

EXECUTIVE HANGAR LEASE AGREEMENT

North County General Aviation Airport

Department of Airports

Palm Beach County, Florida

**Palm Beach Avionics, Inc.
LESSEE**

EXECUTIVE HANGAR LEASE AGREEMENT

AUG 29 2007

THIS EXECUTIVE HANGAR LEASE AGREEMENT (this "Lease") is made and entered into this _____ day of 2007 6 8 31, 20____, by and between Palm Beach County, a political subdivision of the State of Florida, ("COUNTY"), and Palm Beach Avionics, Inc, whose address is 11250 Aviation Blvd. # 3, West Palm Beach, Florida 33412 ("LESSEE").

WITNESSETH:

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport, located in Palm Beach County, Florida (the "Airport"); and

WHEREAS, COUNTY has certain aircraft hangar facilities at the Airport, which are available for leasing on a net basis; and

WHEREAS, LESSEE desires to lease such facilities for the purposes described herein; and

WHEREAS, LESSEE has indicated a willingness and demonstrated the ability to properly keep and maintain said facilities in accordance with the terms and conditions of this Lease.

WHEREAS, the Minimum Standards (as hereinafter defined) for the Airport establishes certain minimum requirements for commercial aeronautical activities on the Airport; and

WHEREAS, LESSEE's operations are subject to the Minimum Standards; and

WHEREAS, the Premises (as hereinafter defined) will not satisfy the minimum leasehold premises requirements of the Minimum Standards; and

WHEREAS, the Board of County Commissioners hereby grants a variance from the Minimum Standards.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.

ARTICLE 1
TERM

1.01 Term. The term of this Lease shall commence on September 1, 2007 (the "Commencement Date") and terminate on August 31, 2008 (the "Term"), unless terminated earlier as provided for herein.

1.02 Renewal Term. Upon the expiration of the Term, LESSEE shall have the option to renew this Lease for one (1) additional term of one (1) year(s) (the "Renewal Term"), subject to the prior written approval of COUNTY, which approval may be granted or withheld in COUNTY's sole and absolute discretion. In the event LESSEE desires to renew this Lease, LESSEE shall provide written notice to COUNTY at least sixty (60) days prior to the expiration of the Term. In the event COUNTY approves of the renewal, the parties shall enter into an amendment to this Lease to extend the Term. In the event COUNTY elects not to approve the renewal request, this Lease shall automatically expire at the end of the Term and LESSEE shall have no further rights hereunder. An amendment entered into by the parties pursuant to this paragraph may be signed by the Director of the Department on behalf of the COUNTY.

ARTICLE 2
PREMISES AND PRIVILEGES

2.01 Description of Premises Leased. The premises hereby leased consist of that certain aircraft hangar facility, Unit 3 (the "Unit") containing approximately 3,844 square feet of space, located within Building # 11250 (the "Building") at the Airport, together with the through-way ramp area located immediately adjacent to and extending from the south side of the Unit to the north edge of the taxi-way, as more particularly identified on Exhibit "A" (the "Premises"), attached hereto and made a part hereof.

2.02 Description of General Privileges, Uses and Rights. COUNTY hereby grants to LESSEE the following general privileges, uses and rights all of which shall be non-exclusive on the Airport:

A. The general use, in common with others, of all public Airport facilities and improvements, which are now or may hereafter be connected with or appurtenant to the Airport, to be used by LESSEE and/or its authorized sub lessees in connection with its operations hereunder. For the purpose of this Lease "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, not specifically leased to or under the contractual control of others.

B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport for LESSEE, its agents and employees, patrons and invitees, suppliers of service and furnishers of material. The aforementioned right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Nothing herein contained shall be construed to grant to LESSEE the right to use any space or area improved or unimproved, which is leased to a third party or which COUNTY has not specifically leased herein.

2.03 Description of Specific Privileges, Uses and Rights. In addition to the general privileges, uses and rights described herein, COUNTY hereby grants to LESSEE the right to improve, operate and maintain the Premises, including all necessary appurtenances thereto, to be used for the sole purpose(s) of commercial avionics sales, repair, and maintenance.

2.04 Restrictions of Privileges, Uses and Rights. The rights granted hereunder are expressly limited to the improvement, operation and maintenance of the Premises pursuant to the terms of this Lease. The Premises shall not be used for habitation. The parking of boats, motor homes or inoperable vehicles and the stockpiling or storage of equipment and machinery within the Premises or any other area of the Airport is strictly prohibited.

2.05 Compliance with Minimum Standards. LESSEE agrees to comply with the requirements set forth in the Minimum Standards for Commercial Aeronautical Activities (R-2003-1956), as now or hereinafter amended or superseded, (the "Minimum Standards") applicable to LESSEE'S operations with the exception of the minimum leasehold premises size requirements.

2.06 Condition of Premises. LESSEE expressly acknowledges that it has inspected the Premises and Airport and accepts both in their "AS IS CONDITION" and "WITH ALL FAULTS," together with all defects, latent and patent, if any. LESSEE further acknowledges that COUNTY has made no representations or warranties of any nature whatsoever regarding the Airport or the Premises including, but not limited to, the physical and/or environmental condition of the Premises or any improvements located thereon; the value of the Premises or improvements; the zoning of the Premises; title to the Premises; the suitability of the Premises or any improvements for LESSEE'S intended use; or LESSEE's legal ability to use the Premises for LESSEE's intended use.

ARTICLE 3 RENTAL

3.01 Rental. The initial annual rental to be paid to COUNTY by LESSEE for the Premises shall be \$23,811.60 per year, plus any applicable sales taxes as may be required by law.

3.02 Commencement and Time of Payment. Payment of rental by LESSEE to COUNTY shall commence upon the Commencement Date. Annual rental shall be payable in equal monthly installments, in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first (1st) day of each and every month throughout the Term and any extension thereof. If the Commencement Date occurs on a day other than the first (1st) day of a month, LESSEE shall pay rent from the Commencement Date to the first (1st) day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Commencement Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. All payments shall be made payable to the COUNTY's contracted Airport manager/operator and shall be mailed or delivered to the offices of same, which as of the date of this Lease is: Landmark Aviation. COUNTY may change the payment procedure and/or the address to which payments are to be delivered from time to time. COUNTY will provide thirty (30) days written notice to LESSEE prior to any change in payment procedure or the address to which payments are to be delivered. Rental shall be deemed delinquent if payment is not received by the first (1st) business day of the month in which it is due.

