutes and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made part of this Agreement.

2. **Nondiscrimination.** The Contractor, with regard to the work performed by it during this Agreement, will not discriminate on the grounds of race, creed, color, national origin, or sex in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and Regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

3. **Solicitations for Subcontractors, Including Procurements of Materials and Equipment.** In all solicitations, either by competitive bidding or negotiation, made by the Contractor 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 the Contractor of the Contractor's obligations under this Agreement and the Acts and Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. **Information and Reports.** The Contractor will provide all information and reports required by the Acts, Regulations or 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 sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the sponsor or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance.** In the event of a Contractor's noncompliance with the nondiscrimination provisions of this Agreement, the sponsor will impose such Contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the Contractor under this Agreement until the Contractor complies, and/or;
- b. Cancelling, terminating, or suspending this Agreement, in whole or in part.

6. **Incorporation of Provisions.** The Contractor will include the provisions of paragraphs one (1) through six (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations or directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the sponsor to enter into such litigation to protect the interests of the sponsor. In addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Contract Control Number: PLANE-201947887-00

Contractor Name: UNITED AIRLINES INC

By: 

Name: Elias Manneh  
(please print)

Title: Int'l Marketing - Manager.  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)



**Contract Control Number:**

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

**CITY AND COUNTY OF DENVER**

ATTEST:

By \_\_\_\_\_

\_\_\_\_\_

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

By \_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_



# Exhibit A

## Air Service Incentive Program

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**Goal: To increase nonstop scheduled air service and passenger traffic at Denver International Airport, and to sustain this service over the long-term.**

- Promotional benefits offered to any air carrier announcing qualifying scheduled passenger service between Sept. 1, 2018 and August 31, 2019 (one-year period);
- Incentive funds are limited and may expire at any time during the course of this one-year period.

### Promotional Period

The Promotional Period is defined as the first consecutive 12 or 24 months immediately following the initiation of eligible new service.

### Qualifying Criteria

- Carrier must offer daily nonstop scheduled passenger service from Denver International Airport to the eligible market; if service is less than five times weekly, the marketing incentive benefit will be prorated as detailed in the table (operational incentive is not prorated).
- The carrier must provide the service for 12 or 24 consecutive months; seasonal service is also eligible; if service is seasonal the marketing incentive benefit will be prorated accordingly as detailed in the table (operational incentive is not prorated).
  - The 12-month period applies to international markets that already have nonstop service from Denver, and to new entrant domestic carriers that are serving currently served domestic markets.
  - The 24-month period applies to all other markets, both international and domestic.
- Charter operations, including operators under Parts 121, 135 and 380, are not eligible.
- All conditions for receiving the benefits will be documented in a contract between the City and County of Denver and the qualifying carrier which is subject to final approval by the appropriate officials at the City and County of Denver.
- If the carrier does not meet the minimum schedule level (defined below) for a period of 12 or 24 consecutive months immediately following the initiation of the route then all amounts paid by the City and County of Denver for marketing activities shall be refunded to the City and County of Denver, and all refunds credited to the carrier shall be refunded to the City and County of Denver.

### Promotional Incentive

The Promotional Incentive includes an operational incentive and a marketing incentive; incentive amounts are outlined in this PDF.

#### *Operational Incentive*

- The operational incentive is administered by the City & County of Denver, Department of Aviation.
- Operational incentives are administered through credits.
- Operational incentive available to carriers:
  - Refund per enplaned passenger.
- The refund per enplaned passenger cannot exceed the carrier's cost to operate at DEN.
- The carrier will report enplanement numbers to DEN monthly at the same time as the carrier reports total passengers numbers to DEN.

### *Marketing Incentive:*

- The marketing incentive is administered by the City & County of Denver, Department of Aviation.
- The carrier will develop a marketing plan that will be approved by the Department of Aviation Project Manager assigned to administer the contract.
- The marketing plan will promote public and industry awareness of the new services offered by the carrier at Denver International Airport, and will promote travel to/from/through Denver International Airport.
- The Department of Aviation Project Manager is responsible for executing the marketing plan in cooperation with the carrier.
- An initial draft of the marketing plan must be submitted to the Department of Aviation Project Manager within 60 business days of airline's notification to DEN that the carrier intends to take the marketing incentive; if the carrier does not provide a draft marketing plan within 60 business days, the City & County of Denver reserves the right to end negotiations.

