

AIR SERVICE AGREEMENT

This Air Service Agreement Extension (this “Agreement”) is made and entered into as of this 1st day of February 2026 (the “Effective Date”) by and between Aerotransportes Rafilher S.A. de C.V., a Mexican company with its principal offices at Carretera a México 120, San Luis Potosí, 78390, San Luis Potosí, México (“AERUS”), and City of Laredo, a home rule municipal corporation (“Entity”).

WHEREAS, it is of mutual interest and benefit to AERUS and Entity for AERUS, a certified Part 129 air carrier, to operate daily scheduled round-trip passenger flights between Laredo, TX (LRD) and Monterrey, Mexico (MTY);

WHEREAS, the governing body for Entity finds that providing new Air Service from Laredo to MTY, will stimulate business and commercial activity within the City of Laredo and serve a public purpose that benefits the public interests; and

WHEREAS, Entity seeks to provide specific economic incentives to AERUS, and AERUS has agreed to operate the flights, subject to the terms and conditions set forth in this Agreement;

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

1. *Scheduled Flights.*

Beginning 1st day of February (the “Service Commencement Date”), AERUS will continue operating three frequencies scheduled MTY-LRD-MTY (Monterrey, México – Laredo, TX – Monterrey, México) air service utilizing Cessna Grand Caravan EX aircraft configured for a minimum of twelve passengers in single-class seating. The departure and arrival times and days may be modified periodically by AERUS in accordance with its customary scheduling procedures and operational requirements and does not require consent of ENTITY. ENTITY will be notified of the schedule and any changes to the schedule as and when finalized by AERUS. Notification of changes shall be greater than seventy-two (72) hours from first departure under such changed schedule.

For purposes of this Agreement,

- (i) round-trip flights between LRD and MTY (being, MTY-LRD-MTY) are referred to as “Round-Trip Flights”,
- (ii) each one-way flight between LRD and MTY (originating at either LRD or MTY) (consisting of one take off and one landing operating on a given date) is referred to as a “One-Way Flight”,
- (iii) generically, Round-Trip Flights between LRD and MTY and One-Way Flights between LRD and MTY, are herein referred to as “Flights”,
- (iv) the MTY-LRD-MTY route is herein, referred to as a “Market” and collectively, are referred to as, the “Markets”,
- (v) an aircraft takeoff for each One-Way Flight, is herein referred to as a “Departure”, and
- (vi) a “business day” means a day other than a Saturday or Sunday on which the banks in Laredo, TX, and City, State are open for the transaction of business of the type required by this Agreement.
- (vii) “Revenue Calculations” any and all information used to calculate the revenue guarantee and any subsequent payment under sections 8 and 9 of this agreement.

2. *Passenger Services.*

The Flights will operate with AERUS’s normal pre-flight and in-flight passenger services. These services include goods and services made available for a fee or charge paid to AERUS by or on behalf of the passenger receiving the service.

3. *Pricing, Promotion, Booking and Sales.*

AERUS will use its reasonable commercial judgment in setting and/or revising seat inventory allocations and retail fare levels offered on the Flights with the objective of maximizing revenue through maximization

of the number of passengers on each Flight, in a manner consistent with AERUS's established retail sales strategy as determined from time to time.

AERUS will offer on its website (www.flyAERUS.com) Flights in the Markets on a co-equal basis with AERUS's other scheduled service flights but will not be obligated to engage in other sales, marketing or promotional activity relating to the Flights. Subject to the requirements of Section 5 of this Agreement, ENTITY shall be free to engage in such marketing and/or promotional activity relating to the Flights as it sees fit, at ENTITY's sole expense. AERUS's website, interline sales, telephone call center and airport ticket counters will be the exclusive points-of-sale for passenger bookings on the Flights. Collection of passenger payments, passenger reservation changes, cancellations, and all other aspects of individual passenger transactions, including, but not limited to, baggage fees, seat assignments, change fees, airport baggage sales and fees, will be handled in accordance with AERUS's normal practices and policies and the terms of its contract of carriage, which shall apply to all Flights in the Markets.