3.03 Adjustment of Rental.

A. Each October 1st (the "Adjustment Date") throughout the Term and any extension thereof, the annual rental payable hereunder shall be adjusted as hereinafter set forth in accordance with any increase in the Consumer Price Index for all Urban Consumers, All Items, U.S. city average (1982-1984 = 100), not seasonally adjusted (the "CPI"), issued by the Bureau of Statistics of the U.S. Department of Labor. On the Adjustment Date, the annual rental payable hereunder shall be adjusted by multiplying the then current annual rental by a fraction, the numerator of which shall be the CPI value for the month of July of the then current calendar year, and the denominator of which shall be the CPI value for the month of July of the then preceding calendar year. In no event shall the adjusted annual rental be less than then current annual rental. In the event that the CPI ceases to be published during the Term, or if a substantial change is made in the method of establishing or computing the CPI, then the determination of the adjustment in the annual rent shall be made with the use of such conversion factor, formula or table as may be published by the Bureau of Labor Statistics or, if none is available, by any other nationally recognized publisher or similar statistical information chosen by COUNTY. LESSEE shall commence payment of the adjusted annual rental on the Adjustment Date.

B. Notwithstanding any provision of this Lease to the contrary, rentals shall be established at all times to ensure compliance with the provisions of Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.

3.04 Sales, Use and Rent Taxes, Assessments, Personal Property Taxes. LESSEE shall pay before delinquency all personal property taxes and assessments which may be levied by any governmental authority against the Premises, on the property of LESSEE located in the Premises and on additions and improvements upon the Premises belonging to LESSEE. LESSEE shall also pay to COUNTY all sales taxes assessed by governmental authority against the rental payable hereunder even though the taxing statute or ordinance may purport to impose such sales tax against COUNTY. The payment of sales tax shall be made by LESSEE monthly, concurrent with the payment of rental.

3.05 Unpaid Rent. In the event LESSEE fails to make timely payment of any rentals and charges due and payable in accordance with the terms of this Lease, interest, at the rate established from time-to-time by the Board of County Commissioners (currently set at one and one-half percent [1½ %] per month), shall accrue against the delinquent payment(s) from the date due until the date payment is received. Notwithstanding the foregoing, COUNTY shall not

be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.

3.06 Security Deposit. Prior to the Commencement Date, LESSEE shall post a security deposit with COUNTY equal to three (3) monthly installments of rental ("Security Deposit"). The Security Deposit shall serve as security for the payment of all sums due to COUNTY and shall also secure the performance of all obligations of LESSEE to COUNTY pursuant to this Lease. The Security Deposit shall be either in the form of a cash deposit, a clean, Irrevocable Letter of Credit ("Letter of Credit") or a Surety Bond ("Bond"). In the event LESSEE elects to provide a Letter of Credit or Bond, the Letter of Credit or Bond shall be in form and substance satisfactory to COUNTY, in its sole discretion. In the event of any failure by LESSEE to pay any rentals or charges when due or upon any other failure to perform any of its obligations or other default under this Lease beyond applicable cure periods, then in addition to any other rights and remedies available to COUNTY at law or in equity, COUNTY shall be entitled to draw on the Security Deposit and apply same to all amounts owed. Upon notice of any such draw, LESSEE shall immediately replace the Security Deposit with a new Bond, Letter of Credit or cash deposit in the full amount of the Security Deposit required hereunder. LESSEE shall increase the amount of the Security Deposit to reflect any increases in the sums payable hereunder within thirty (30) days after notification by the Department of any such increase. The Security Deposit shall be kept in full force and effect throughout the Term and any extension thereof and for a period of three (3) months after the termination of this Lease. Not less than forty-five (45) calendar days prior to any expiration date of a Letter of Credit or Bond, LESSEE shall submit evidence in form satisfactory to COUNTY that such security instrument has been renewed or submit a cash deposit. Failure to renew a Letter of Credit or Bond or to submit a cash deposit or to increase the amount of the Security Deposit as required by this Section 3.06 shall: (i) entitle COUNTY to draw down the full amount of such Security Deposit, and (ii) constitute a default of this Lease entitling COUNTY to all available remedies. The Security Deposit shall not be returned to LESSEE or released by COUNTY until all obligations under this Lease are performed and satisfied. Prior to consent from COUNTY to any assignment of this Lease by LESSEE, LESSEE'S assignee shall be required to provide a Security Deposit to COUNTY in accordance with the terms and conditions of this Section 3.06.

3.07 Accord and Satisfaction. In the event LESSEE pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. COUNTY may accept any check or payment without prejudice to COUNTY'S right to recover the balance due or to pursue any other remedy available to COUNTY pursuant to this Lease or under the law.

ARTICLE 4 CONSTRUCTION OF IMPROVEMENTS

4.01 Right to Install Improvements. LESSEE may construct and install, at its sole cost and expense, improvements within the Premises, subject to the prior written approval of the Department. All such improvements shall be of attractive construction and first-class design and shall comply with all applicable governmental laws, regulations, rules, and orders, shall follow standard construction methods and shall be completed in accordance with the Department's Development Standards and Criteria, as may be amended by the Department from time to time. Prior to the commencement of construction, full and complete plans and specifications for all improvements shall be submitted to and subject to the written approval of the Department. LESSEE further covenants and agrees that:

A. The construction and/or installation of improvements shall not interfere with the operation of the Airport or *unreasonably interfere with the activities of other Airport tenants and users.*

B. All construction and/or installation of improvements shall be: (i) completed at the sole risk of LESSEE; (ii) performed in accordance with all applicable governmental regulations, rules and laws and all applicable Federal Aviation Administration ("FAA") Advisory Circulars, Orders and policies; and (iii) subject to inspection by COUNTY. The Department may require any improvements constructed on the Premises in violation of this Article 4 to be removed and/or reconstructed at LESSEE'S sole cost and expense.

C. LESSEE shall complete construction of all improvements within the time period specified in writing by the Department.

D. Upon completion of construction, LESSEE shall submit to the Department one complete set of as-built drawings for all improvements in the latest version of Auto Cad acceptable to the Department or such other form of documentation as specified by the Department together with a detailed statement of actual construction costs, for the permanent record of COUNTY. COUNTY reserves the right, through its authorized representatives, to undertake an audit of the actual construction costs and, if requested by the Internal Auditor of COUNTY, to require that said costs be certified by an independent Certified Public Accountant, acceptable to COUNTY.