*Note: Carrier can choose to increase marketing incentive by decreasing the operational incentive; the maximum incentive amount remains the same. If a new domestic entrant is providing service to an unserved destination, the new domestic entrant can choose either the "Unserved Destination" option or the "New Entrant" option.*

## **Eligible Markets**

### *Domestic*

- Domestic markets without scheduled or charter passenger service are eligible (unserved by scheduled or charter service as of Sept. 1, 2018).
- Domestic markets that are unserved from Denver but had nonstop scheduled or charter service from Denver within the one year prior to a carrier announcing new service are not eligible.
- Domestic markets that fall under the federally subsidized Essential Air Service (EAS) program are not eligible.
- A new domestic carrier (new entrant) can receive a marketing incentive even if the service they are providing is to a domestic market that is currently served nonstop from Denver; note that the new carrier incentive, if it is to a market that is currently served, is only eligible for an incentive for a period of one year (12 months).
- A new domestic carrier (new entrant) is not eligible for an incentive if the market(s) served are not deemed eligible markets, as described above.

### *International*

- All international markets are eligible including currently served markets; currently served international markets are only eligible for an incentive for a period of one year (12 months) and markets without nonstop service are eligible for an incentive for a period of two years (24 months).
- The carrier adding new service must not have operated service to the market (or a market within 100 miles) over the preceding 12-month period.

## **Minimum Service Level**

The carrier may adjust its frequency of service during the term of the agreement; however, the carrier shall not decrease the frequency of service to less than fifty percent (50%) of the initial amount of initially published service, the calculation of which will be averaged over the course of a year.

## Primary Carrier

- The primary carrier is defined as the marketing carrier for the new service.
- Denver International Airport will enter into incentive agreements with only the primary carrier.

## Notice of Intent to Enter into Incentive Agreement

A carrier eligible for an incentive must notify Denver International Airport within 60 days of service announcement of the intention to take advantage of the incentive.

## Signed Agreement Requirement

A carrier eligible for an incentive must sign the agreement within 45 business days of receipt from the City & County of Denver. If the carrier does not sign the agreement within 45 business days, the City & County of Denver reserves the right to end negotiations.

DENVER INTERNATIONAL AIRPORT AIR SERVICE INCENTIVE PROGRAM						
DOMESTIC AIR SERVICE INCENTIVE						
	REFUND PER ENPLANEMENT	MARKETING FUNDS			MAXIMUM INCENTIVE	
Unserviced Destination	<b>\$5</b> \$250K maximum over 2 years	<b>\$250K</b> 5-7+ weekly frequencies	<b>\$125K</b> 3-4 weekly frequencies	<b>\$25K</b> 1-2 weekly frequencies	<b>\$10K</b> <1 weekly frequency	<b>\$500K</b>
New Entrant	<b>NONE</b>	<b>\$500K</b> 5-7+ weekly frequencies	<b>\$250K</b> 3-4 weekly frequencies	<b>\$100K</b> 1-2 weekly frequencies	<b>\$25K</b> <1 weekly frequency	<b>\$500K</b>
INTERNATIONAL AIR SERVICE INCENTIVE						
	REFUND PER ENPLANEMENT	MARKETING FUNDS			MAXIMUM INCENTIVE	
North & Central America - Canada, Caribbean, Central America, Mexico	<b>\$20</b> \$1M maximum over 2 years	<b>\$1M</b> 5-7+ weekly frequencies	<b>\$500K</b> 3-4 weekly frequencies	<b>\$100K</b> 1-2 weekly frequencies	<b>\$25K</b> <1 weekly frequency	<b>\$2M</b>
South America, Europe, Asia, Middle East, Africa, Oceania	<b>\$30</b> \$4M maximum over 2 years	<b>\$2M</b> 5-7+ weekly frequencies	<b>\$1M</b> 3-4 weekly frequencies	<b>\$500K</b> 1-2 weekly frequencies	<b>\$250K</b> <1 weekly frequency	<b>\$6M</b>

Program is in effect for airlines announcing eligible service between Sept. 1, 2018 and Aug. 31, 2019; frequencies calculated annually.