4. *Term and Termination.*

This Agreement shall be effective as of the Effective Date and shall remain in full force until September 30th, 2026, unless terminated earlier in accordance with the provisions of this Agreement.

This Agreement may be terminated by the party specified below (after having given any applicable notice specified below) upon the happening of any of the following events:

- a. By AERUS, if (i) AERUS is unable to obtain the governmental or other approvals necessary to commence the Flights in the Markets or if AERUS reasonably determines, in its sole discretion, that the operating facilities at MTY or LRD are inadequate for AERUS to commence service; or (ii) ENTITY fails to make any payment when due and does not make such payment within fifteen (15) days after written notice or demand thereof;
- b. By either AERUS or ENTITY, if the other party is in breach or default under any provision of this Agreement and such other party does not cure such breach or default within five (5) days after the non-breaching or non-defaulting party gives written notice to the other party specifying the breach or default.
- c. By either AERUS or ENTITY if future sales are not meeting expectations no later than sixty (60) days prior to the inaugural Flight. AERUS shall provide ENTITY with information necessary in order to make a reasonable determination regarding sales expectations at least seventy-four (74) days prior to the inaugural flight.
- d. By mutual agreement by ENTITY and AERUS, with or without cause, upon not less than seventy-five days' prior written notice. The effective date of termination shall be stated in such written notice of termination but not earlier than seventy-five (75) days following such written notice. If terminated with at least seventy-five (75) day notice, no payment is required of ENTITY. By AERUS, with or without cause, upon not less than forty-five (45) days' prior written notice to ENTITY. The effective date of termination shall be stated in such written notice of termination but not earlier than forty-five (45) days following such written notice. If AERUS desires to terminate flights within forty-five (45) days, then they may do so by providing written notice of termination to ENTITY, but not requiring ENTITY to pay costs incurred for each scheduled departure.

A termination pursuant to Section 4 a (ii) or Section 4 b shall not limit the non-breaching or non-defaulting party's right to pursue or enforce any of its rights under this Agreement or otherwise. The provisions of Section 15 below shall also govern the parties' respective rights and obligations in the instance of termination or expiration of this Agreement.

5. *Advertising and Promotional Materials.*

ENTITY will request AERUS's written consent prior to any use by ENTITY (or by any agent, representative or contractor of ENTITY) of AERUS's name or logo in any advertising, promotion or other material intended to solicit participation in one or more Flights, including but not limited to all such advertising, promotion and other material that may be disseminated electronically. AERUS's consent to such use will not be unreasonably withheld or delayed. Each party shall retain responsibility and liability for the content

of all advertising, promotional and other materials that it disseminates, including responsibility and liability for any noncompliance with laws, rules, regulations or policies administered by the U.S. Department of Transportation (DOT).

6. *Operational Authority.*

The Flights will be conducted under the authority of AERUS's air carrier certificate and operations specifications issued by the Federal Aviation Administration (FAA) and its domestic certificate of public convenience and necessity issued by the DOT. Operation of each Flight is subject to applicable laws and the rules, regulations and policies of the FAA, the DOT, the Transportation Security Administration (TSA), and all other cognizant governmental agencies, as such may be amended from time to time. AERUS will at all times have exclusive operational control of each Flight. Except as otherwise stated in this Agreement, all Flights will be operated under the AERUS Terms and Conditions and as all AERUS scheduled service flights.

7. *Irregular Operations*

If in AERUS's regular course of business a need arises to cancel and not reschedule a flight, then AERUS will follow normal company procedures in selecting flights and notifying any reaccommodating passengers. Any flights that are cancelled and not rescheduled will be removed from the revenue reconciliation totals described below.