4.02 Construction Bonds. LESSEE shall ensure that all improvements are constructed to completion in accordance with the approved plans and that all persons or entities performing work or providing materials relating to such improvements including, but not limited to, all contractors, subcontractors, laborers, materialmen, suppliers and professionals, are paid in full for such services and materials. LESSEE, at its sole cost and expense, shall cause to be made, executed and delivered to COUNTY prior to commencement of any improvements to the Premises, a bond, drawn in a form and issued by a company approved by COUNTY, guaranteeing compliance by LESSEE of its obligations arising hereunder. COUNTY shall be named as a dual obligee on the bond(s).

4.03 Contractor Requirements. LESSEE shall require contractors to furnish for the benefit of COUNTY a public construction bond as required under Section 255.05, Florida Statutes, in a form approved by COUNTY. LESSEE shall require its contractors to name COUNTY as a dual obligee on the bond(s). LESSEE shall also require contractors to furnish satisfactory evidence of statutory Worker's Compensation insurance, comprehensive general liability insurance, comprehensive auto insurance, and physical damage insurance on a Builder's Risk form with the

interest of COUNTY endorsed thereon, in such amounts and in such manner as COUNTY's Risk Management Department may require. COUNTY's Risk Management Department may require additional insurance for any alterations or improvements approved hereunder, in such amounts as COUNTY's Risk Management Department determines to be necessary.

4.04 No Liens. LESSEE agrees that nothing contained in this Lease shall be construed as consent by COUNTY to subject the estate of COUNTY to liability under the Construction Lien Law of the State of Florida and understands that COUNTY's estate shall not be subject to such liability. LESSEE shall notify any and all parties or entities performing work or providing materials relating to any improvements made by LESSEE of this provision of this Lease. If so requested by COUNTY, LESSEE shall file a notice satisfactory to COUNTY in the Official Public Records of Palm Beach County, Florida, stating that COUNTY interest shall not be subject to liens for improvements made by LESSEE. In the event that a construction lien is filed against the Premises or other COUNTY property in connection with any work performed by or on behalf of LESSEE, LESSEE shall satisfy such claim, or transfer same to security, within ten (10) days from the date of filing. In the event that LESSEE fails to transfer or satisfy such claim within the ten (10) day period, COUNTY may do so and thereafter charge LESSEE all costs incurred by COUNTY in connection with the satisfaction or transfer of such claim, including attorneys' fees, and LESSEE shall promptly pay to COUNTY all such costs upon demand, as additional rent.

ARTICLE 5 OBLIGATIONS OF COUNTY

Except as otherwise provided for herein, COUNTY shall maintain the structure of the Building, including exterior walls, foundation, roof, exterior lighting (excluding trade signs, if any), pavement, security fencing, and utility cables to their point of connection with the Building and shall provide for the maintenance of the grassed and landscaped areas around the Building.

ARTICLE 6 OBLIGATIONS OF LESSEE

6.01 Maintenance and Repair. Except as otherwise provided for herein, LESSEE shall, at its sole cost and expense, maintain the Premises, improvements, and appurtenances thereto, in a safe and presentable condition consistent with good business practice, industry standards and in accordance with all applicable laws, regulations and rules of any governmental entity. LESSEE shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, licensees, suppliers of service or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE'S operations thereon or LESSEE'S use of the Premises. LESSEE hereby agrees that it shall abide by the decision of the Department with respect to maintenance or repair of the Premises. The Department shall be the sole judge of LESSEE'S performance under this Article 6 as to the quality of maintenance and repair. Upon written notice by the Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with Department's decision. If LESSEE has not made a good faith effort, as determined by Department, to begin to perform said maintenance or repair within ten (10) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter on the Premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of the costs incurred by the Department, plus twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's invoice.

6.02 Utilities. LESSEE shall pay for all utilities used by it. LESSEE shall have the right, at its sole cost and expense, to connect to any and all utility mainlines or cables existing at the time of this Lease or installed during the Term.

6.03 Cleanliness of Premises; Grounds Maintenance. LESSEE shall, at its sole cost and expense, keep the Premises clean at all times and shall maintain and keep the through-way ramp area portion of the Premises free of obstructions so to allow unrestricted movement of aircraft and equipment. LESSEE shall not deposit nor store any waste, garbage, or refuse of any kind on any part of the Airport; provided, however, LESSEE may procure, together with other Building tenants, such appropriate type waste disposal containers as prescribed by COUNTY. All costs associated with the maintenance of the waste disposal containers shall be the responsibility of those tenants having caused such containers to be placed at the Building. The placement of such containers shall be limited only to those areas as designated for such purpose by the Department. The Department reserves the right to limit the number of such containers. LESSEE shall not use any areas of the Airport in a manner that causes or results in dust, debris or waste of any kind to be blown about or raised so as to be ingested by aircraft or individuals, or otherwise interfere with or disturb the use or enjoyment by others of their premises or any non-leased areas of the Airport. The Department shall reasonably determine whether LESSEE is in compliance with the maintenance obligations as provided for herein and shall provide LESSEE with written notice of any violations of LESSEE'S maintenance obligations. Immediately upon LESSEE'S receipt of COUNTY'S written notice of violation, LESSEE shall commence such corrective action as required by COUNTY or as may be necessary to remedy such non-compliance to satisfaction of COUNTY. If corrective action is not immediately initiated and pursued in a diligent manner to completion, the Department may cause the same to be accomplished and LESSEE hereby expressly agrees that LESSEE shall assume and be liable to COUNTY for payment of all the cleaning and grounds maintenance costs, plus twenty-five percent (25%) for administrative overhead. Such cleaning and grounds maintenance costs, plus the administrative cost, shall be due and payable within thirty (30) days of the date of written notice.

6.04 Security. LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all inventory, equipment and facilities now existing or hereafter placed on or installed in or upon the Premises, and for the prevention of unauthorized access to its facilities and expressly agrees to comply with all laws, orders, rules, regulations and security directives of COUNTY, FAA, Transportation Security Administration ("TSA"), as now or hereafter amended, and of any and all other governmental entities that now or may hereafter have jurisdiction over security of the Airport. LESSEE fully understands that the police security protection provided by

COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and improvements constructed thereon, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY.

ARTICLE 7 INSURANCE

LESSEE shall, at its sole expense, maintain in full force and effect at all times throughout the Term and any extension thereof, insurance limits, coverage or endorsements required herein. The requirements contained herein, as well as COUNTY's review or acceptance of insurance, is not intended to and shall not in any manner limit nor qualify the liabilities and obligations assumed by LESSEE under this Lease.