**IAT Integrated Media Brief | Original  
Draft dated January 29, 2019**

Campaign / Project / Initiative*	Timeframe / Flight Dates*
<p><b>Campaign:</b> Denver (DEN)– Frankfurt (FRA)</p> <p><b>Description:</b> United Airlines is offering new nonstop year-round service from Denver International Airport to Frankfurt, Germany.</p>	<p><b>Flight Dates:</b> Service starts May 2nd 2019.</p> <p><b>Media Dates:</b> Launch April 1st 2019.</p>
<b>Key Stakeholders*</b>	
Daniel Cuellar	Global Advertising Director
Elias Manneh	EMEA & Latin America Manager
Kristel Bell	Global Sr. Marketing Representative
Sadia Khan	Sr. Manager Digital Marketing
Ryan Cahill	Manager Digital Marketing
Ad Team Leslie Elias Manneh POC	Paid Social
<b>KEY STRATEGIC QUESTIONS</b>	
<b>Overall Business Objective   What is the business imperative for this change?</b>	
<ul style="list-style-type: none"> <li>• This is United’s only year-round flight from Denver International Airport to Europe and the only one to continental Europe, last summer service started from Denver International Airport to London Heathrow. This year round route, operates daily throughout the IATA summer season (roughly Apr-Oct), and 5x per week during the winter (~Nov-May), flying all days except Tue/Wed.</li> <li>• United already has a significant schedule from the USA to Germany, this is the 15th nonstop from a US hub to Germany.</li> </ul>	
<b>Communication Objective*</b>	
<ul style="list-style-type: none"> <li>• Increase brand awareness of new nonstop year-round service, promote travel to/from/through Denver International Airport and acquire those customers in the long run in order to generate more revenue.</li> </ul>	
<b>Perceived Barriers or Challenges   What is currently preventing you from achieving those objectives?</b>	
<ul style="list-style-type: none"> <li>• British Airways – flies DEN-LHR, and connects to many of the same European destinations.</li> <li>• Norwegian – Ultra low cost carrier flying DEN-CDG &amp; DEN-LGW.</li> <li>• Icelandair – Ultra low cost carrier flying DEN-KEF, and connecting passengers onwards to Europe.</li> </ul>	
<b>AUDIENCE</b>	

<b>Target Audience*</b>   Define the target recipient of media communications related to this campaign	
<p>Customers are expected to be business and leisure travelers. 70% from the US POS and 30% from DE Germany POS.</p> <p>People flying with purpose:            Gender and ethnically diverse.            Age: 20+            Ranking in top 50% of HH income, ranging from \$75k-\$155k            Experience-driven</p> <p>Travel represents opportunity for:</p> <ul style="list-style-type: none"> <li>•Discovery &amp; Exploration</li> <li>•Personal &amp; Professional Growth</li> <li>•Self Care &amp; Leisure</li> <li>•Global Understanding &amp; Connections</li> </ul>	
<b>Perception Shifts</b>   How does / how do we want the audience think, feel and act regarding the subject of this campaign?	
Current: Consumer is not aware of this route.	Desired: Consumer to consider United Airlines when traveling from Denver International Airport to Frankfurt, Germany.
<b>Key Messages*</b>   Define the key takeaways for the audience; include URLs, hashtags, etc.	
<p><b>Primary:</b> New nonstop year-round service from Denver International Airport to Frankfurt, Germany.</p> <p><b>Secondary:</b> Promote the Boeing 787-8 Dreamliner. It's among the most technologically advanced and most environmentally friendly jetliner in our fleet. For more info about the Dreamliner please view <a href="https://hub.united.com/7-reasons-to-love-the-dreamliner-1709549691.html">https://hub.united.com/7-reasons-to-love-the-dreamliner-1709549691.html</a></p>	
<b>Reasons to Believe</b>   Tangible product benefits that anchor the key messages	
<p>Denver International Airport is the 20th-busiest airport in the world and the fifth-busiest airport in the United States. With more than 61 million passengers traveling through the airport each year, Denver International Airport is one of the busiest airline hubs in the world's largest aviation market. The airport is the primary economic engine for the state of Colorado, generating more than \$26 billion for the region annually. Learn more here <a href="https://hub.united.com/airport-fact-sheet-denver-international-airport/">https://hub.united.com/airport-fact-sheet-denver-international-airport/</a></p>	
<b>MEDIA &amp; CHANNELS</b>	
<b>Considered Paid, Owned &amp; Earned Channels for This Initiative*</b> (i.e. Video, Social, Digital Display, OOH etc.)	