8. *Revenue Guarantee.*

As an inducement to cause AERUS to enter into this Agreement and maintain a schedule of at least daily scheduled MTY-LRD-MTY (Monterrey, México – Laredo, TX – Monterrey, México) Flights, ENTITY hereby guarantees to AERUS that each Departure in each Market in a calendar month will produce no less than a specified level of Total Departure Revenue for each Departure as set forth in Schedule A (for the MTY-LRD-MTY Flights) (herein, each a "Schedule" and collectively, the "Schedules" and the specified level of Total Departure Revenue therein, is hereinafter referred to as the "Minimum Departure Revenue"), attached hereto.

For purposes of this Agreement, the determination of whether the Minimum Departure Revenue for a Market has or has not been achieved in any calendar month, will be performed monthly with respect to operations in the prior one (1) month (as set forth in Section 9 below) and will be based on:

(i) Calculation of the "Actual Departure Revenue" for each Departure. The "Actual Departure Revenue" for each Departure shall be the sum of (A) the total gross airfare amount paid by passengers in connection with the applicable Departure, (B) the non-airfare in-flight revenue for the applicable Departure excluding on board sales of drinks, snacks, and items sold by flight attendants, (C) the third-party ancillary revenue that is derived from the sale of travel products and services to the passengers on the applicable Departure, and (D) less any taxes, impositions, duties and fees included within items (A) through (C);

(ii) Determining the "Average Departure Revenue" for the Market. The "Average Departure Revenue" for a Market shall be the average or mean (being, the total of all Actual Departure Revenue divided by the number of Departures in the Market) of all Actual Departure Revenue for the Market during such prior calendar month (such average Total Departure Revenue for the Market, the "Average Departure Revenue"); and then,

(iii) Comparing the Average Departure Revenue for the Market for a calendar month to the Minimum Departure Revenue for such Market and calendar month and complying with the applicable Schedule for such Market with respect to amounts payable by each party to the other. The parties hereby agree to the payment provisions specified in each Schedule. However, notwithstanding anything in this Agreement to the contrary, the maximum total payments made by ENTITY shall not exceed nineteen thousand dollars (\$19,000) in any single month period. The total payment by ENTITY to AERUS shall not exceed one hundred and fifty two thousand dollars (\$152,000) for the eight-month period. The payments hereunder shall be made via grant payments through the Entity's Chapter 380 Economic Development Program and shall be paid solely from lawfully available funds that the Entity has appropriated. Under no circumstances shall the Entity's obligations hereunder be deemed to create any debt within the meaning of any

constitutional or statutory provision.

9. *Revenue Reconciliation and Payment.*

Within the first thirty (30) days of each (1) month period and with respect to operations in the immediately prior (1) month (such prior (1) month period, the "Settlement Period"), AERUS will prepare and issue the calculations/reconciliations called for in Section 8 above and AERUS will issue a statement to ENTITY reflecting amounts owed by one party to the other pursuant to the applicable Schedule. The parties shall make such payments as are reflected in such statements no later than by the thirtieth (30th) consecutive day after ENTITY receives the AERUS statement. ENTITY shall have the right, upon providing at least five (5) business days' prior written notice to AERUS, to conduct at ENTITY's sole expense, an audit (limited only to the Revenue Calculations, any gaming entity booking information and fuel costs pertaining to Flights) which must be conducted with respect to a Settlement Period no later than within sixty (60) days after receipt of the AERUS statement for such Settlement Period. .

AERUS agrees that the guaranteed revenue provided herein are economic incentives for the creation of providing new Air Service from Laredo to MTY, that will stimulate business and commercial activity within the City of Laredo and serve a public purpose that benefits the public interests. AERUS further agrees that the economic benefits sought by the ENTITY will not be met if AERUS (or its successors or assigns) defaults on any of the terms and conditions as agreed in this Agreement and further specified herein. In such event, AERUS (or its successors or assigns) acknowledges that no payment will be made hereunder from ENTITY.