7.01 Commercial General Liability/Airport Liability. LESSEE shall maintain Commercial General Liability/Airport Liability Insurance with limits of liability not less than One Million Dollars (\$1,000,000) Each Occurrence including coverage for, but not limited to, Premises/Operations, Products/Completed Operations, Contractual Liability (covering this Lease, Personal/Advertising Injury and Cross Liability). Coverage shall be provided on a primary basis.

7.02 Hangarkeeper's Legal Liability. LESSEE shall maintain Hangarkeeper's Legal Liability Insurance, providing property damage to aircraft which are the property of others and in the care, custody, or control of LESSEE, but only while such aircraft are not in flight, in an amount not less than One Hundred Thousand Dollars (\$100,000) any one aircraft and Two Hundred Thousand Dollars (\$200,000) any one occurrence.

7.03 Business Auto Liability. LESSEE shall maintain Business Automobile Liability Insurance with limits of liability not less than One Million Dollars (\$1,000,000) Each Occurrence for owned, non-owned and hired automobiles. If LESSEE transports fuel the policy must include CA 99 48 Pollution Liability - Broadened Coverage for Covered Autos - Business Auto, Motor Carrier and Truckers Coverage Forms Endorsement or equivalent. In the event LESSEE has no owned automobiles, LESSEE shall only be required to maintain Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability or separate Business Auto Liability. Coverage shall be provided on a primary basis.

7.04 Aircraft Liability. LESSEE shall maintain Aircraft Liability Insurance with respect of all aircraft owned, leased or operated by the LESSEE for bodily injury (including death) and property damage liability in a Combined Single Limit Amount of not less than One Million Dollars (\$1,000,000) per occurrence, including a Passenger Liability sub-limit not less than One Hundred Thousand Dollars (\$100,000) per passenger.

7.05 Worker's Compensation & Employers Liability. LESSEE shall maintain Worker's Compensation and Employer's Liability Insurance in accordance with state and federal law. Coverage shall be provided on a primary basis.

7.06 Umbrella or Excess Liability. LESSEE may satisfy the minimum limits required above for Commercial General Liability/Airport Liability and/or Business Auto Liability and/or Aircraft Liability coverage under Umbrella or Excess Liability. The Umbrella or Excess Liability shall have an aggregate limit not less than the highest "Each Occurrence" limit for the Commercial General Liability/Airport Liability, Aircraft Liability or Business Auto Liability. COUNTY shall be endorsed as an "Additional Insured" on the Umbrella or Excess Liability, unless the Certificate of Insurance notes the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.

7.07 Property Insurance. LESSEE shall maintain property insurance in an amount not less than 100% of the total replacement cost of any betterments and improvements made by or on behalf of LESSEE as well as LESSEE's contents located on the Premises. The settlement clause shall be on a Replacement Cost basis. Coverage shall be written with a Special - Cause of Loss (All-Risk) form. Coverage shall be provided on a primary basis.

7.08 Additional Insured Endorsement. LESSEE shall endorse the COUNTY as an Additional Insured on the Commercial General Liability/Airport Liability Insurance. A CG 2011 Additional Insured - Managers or Lessors of Premises or its equivalent shall be used. The Additional Insured endorsement shall provide coverage on a primary basis. The Additional Insured endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida, 33406-1470."

7.09 Loss Payee Endorsement. LESSEE shall endorse COUNTY as a Loss Payee on the Property, Flood, and Windstorm Insurance policies. The Loss Payee endorsement shall provide coverage on a primary basis. The Loss Payee endorsement shall read "Palm Beach COUNTY Board of COUNTY Commissioners, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida, 33406-1470."

7.10 Certificate of Insurance. Prior to the Commencement Date, LESSEE shall provide COUNTY with a certificate of insurance evidencing limits, coverage and endorsements required herein. The certificate of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage in the event coverage cancels or non-renews during the term of this Lease or any renewal thereof. The certificate must clearly indicate that Contractual Liability coverage applies to this Lease. LESSEE shall provide to COUNTY new certificate(s) of insurance evidencing replacement coverage thirty (30) days prior to the expiration of any coverage required hereunder. Certificate Holder's name and address shall read:

Palm Beach County Board of County Commissioners
c/o Department of Airports
846 Palm Beach International Airport
West Palm Beach, FL 33406-1470

7.11 Waiver of Subrogation. By entering into this Lease, LESSEE agrees to a Waiver of Subrogation for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, LESSEE shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, a condition to which the policy specifically prohibits such an endorsement, or voids coverage should LESSEE enter into such an agreement on a pre-loss basis. Nothing contained in this Section shall be construed as an obligation of LESSEE to provide a Waiver of Subrogation in the event that LESSEE'S insurer will not provide it.

7.12 Premiums and Proceeds. LESSEE shall not keep, use, sell or offer for sale in or upon the Premises any article that may be prohibited by any, condition, provision, limitation, of the Property, Flood, or Wind Insurance policies. LESSEE shall agree to be responsible for all premiums, including increases, for Property, Flood, or Wind insurance policies. LESSEE agrees that all property, flood or windstorm insurance proceeds as a result of a loss shall be made available for use to promptly replace, repair or rebuild the building, betterments and improvements, including those made by or on behalf of LESSEE, so to ensure a replacement cost settlement or avoid policy cancellation.

7.13 Deductibles, Coinsurance, & Self-Insured Retention. LESSEE shall be fully and solely responsible for any deductible, coinsurance penalty, or self-insured retention; including any losses, damages, or expenses not covered due to an exhaustion of limits or failure to comply with the policy.

7.14 Right to Review or Adjust Insurance. COUNTY's Risk Management Department shall have the right, but not the obligation, to review, adjust, reject or accept insurance policies, limits, coverage, or endorsements throughout the Term or any extension thereof. COUNTY shall have the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or by way of illegal operation. COUNTY shall provide LESSEE written notice of such action and LESSEE agrees to cure or comply with such action within thirty (30) days of the date of such notice.

7.15 No Representation of Coverage Adequacy. The limits, coverage or endorsements identified herein are intended to primarily transfer risk and minimize liability of COUNTY. LESSEE acknowledges and agrees that LESSEE has not relied upon such requirements in assessing the extent or determining appropriate types or limits of coverage to protect LESSEE against any loss exposures, whether as a result of this Lease or otherwise.