**Paid**

- Consider all channels listed – UA looking for agency recommendation based on budget and marketing strategy.
- OOH (digital)
- Digital Display
- Digital Video (can also include FEP)
- Mobile Display
- Mobile Video
- Paid Social (YouTube & Instagram)
- Radio (digital/terrestrial)
- Paid Search

**Owned**

- Onboard Video Slide
- GIDs
- Hemi
- Hub Site

**Earned**

- N/A

\*Agency recommendation is welcome.

**Measurement/KPIs\***

How would you define success of this campaign?

**Brand:** Increased awareness and reach.

What are your specific goals and key performance indicators?

**Brand:** Measurement will vary per channel. Digital metrics include CTR, VCR, Impressions, and On-Target Rate.

**Ancillary Distribution Channels\*** | Define other channels where communication related to this campaign will be active (internal comms or layered as a message rotation for existing broader paid campaigns etc.)

**QUESTION:** For United Mobile App Refresh Specific – Can United satisfy the marketing objectives via internal communications/CRM means without a need for ancillary paid investment?

N/A

**Existing Media Partnerships / Sponsorships to Consider**

<b>PRODUCTION &amp; LOGISTICS</b>	
<b>Assets*</b>	
Define existing creative and or content that can be re-purposed for this campaign:  -Creative should be within look and feel of current campaign. -Partnership/sponsorship logos.	Define any specific creative and or content requests:
<b>Available Budget*</b>	
Brand: \$2MM gross production and media (Marketing Funds for Frankfurt from Denver International Airport)	
<b>Acquisition:</b>	
Production: \$	Media: \$
<b>Mandatories (Brand tone / logos etc.)</b>	
<b>Creative:</b> -Use photography for route and destination messaging.	
<b>Media:</b> -Custom digital production should be driven by partner	
<b>Other Helpful Info</b>	

**\*Must complete**

Please ensure that this co-operative marketing campaign approval form is completed and signed by both parties prior to committing to the activity.

Frankfurt Market      Denver lead Name: Laura Jackson      Partner: United Airlines      Partner Lead Name: Elias Manneh/Kristel Bell

Description of co-operative marketing activity including objectives: Increase flight sales and awareness from Denver International Airport to Frankfurt, Germany.

KPI's that will measure the success of this campaign activity, e.g. additional passenger numbers, flight segments, load factor, campaign response rates, etc  
 Campaign Objective – Increase flight sales and awareness from Denver International Airport to Frankfurt, Germany.  
 Role of the campaign - Connect with the United target to spark interest in travel to Frankfurt, Germany from Denver International Airport.  
 KPIs – Primary: Engagement and Ticket Sales

Activity details	Targets	Timing	Partner Investment US\$	Who is leading the activity	Reach
MMP Direct Mailing / Newsletter	Leisure Traveler	May-December 2019	120,000	United Airlines	6 Million per email (2)
Social Media	Leisure Traveler	May-December 2019	120,000	United Airlines	4 Million (3)
Paid Digital and display	Leisure Traveler	May-December 2019	450,000	United Airlines	10 Million per month
OOH in the city of Colorado area and airport GIDs.	Leisure Traveler	May-December 2019	1,200,000	United Airlines	10 Million per month
Hemi onboard magazine.	Leisure Traveler	May-December 2019	110,000	United Airlines	11.5 Million
Specific URL	<a href="https://flights.united.com/en-us/flights-from-denver-to-frankfurt">https://flights.united.com/en-us/flights-from-denver-to-frankfurt</a>	May-December 2019		United Airlines	3 million monthly.
Adding Colorado content to the United Hub page	<a href="https://hub.united.com/">https://hub.united.com/</a>	May-December 2019		United Airlines	2 million monthly.
Total \$ USD			2,000,000.00		

Approval / Denver International Airport  
 Name: *Laura Jackson*

Signature: *[Signature]*

Date: *29 January 2019.*

Partner  
 Name: United Airlines

Signature: *Elias Mannet*

Date: Jan 23<sup>rd</sup>, 2019