

**SkyWest, Inc.**  
**AUDIT & FINANCE COMMITTEE CHARTER**

**Purpose of the Committee**

The purpose of the Audit and Finance Committee (the "Committee") of the Board of Directors (the "Board") of SkyWest, Inc. (the "Company") is to oversee the Company's accounting and financial reporting processes, systems of internal accounting and financial controls, risk management, investment policy and the audits of the Company's financial statements.

The Committee shall have the authority to retain such outside counsel, accountants, experts and other advisors as it determines appropriate to assist it in the performance of its functions. The Committee shall have sole authority to determine the fees and retention terms of such counsel, accountants, experts and advisors. The Committee shall have full access to all books, records, facilities and personnel of the Company. The Committee shall also be provided funding for administrative expenses the Committee reasonably deems necessary or appropriate to carry out its duties.

**Committee Membership**

The Committee shall consist of three or more independent directors of the Company. For purposes of this Charter, the term "independent director" means a director who meets the independence requirements of the NASDAQ Stock Market, Inc. (the "Nasdaq Stock Market") and the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Additionally, members of the Committee may not receive any consulting, advisory or other fee from the Company, other than in such person's capacity as a member of the Board (or its Committees) or, in limited circumstances permitted by the Nasdaq Stock Market, for services rendered to the Company prior to the member's appointment to the Committee.

If a Committee member ceases to be independent for reasons outside the member's reasonable control, his or her membership on the Committee may continue until the earlier of the Company's next annual meeting of shareholders or one year from the occurrence of the event that caused the failure to qualify as an independent director. If the Company is not already relying on this provision, and falls out of compliance with the requirements regarding the Committee's composition due to a single vacancy on the Committee, then the Company will have until the earlier of the next annual meeting of shareholders or one year from the occurrence of the event that caused the failure to comply with this requirement. The Company shall provide notice to the Nasdaq Stock Market immediately upon learning of the event or circumstance that caused the non-compliance, if it expects to rely on either of these provisions for a cure period.

Members of the Committee shall be appointed by the Board based on nominations submitted by the Nominating and Corporate Governance Committee of the Board and shall serve at the pleasure of the Board and for such terms as the Board may determine. Each member of the Committee shall in the judgment of the Board be able to read and understand fundamental financial statements and otherwise meet the financial sophistication standards established by the Nasdaq Stock Market. At least one member of the Committee shall in the judgment of the Board be an "audit committee financial expert," as defined by the U.S. Securities and Exchange Commission (the "SEC") and the name of that person shall be stated in the Company's annual proxy statement.

**Committee Structure and Operations**

The Board shall designate one member of the Committee as its Chairperson. In the event of a tie vote on any issue, the Chairperson's vote shall decide the issue. The Committee shall meet in person or telephonically as often as it determines necessary, but not less frequently than quarterly, at a time and place determined by the Chairperson, with further meetings to occur, or actions to be taken by written consent, when deemed necessary or desirable by the Committee or the Chairperson. The Committee shall meet separately in executive session periodically with each of management, the principal internal auditor of the Company and the outside auditors of the Company (the "External Auditors"). The Committee shall report regularly to the Board with respect to its activities.

Except as prohibited by applicable law, the Company's Articles of Incorporation or Bylaws or this Charter, the Committee may form and delegate authority to subcommittees as the Committee reasonably deems appropriate. The Committee may designate a non-member to serve as secretary at committee meetings to keep meeting minutes.

### **Committee Authority, Duties and Responsibilities**

The Committee shall, consistent with and subject to applicable law and rules and regulations promulgated by the SEC and the Nasdaq Stock Market and other applicable regulatory authorities, have the following responsibilities and authority:

- 1) The Committee shall pre-approve all audit services, internal control-related services and permissible non-audit services (including the fees and terms thereof) consistent with the provisions of Section 10A(i) of the Exchange Act.
- 2) The Committee shall have sole authority to appoint, determine funding for and oversee the External Auditors as set forth in Section 10A(m)(2) of the Exchange Act. The External Auditors shall report directly to the Committee.
- 3) The Committee shall establish procedures for complaints as set forth in Section 10A(m)(4) of the Exchange Act, including the (i) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters, and (ii) confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- 4) The Committee shall have the authority to engage and determine funding for independent legal, accounting or other advisors as set forth in Section 10A(m)(5) of the Exchange Act.
- 5) The Committee shall prepare the report of the Committee required by the rules of the SEC to be included in the Company's Annual Report on Form 10-K (or the Annual Report to Shareholders if distributed prior to the filing of a Form 10-K).
- 6) Prior to the filing of each Annual Report on Form 10-K (or the Annual Report to Shareholders if distributed prior to the filing of the Company's Annual Report on Form 10-K), the Committee shall review and discuss with management and the External Auditors the audited financial statements and disclosures to be made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Annual Report on Form 10-K (or Annual Report to Shareholders, as applicable).
- 7) The Committee shall review and consider with the External Auditors the matters required to be discussed by Statement of Auditing Standards ("SAS") No. 61, as that statement may be amended from time to time, including, without limitation, the amendments contained in SAS No. 90.
- 8) As a whole, or through the Chairperson, the Committee will review and discuss with management and the External Auditors the Company's quarterly financial statements, including disclosures made in management's discussion and analysis, prior to the filing of each Quarterly Report on Form 10-Q, including the results of the External Auditors' reviews of the quarterly financial statements.
- 9) The Committee shall review and discuss with management, the principal internal auditor of the Company and the External Auditors any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
- 10) The Committee shall review and discuss with management, the principal internal auditor of the Company and the External Auditors the Company's internal controls report and the External Auditors' attestation of the internal controls report prior to the filing of the Company's Annual Report on Form 10-K.

- 11) The Committee shall discuss with management the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.
- 12) The Committee shall discuss with management and the External Auditors the effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the Company's financial statements.
- 13) The Committee shall:
  - Request from the External Auditors annually a formal written statement delineating all relationships between the External Auditors and the Company consistent with Independence Standards Board Standard Number 1;
  - Discuss with the External Auditors any disclosed relationships and their impact on the independence of the External Auditors; and
  - Recommend that the Board take appropriate action in response to the report of the External Auditors to satisfy itself of the independence of the External Auditors.
- 14) The Committee shall review and approve the Company's investment policy.
- 15) With respect to compliance oversight responsibilities, the Committee shall:
  - Obtain from the External Auditors acknowledgement that the provisions of Section 10A of the Act (regarding, among other things, audit procedures designed to detect illegal acts and related-party transactions and the Company's operations as a going concern) have been observed.
  - Review all "related party transactions" (as defined in the Item 404 of Regulation S-K promulgated by the SEC) for potential conflicts of interest. All related party transactions shall be submitted to the Committee for approval (and must be approved by the Committee) prior to the Company's entry or participation therein.
  - Review perquisites provided by the Company to the Company's management personnel.
  - Obtain reports from the Company's Director of Human Resources, the External Auditors and the principal internal auditor of the Company that the Company and its subsidiaries are in conformity with applicable legal requirements and the Company's Code of Corporate Conduct. The Committee will also advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Corporate Conduct.
  - Review the compliance of the Company's principal executive officer, principal financial officer and other executive officers with the Company's Code of Ethics.
  - Discuss with management and the External Auditors any material correspondence between the Company and regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
  - Monitor and discuss with the Company's management the Company's tax compliance and tax policies.
  - Discuss with the Company's management or legal counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies.

- 16) The Committee will review and discuss with management the content of the Company's proxy statement and related materials, including any report or disclosure with respect to the actions and duties of the Committee.
- 17) The Committee shall annually review its own performance and review and assess the adequacy of this Charter and recommend to the Board any proposed changes to this Charter.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits, to manage the Company's exposure to risk or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles in the United States and applicable rules and regulations. These are the responsibilities of management and/or the External Auditors. Nor is it the duty of the Committee to conduct investigations, to resolve disagreements, if any, between management and the External Auditors or to assure compliance with applicable laws and regulations or the Company's Code of Ethics or Code of Corporate Conduct.