ARTICLE 8 RELATIONSHIP OF THE PARTIES

LESSEE is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and COUNTY shall in no way be responsible therefore.

ARTICLE 9 INDEMNIFICATION

LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them individually, free and harmless at all times from and against any claims, liability, expenses, losses, costs, fines and damages (including attorney fees and costs at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE'S use or occupancy of the Premises, including, without limitation those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE'S acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease; provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE'S activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. Said indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE acknowledges the broad nature of this indemnification and hold-harmless clause and that COUNTY would not enter into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification in accordance with laws of the State of Florida. The obligations arising under this Article shall survive the expiration or termination of this Lease.

ARTICLE 10 DAMAGE OR DESTRUCTION OF PREMISES/IMPROVEMENTS

10.01 Damage or Destruction. LESSEE hereby assumes full responsibility for the condition of the Premises and character, acts and conduct of all persons admitted to the Premises by or with the actual or constructive consent of LESSEE or by or with the consent of any person acting for or on behalf of LESSEE. If the Premises, improvements, or any part thereof, are damaged in any way whatsoever by the act, default or negligence of LESSEE or its sublessees, contractors, employees, officers, licensees, agents or invitees, LESSEE shall, at its sole cost and expense, restore the Premises to the condition existing prior to such damage. LESSEE shall commence such restoration within thirty (30) days and shall diligently pursue such restoration to completion. Such repairs, replacements or rebuilding shall be made by LESSEE in accordance with the construction requirements established by the Department. If LESSEE fails to restore the Premises as required above, COUNTY shall have the right to enter the Premises and

perform the necessary restoration, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of the costs incurred by COUNTY, plus twenty-five percent (25%) administrative overhead. Such restoration cost, plus the administrative cost, shall be due and payable within thirty (30) days from date of COUNTY's written notice.

10.02 Partial Destruction. If any of the improvements on the Premises are damaged or destroyed in part by fire or other casualty, COUNTY may terminate this Lease upon written notice to LESSEE within ninety (90) days after the date of any such damage or destruction or commence restoration of the Premises within a commercially reasonable period of time subject to the limitations set forth herein. In the event of restoration of the Premises by COUNTY pursuant to this paragraph, LESSEE'S obligation to pay rental shall be abated proportionately on a square footage basis as to that portion of the Unit rendered unusable by reason of casualty commencing on the date of the casualty. Such abatement shall continue until thirty (30) days after notice by COUNTY to LESSEE that the Premises have been substantially repaired or restored. Notwithstanding any provision of this Lease to the contrary, COUNTY shall have no obligation under this Lease to restore the Premises in the event the casualty was the result of the act, default or negligence of LESSEE or its sublessees, contractors, employees, officers, licensees, agents or invitees. In such event, LESSEE shall be obligated to restore the Premises in accordance with Section 10.01 above with no abatement in rental.

10.03 Total Casualty. In the event of a total casualty to the Premises, which renders the Premises unusable, as reasonably determined by the Department, either party shall have the right to terminate this Lease within ninety (90) days of the date of the casualty by delivering a written notice of termination to the other party in accordance with the notice provisions in this Lease; provided, however, LESSEE shall not have the right to terminate in the event the casualty was the result of the act, default or negligence of LESSEE or LESSEE'S sublessees, contractors, employees, officers, licensees, agents or invitees. In such event, LESSEE shall be obligated to restore the Premises in accordance with Section 10.01 above with no abatement in rental. In the event neither party terminates this Lease pursuant to this Section 10.03 and COUNTY elects to restore the Premises, LESSEE'S obligation to pay rental shall be abated until thirty (30) days after notice by COUNTY to LESSEE that the Premises have been substantially repaired or restored.

10.04 Waiver. LESSEE hereby waives any claim against COUNTY for damages or compensation in the event this Lease is terminated pursuant to Sections 10.02 or 10.03 above.

10.05 Limitations. Notwithstanding any provision of this Lease to the contrary, COUNTY obligation to repair, rebuild or restore LESSEE's personal property or fixtures or any improvements made by LESSEE to the Premises. In the event COUNTY elects to restore or rebuild the Premises following a casualty, COUNTY'S obligation to restore, rebuild or restore the Premises pursuant to this Lease shall exist only to the extent of the insurance proceeds received by COUNTY as a result of such casualty. LESSEE shall not be entitled to and hereby waives any claims against COUNTY for any compensation or damage for any loss of use of the Premises, in whole or in part, or for any inconvenience or annoyance occasioned by any such damage, destruction, repair or restoration. In addition, COUNTY shall not be liable for any damage or inconvenience or interruption of the business of LESSEE occasioned by fire or other casualty.

10.06 Insurance Proceeds. Upon receipt by LESSEE of the proceeds of any applicable insurance policy or policies, the proceeds shall be deposited in an escrow account approved by the Department so as to be available to pay for the cost of such repair, replacement or rebuilding. Any insurance proceeds shall be disbursed during construction to pay the costs of such work. If the amount of the insurance proceeds is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged improvements and the damage was caused by LESSEE or its sublessees, contractors, employees, officers, licensees, agents or invitees, LESSEE shall pay any additional sums required into said escrow account. If the amount of the insurance proceeds is in excess of the costs of repair, replacement or rebuilding, the amount of such excess shall be remitted to LESSEE.

ARTICLE 11 TITLE TO IMPROVEMENTS

Notwithstanding any provision of this Lease to the contrary, upon the expiration of the Term or its earlier termination as provided herein, all structures and improvements constructed or placed upon the Premises by LESSEE shall become the absolute property of COUNTY, and COUNTY shall have every right, title and interest therein, free and clear of any liens; and any interest in such structures and improvements theretofore held by LESSEE, and absolute title thereto, shall thereafter be vested in COUNTY; provided, however, COUNTY shall be entitled, at its option, to have the Premises returned to COUNTY free and clear of some or all such improvements, at LESSEE'S sole cost and expense. In such event, COUNTY shall provide timely notification to LESSEE of its election to require removal of the improvements and to the extent possible, COUNTY shall notify LESSEE at least sixty (60) days prior to the effective date of such termination. LESSEE shall have sixty (60) days from date of notice within which to remove the improvements. If LESSEE fails to remove the improvements, COUNTY may remove same at LESSEE'S sole cost and expense.

ARTICLE 12 TERMINATION OF LEASE, CANCELLATION, ASSIGNMENT AND TRANSFER

12.01 Termination. This Lease shall automatically terminate at the end of the Term, unless renewed as provided for herein, and LESSEE shall have no further right or interest herein.