10. *Indemnity.*

AERUS agrees to defend, indemnify and hold harmless ENTITY and its respective officers, directors, employees and affiliates from and against any and all claims, damages, liabilities, losses, proceedings, judgments, costs and expenses (including, without limitation, reasonable attorney's fees) arising solely and directly out of the (i) negligence or misconduct of AERUS with respect to the operation of the Flights during the term of this Agreement, (ii) breach or non-compliance by AERUS (during the term of this Agreement) with its obligations under this Agreement, and/or (iii) breach or non-compliance by AERUS (during the term of this Agreement) with applicable law, rule or regulation pertaining to this Agreement and its performance hereunder. This indemnity shall survive the expiration or termination of this Agreement.

11. *Force Majeure.*

Notwithstanding any other provision of this Agreement, the operation of any Flight is subject to, and neither party shall be liable for, loss, injury, damage or delay in performance of their respective obligation and undertakings hereunder caused by or resulting from any of the following: Act of God; seizure under legal process; sanction; quarantine restriction; fire; fog; flood; weather conditions; unavailability of gate space; airport closure; failure or refusal on the part of any government or governmental agency to timely issue required approvals, clearances, permits or operating authority, or rescission or revocation thereof; damage to or destruction of flight equipment; mechanical difficulties or breakdowns; unavailability of fuel; riots or civil commotions; strikes, lockouts or labor disputes (whether between a party and its employees or between other parties); U.S. military or airlift emergency, or substantially expanded U.S. military airlift requirement as determined by the U.S. Government, which results in unavailability of aircraft; activation of the U.S. Civil Reserve Air Fleet; war or hazard or danger incident to a state of war; or any other act, matter or thing, whether or not of similar nature, beyond the control of a party and which prevents, delays or interrupts the furnishing, operation or performance of such transportation or hotel accommodation, as applicable to a party (individually and collectively, force majeure). In the event force majeure causes cancellation of a Flight, Entity shall not be liable for guaranteed revenue for the canceled Flight, and AERUS shall refund to passengers the amount paid to the extent neither the originally-intended nor any alternate transportation is provided to them. AERUS may, but does not assume the duty to, accommodate passengers affected by a force majeure on another AERUS flight. In the event, an event of force majeure adversely affects a party's performance hereunder for more than thirty (30) consecutive days, the party whose performance is not affected by such event shall have the right to terminate this Agreement upon written notice to the affected party.

12. *Notices and Communications.*

All notices, demands, requests, consents and approvals by the parties to this Agreement shall be communicated between AERUS and ENTITY in writing, and delivered by hand, by reputable overnight courier service, or by electronic transmission; *provided*, that in the case of delivery by electronic transmission, the communication shall be deemed received only upon written confirmation of delivery, including automated electronic confirmation. All such communications shall be addressed as follows:

To AERUS:

Aerotransportes Rafilher S.A. de C.V..
Attn: Javier Herrera García
Carretera a México 120, San Luis Potosí, 78390, San Luis Potosí México
Email Address: Javier.herrera@flyAERUS.com

With copy to:

Aerotransportes Rafilher S.A. de C.V..
Attn: Notices
Carretera Miguel Alemán Km. 24, Apodaca, 66600, Nuevo Leon, México
Email Address: miguel.legorreta@flyaerus.com

To ENTITY:

Entity: Laredo International Airport
Attn: Office of the Airport Director
5210 Bob Bullock Loop
Laredo, TX 78041
Email: gsanchez@ci.laredo.tx.us

13. *Effect of Termination.*

- a. Any termination or expiration of this Agreement shall not affect the parties' respective rights and obligations which have accrued prior to the effective date of such termination, including, without limitation, ENTITY's obligation to pay AERUS all amounts owing to AERUS as of the effective date of such expiration or termination;
- b. In the event of any termination or expiration of this Agreement for any reason, each party shall pay the other party all amounts owed by such party as of the effective date of expiration or termination, in accordance with the provisions of this Agreement, within five (5) business days after receipt of an invoice from the other party entitled to such amounts.

14. *Governing Law.* Any disputes between the parties hereto with respect to any matters in, arising out of or relating to this Agreement shall be determined in Laredo, Texas, USA, and shall be governed by the laws of the state of Texas, USA. Both parties hereby consent irrevocably to the jurisdiction of said courts for said purpose.