12.02 Default. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by LESSEE:

A. The vacating or abandonment of the Premises by LESSEE for a period of more than sixty (60) consecutive days.

B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from COUNTY to LESSEE.

C. The failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by LESSEE, other than described in paragraphs A and B above, where such failure continues for a period of thirty (30) days after written notice from COUNTY; provided, however, that if the nature of LESSEE'S default is such that more than thirty (30) days are reasonably required for its cure, then LESSEE shall not be deemed to be in default if LESSEE has commenced such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion.

D. To the extent permitted by law, (i) the making by LESSEE or any guarantor hereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

12.03 Remedies. In the event of any such material default or breach by LESSEE, COUNTY may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which COUNTY may have under the law by reason of such default or breach, elect to exercise any one of the following remedies:

A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.

B. Terminate LESSEE's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of LESSEE, in which case the rent and other sums due hereunder shall be accelerated and due in full and LESSEE shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what COUNTY is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by LESSEE. Upon such reletting, all rentals received by COUNTY shall be applied, first to the payment of any indebtedness other than rent due under this Lease from LESSEE; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by COUNTY due to LESSEE's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by COUNTY relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to LESSEE.

C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of COUNTY, thereby terminating any further liability under this Lease on the part of LESSEE and COUNTY. Notwithstanding the foregoing, COUNTY shall have a cause of action to recover any rent remaining unpaid when COUNTY retakes possession of the Premises for the account of COUNTY.

D. Stand by and do nothing, holding LESSEE liable for the rent as it comes due.

E. Pursue any other remedy now or hereafter available to COUNTY under the laws and judicial decisions of the State of Florida.

Notwithstanding any provision of this Lease to the contrary, upon the occurrence of a material default or breach of this Lease by LESSEE, COUNTY shall have the right to bring an action for damages. COUNTY further reserves all rights which the laws of the State of Florida confer upon a landlord against a LESSEE in default.

12.04 Termination by LESSEE. LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving COUNTY sixty (60) days' advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:

A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes or a substantial part of the Premises, which injunction remains in force for a period of at least ninety (90) days.

B. The default by COUNTY in the performance of any covenant or agreement required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of ninety (90) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of termination, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of termination; or in the event the same cannot be cured within such ninety (90) day period and COUNTY has commenced such cure and thereafter diligently pursues the same until completion.

C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of LESSEE, for a period of at least ninety (90) days.

In the event of termination pursuant to this Section 12.04, the parties shall be relieved of all obligations created hereunder except for those obligations accruing prior to termination of this Lease and those obligations that specifically survive termination of this Lease.

12.05 Surrender of Premises. LESSEE expressly agrees that it shall immediately surrender the Premises to COUNTY in good and fit condition upon expiration or termination of this Lease, depreciation and wear from ordinary use for the purpose for which the Premises were leased being excepted. All repairs and obligations that LESSEE is responsible for shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such holdover, double rental, as provided for in Section 83.06, Florida Statutes. LESSEE shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of LESSEE, including, but not limited to aircraft, not removed shall become the property of COUNTY.

ARTICLE 13 ASSIGNMENT

13.01 Assignment by LESSEE. LESSEE shall not, in any manner, assign, transfer, or otherwise convey an interest in this Lease, nor sublet the Premises or any part thereof, without the prior written consent of the Department. Any such attempted assignment, transfer, or sublease without Department approval shall be null and void. In the event the Department consents in writing as aforesaid, LESSEE shall have the right to the extent permitted by the Department's consent to sublease or assign all or any portion of the Premises, provided that any such sublease or assignment shall be limited to only the same purposes as are permitted under this Lease. In the event of a sublease in which the rentals, fees and charges for the sublease exceed the rentals, fees and charges payable by LESSEE for the Premises pursuant to this Lease, LESSEE shall pay to COUNTY fifty percent (50%) of the excess of the rentals, fees and charges received from the sublessee over that specified to be paid by LESSEE herein. Any such sublease or assignment shall be subject to the same conditions, obligations and terms as set forth herein and LESSEE shall be fully responsible for the observance by its assignees and sublessees of the terms and covenants contained in this Lease. Notwithstanding any provision of this Lease to the contrary, in the event of an approved sublease, LESSEE shall remain primarily liable to COUNTY for fulfilling all obligations, terms and conditions of this Lease, throughout the entire Term.

13.02 Assignment by COUNTY. COUNTY may freely assign this Lease at any time without the consent of LESSEE, and COUNTY shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by COUNTY, LESSEE agrees that it shall recognize COUNTY's assignee as its new landlord under this Lease upon the effective date of such assignment. LESSEE acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between COUNTY and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. LESSEE acknowledges and agrees that COUNTY may transfer any security deposit held by COUNTY pursuant to Section 3.0 6 above to COUNTY's assignee.

ARTICLE 14 ALTERATIONS OR ADDITIONS; SIGNS

14.01 Alterations or Additions. LESSEE shall make no alterations or additions to the Premises or improvements constructed thereon, without the prior written consent of the Department. Any such additions, alterations or improvements shall be made in accordance with the construction requirements as established by the Department.

14.02 Signs. No signs, posters, or similar devices shall be erected, displayed, or maintained by LESSEE in review of the general public in, on or about the Premises or elsewhere on the Airport, without the prior written approval of the Department. Any such signs not approved shall be immediately removed at the sole cost and expense of LESSEE, upon written notification thereof by the Department.

ARTICLE 15 LAWS, REGULATIONS, PERMITS AND TAXES

15.01 General. LESSEE agrees that throughout the Term and any extension thereof, LESSEE shall at all times be and shall remain in full and complete compliance with all applicable federal, state and local laws, statutes, regulations, rules, rulings, orders, ordinances and directives of any kind or nature, as now or hereafter amended, including, without limitation, FAA Advisory Circulars, Palm Beach County Airport Rules and Regulations (Appendix B, Palm Beach County Code) and Environmental Laws. For purposes of this Article 15, the term "Environmental Laws" means all applicable federal, state and local laws, rules, orders and regulations protecting human health, the environment and/or natural resources, as such laws, rules, orders and regulations are now or hereafter amended, including, without limitation, the Federal Clean Water Act, Safe Drinking Water Act, Clean Air Act, Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation and Liability Act of 1980.

15.02 Permits and Licenses. LESSEE agrees that it shall, at its sole cost and expense, obtain, maintain current, and fully comply with, any and all permits, licenses and other governmental authorizations, as may be required by law, any federal, state or local governmental entity, or any court of law having jurisdiction over LESSEE or LESSEE's operations and activities, for any activity of LESSEE conducted on the Premises and/or Airport. Upon the written request of the Department, LESSEE shall provide the Department with certified copies of any and all permits and licenses.

15.03 Air and Safety Regulation. LESSEE shall conduct its operations and activities under this Lease in a safe manner, shall comply with all safety regulations of the Department and with safety standards imposed by applicable federal, state and local laws and regulations and shall require the observance thereof by all employees, contractors, business invitees and all other persons transacting business with or for LESSEE resulting from, or in any way related to, the conduct of LESSEE's business on the Premises. LESSEE shall procure and maintain such fire prevention and extinguishing devices as required by COUNTY and by law and shall at all times be familiar and comply with the fire regulations and orders of COUNTY and the fire control agency with jurisdiction at the Airport. LESSEE agrees that

neither LESSEE nor any employee or contractor or any person working for or on behalf of LESSEE shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health or safety, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as now or hereafter amended, as well as all state and local laws, regulations, and orders relative to occupational safety and health.

15.04 Assumption of Liability. LESSEE shall be strictly liable for and hereby expressly assumes all responsibility for the cost of all citations, fines, penalties, environmental controls, monitoring, clean up, disposal, restoration and corrective measures resulting from or in any way connected to the handling, storage and/or disposal by LESSEE or its employees, invitees, licensees, suppliers of service or materials or contractors of any pollutants or hazardous materials regulated by Environmental Laws. LESSEE's obligations under this paragraph shall survive the expiration or termination of this Lease.

15.05 Environmental Indemnification. LESSEE hereby expressly agrees to indemnify and hold COUNTY harmless from and against any and all liability for fines and physical damage to property or injury or death to persons, including, without limitation, reasonable expenses and attorneys fees, arising from or resulting out of, or in any way caused by, LESSEE's failure to comply with any and all Environmental Laws. LESSEE understands that this indemnification is in addition to and is a supplement of LESSEE's indemnification agreement set forth in Article 9 of this Lease and that LESSEE fully understands the broad extent of this indemnification and hereby expressly acknowledges that it has received full and adequate consideration from COUNTY to legally support this indemnification agreement. LESSEE's obligations under this paragraph shall survive expiration or termination of this Lease.

15.06 Emergency Coordinator. LESSEE agrees that an emergency coordinator and phone number shall be furnished to the Department, COUNTY's Risk Management Department - Safety Division, and to all appropriate governmental entities having jurisdiction thereof in case of any spill, leak, or other emergency situation involving hazardous, toxic, flammable, and/or other pollutant/contaminated materials.

15.07 Payment of Taxes. LESSEE shall pay any and all taxes and other costs lawfully assessed against its interest in the Premises, the improvements, whether owned by LESSEE or COUNTY, personal property or its operations under this Lease including, without limitation, tangible, intangible, sales and ad valorem taxes, general or special assessments. In the event this Lease or LESSEE's use of the Premises renders the Premises subject to ad valorem real property taxes or similar impositions imposed by any government entity, LESSEE shall be responsible for and pay the same prior to delinquency. LESSEE shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending LESSEE's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, LESSEE shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

ARTICLE 16 DISCLAIMER OF LIABILITY

COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE, OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS LEASE INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE, OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED ON THE PREMISES, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS CAUSED SOLELY BY COUNTY'S SOLE NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE.

ARTICLE 17 GOVERNMENTAL RESTRICTIONS

17.01 COUNTY Tax Assessment Right. None of the terms, covenants and conditions of this Lease shall in any way be construed as a release or waiver on the part of COUNTY, as a political subdivision of the State of Florida, or any of the public officials of COUNTY, of the right to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the Premises, the business or property of LESSEE.

17.02 Height Restriction. LESSEE expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Title 14, Part 77, Code of Federal Regulations, as now or hereafter amended.

17.03 Right of Flight. COUNTY reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.

17.04 Operation of Airport. LESSEE expressly agrees for itself, its subleases, successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.

17.05 Release. LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases COUNTY from any and all liability relating to the same.

17.06 Hazardous Wildlife Attractants. LESSEE shall be prohibited from using the Premises in a manner which attracts, or has the potential to attract, hazardous wildlife to or in the vicinity of the Airport. LESSEE further agrees to comply with the provisions of Federal Aviation Administration Advisory Circular No. 150/5200-33, as now or hereafter amended, as such circular is interpreted by the Department.

17.07 Acknowledgment of Governmental Limitations. The parties acknowledge and agree that this Lease shall not limit or restrict COUNTY's discretion in the exercise of its governmental or police powers and shall not constitute a delegation of COUNTY's governmental authority or police powers to LESSEE. LESSEE acknowledges and agrees that this Lease: (i) in no way restricts the legislative, quasi-judicial or executive discretion of the Palm Beach County Board of County Commissioners or County staff; (ii) does not guarantee any particular results for LESSEE on the applications; and (iii) does not give rise to any enforceable right by LESSEE to require any particular results on the applications. LESSEE further acknowledges and agrees that all governmental actions to be taken by COUNTY, the Palm Beach County Board of County Commissioners, County staff and quasi-judicial boards regarding the Premises shall be in conformance with applicable laws and ordinances with no guarantees or agreement by COUNTY as to any particular recommendation or approval.

17.08 Governmental Review. LESSEE acknowledges that this Lease is subject to review or inspection by the United States government, State of Florida and agencies and departments thereof, including the FAA, to determine satisfactory compliance with state and federal law and/or grant assurance requirements. LESSEE agrees that this Lease shall be in full force and effect and binding upon both parties pending such review or inspection, if applicable; provided, however, that upon such review or inspection the parties agree to modify any of the terms of this Lease that are determined by the United States government, State of Florida or any agency or department thereof to be in violation of any applicable laws, regulations, grant assurances or other requirements.

17.09 Exclusive Rights. The rights granted hereunder are non-exclusive with the exception of LESSEE's exclusive right to use and occupy the Unit.

ARTICLE 18 NON-DISCRIMINATION

LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree: (i) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Premises in violation of applicable law; (ii) that in the construction of any improvements on, over, or under the Premises and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in violation of applicable law; and (iii) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. In the event of a breach of any of the above nondiscrimination covenants, COUNTY shall have the right to terminate this Lease and to re-enter as if this Lease had never been made or issued. The foregoing provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including the expiration of any appeal rights.