15. *Assignment.* No party may assign this Agreement or any interest herein without obtaining the prior written consent of all of the other parties.

16. *Entire Agreement and Amendments.* This Agreement supersedes all prior communications, agreements, representations and understandings between and among the parties, oral or written, with respect to the same subject matter, and fully sets forth the understanding of the parties. To the extent consistent with this Agreement, the terms, provisions and conditions of AERUS's Contract of Carriage as currently published on AERUS's website (www.flyAERUS.com) are incorporated herein with the same force and effect as if

fully set forth herein, and shall be applicable to all passengers who fly on the Flights. This Agreement may not be amended or changed except by written amendment executed by the parties hereto.

17. *Expenses.* Each party to this Agreement agrees to be responsible for its own costs, expenses and charges (including, without limitation, legal fees, advisory fees and accounting fees) in connection with the preparation of this Agreement and the transactions contemplated hereunder.
18. *Counterparts, Delivery by email.* This Agreement may be executed (by email or otherwise) in counterparts, each of which shall be deemed an original, and which together shall constitute one instrument. Delivery of an executed counterpart of this Agreement or of any other documents in connection with this Agreement by digital, email or facsimile transmission will be deemed as effective as delivery of an originally executed counterpart. Any party delivering an executed counterpart of this Agreement or other document by digital, email or facsimile transmission will also deliver an originally executed counterpart, but the failure of any party to deliver an originally executed counterpart of this Agreement or such other document will not affect the validity or effectiveness of this Agreement or such other document.
19. *Severability.* If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the parties agree to consult each other in good faith for an agreed period of time and to take such reasonable steps as the parties are able to take to mitigate or remove such event or circumstance and further, such illegality, invalidity or unenforceability will not affect the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement or the legality, validity, or enforceability in any other jurisdiction of that or any other provision of this Agreement.
20. *Confidentiality.* To the fullest extent permitted by law, the parties shall keep the financial terms and all other terms and conditions of this Agreement, strictly confidential and shall not disclose such information to any third party unless required by applicable law, legal process or as may be necessary to enforce, or defend the enforcement of, this Agreement. In addition, each party (the "Receiving Party") agrees to hold in strict confidence all confidential and proprietary information, either designated by the party disclosing such information to the other party (the "Disclosing Party") as such or under reasonable circumstances to be considered as such, whether in written, oral or other form, which it received from the Disclosing Party prior to, or in the course of, this Agreement (collectively, "Confidential Information"). Each party further agrees to use the Confidential Information solely to perform or to exercise its rights under this Agreement, and at a minimum to take all measures necessary to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in any case no less than reasonable measures). Confidential Information includes, without limitation, (i) the terms of this Agreement, (ii) flight and accommodations booking information related to the Flights, and (iii) revenue amounts, sources, allocations. Either party may disclose the other party's Confidential Information in response to law, regulation or a valid court order or other governmental action, provided that (a) the Disclosing Party is notified in writing prior to disclosure of the information, and (b) the Receiving Party assists the Disclosing Party, at the Disclosing Party's expense, in any attempt by the other to limit or prevent the disclosure of the Confidential Information.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives as of the date first above written.

Aerotransportes Rafilher S.A. de C.V. dba AERUS

Signed the __ day of February 2026

Signature: _____
Javier Herrera García, Chief Executive Officer

Entity:

Signed the 1st day of February 2026

By: _____
Joseph W. Neeb, City Manager

ATTEST:

Mario I. Maldonado Jr., City Secretary

**APPROVED AS TO FORM
AND LEGALITY:**

Doanh "Zone" T. Nguyen, City Attorney

Schedule A

Minimum Departure Revenue

Applicable to all AERUS aircraft (Minimum of twelve Seat Cessna Grand Caravan EX)

Revenue guarantee per departure from Laredo (LRD) to Monterrey (MTY) - \$1,428

Revenue guarantee per departure from Monterrey (MTY) to Laredo (LRD) - \$1,216