ARTICLE 19 COUNTY NOT LIABLE

COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury whatsoever sustained by LESSEE or any person whomsoever including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Premises shall be at the sole risk of LESSEE or owner thereof. COUNTY shall not be liable for any damage or loss of said personal property.

ARTICLE 20 CONDEMNATION

If the Premises or any part thereof, or any improvements thereto, shall be taken, appropriated or condemned by exercise of the power of eminent domain, or conveyed or transferred pursuant to an agreement in lieu of condemnation, COUNTY shall be entitled to the entire award therefor, including, without limitation, any award relating to both LESSEE's leasehold estate and COUNTY's reversionary interest in the fee simple estate, without deduction, claim or setoff for any present or future estate of LESSEE. LESSEE hereby assigns and relinquishes to COUNTY all right, title and interest in such award and, upon request, shall execute all documents required to evidence such result. Notwithstanding the foregoing, LESSEE shall be entitled to pursue in such condemnation proceeding such award as may be allowed for moving expenses and business damages. In the event of a total taking of the Premises, this Lease shall terminate upon the date title vests in the condemning authority. In the event of such termination, the rental shall be prorated to the date of termination. COUNTY shall refund any remaining balance to

LESSEE after LESSEE has vacated the Premises and complied with all of its obligations arising hereunder prior to such termination, or as a result of such termination. Thereafter, the parties shall be relieved of all further obligations hereunder. Notwithstanding such termination, LESSEE shall remain liable for all matters arising under this Lease prior to such termination. In the event of a partial taking, the rental shall be abated on a pro rata basis. In the event of a temporary taking, the rental shall be abated on a pro rata basis for the period of time LESSEE is unable to use the portion of the Premises temporarily taken. After such period, the rental shall be restored to the amount which would have been then due without regard to such taking. COUNTY shall have no obligation to restore the Premises or otherwise perform any work upon same as a result of any such taking.

ARTICLE 21 MISCELLANEOUS

- 21.01 Authorized Uses Only. Notwithstanding any provision of this Lease to the contrary, LESSEE shall not use or permit the use of the Premises for any illegal purpose or for any purpose that would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for COUNTY or LESSEE.
- 21.02 Waiver. The failure of COUNTY or LESSEE to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY or LESSEE, respectively, may have for any subsequent breach or non-performance, and COUNTY's or LESSEE's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.
- 21.03 Subordination.
- A. Subordination to Bond Resolution. This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and Bond Resolution.
- B. Subordination to State/Federal Agreements. This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which the COUNTY acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between COUNTY and the United States of America, the State of Florida or any of their respective agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.
- 21.04 Easements. Nothing in this Lease shall impair any existing utility easements, nor impair the right of access to any existing utility lines. COUNTY reserves the right to grant utility easements, licenses, and rights of way to others over, under, through, across or on the Premises; provided, however, that such grant is not materially detrimental to the proper conduct of LESSEE's operations. If requested by COUNTY, LESSEE shall consent and join in any such easements, licenses or rights of way granted by COUNTY.
- 21.05 Governmental Authority. Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations. COUNTY's obligations under this Lease are made in a proprietary capacity rather than in a governmental capacity and such agreements shall not be construed as limiting, prohibiting or eliminating the obligation of the parties to comply with all applicable rules, regulations, ordinances, statutes and laws, nor alter or impair COUNTY's governmental functions, including, without limitation, COUNTY's right to lawfully exercise its regulatory authority over the development of the Premises, nor as enabling, permitting, or creating any cause of action or claim arising out of the lawful exercise of COUNTY's governmental authority.
- 21.06 Rights Reserved to the COUNTY. All rights not specifically granted LESSEE by this Lease are reserved to the COUNTY.
- 21.07 Invalidity of Clauses. The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no effect upon the validity of any other part or portion hereof.
- 21.08 Governing Law. This Lease shall be governed by and in accordance with the laws of the State of Florida.
- 21.09 Venue. Venue in any action, suit or proceeding in connection with this Lease shall be filed and held in a State court of competent jurisdiction located in Palm Beach COUNTY, Florida.
- 21.10 Notices. All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or overnight mail, or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery or courier services, or the next business day if by overnight mail, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

COUNTY:

Palm Beach County
Department of Airports
ATTN: Director
846 Palm Beach International Airport
West Palm Beach, Florida 33406

With a copy to:

Palm Beach County
Attorney's Office
ATTN: Airport Attorney
301 North Olive Ave.
Suite 601
West Palm Beach, Florida 33401

LESSEE:

Palm Beach Avionics, Inc.
c/o Jim Cook
11250 Aviation Blvd. # 3
West Palm Beach, Florida 33412
(561) 625-6690

With a copy to:

Either party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days prior written notice to the other party.

21.11 Paragraph Headings. The heading of the various articles and sections of this Lease, and its table of contents, are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.

21.12 No Recording. Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.

21.13 Consent or Action. In the event this Lease is silent as to the standard for any consent, approval, determination, or similar discretionary action, the standard shall be at the sole, absolute and unfettered discretion of COUNTY or the Department, rather than any implied standard of good faith, fairness or reasonableness. Wherever this Lease requires COUNTY or the Department's consent or approval or permits COUNTY or the Department to act, such consent, approval or action may be given or performed by the Director of the Department or his or her designee. If LESSEE requests COUNTY's or the Department's consent or approval pursuant to any provision of this Lease and COUNTY or the Department fails or refuses to give such consent, LESSEE shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.

21.14 Binding Effect. The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors, assigns and subtenants, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.

21.15 Performance. The parties expressly agree that time is of the essence in each and every provision of this Lease where a time is specified for performance and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance without liability.

21.16 Construction. No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final Lease. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof, shall be held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and affect.

21.17 No Broker. LESSEE warrants to COUNTY that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease. LESSEE covenants and agrees to defend, indemnify and save the COUNTY harmless from and against any actions, damages, real estate commissions, fees, costs and/or expenses (including reasonable attorneys' fees), resulting or arising from any commissions, fees, costs and/or expenses due to any real estate brokers or agents because of the transaction contemplated by this Lease and the execution and delivery of this Lease, due to the acts of LESSEE. The terms of this section shall survive termination of this Lease.

21.18 Public Entity Crimes. As provided in Section 287.132-133, Florida Statutes, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date hereof. This notice is required by Section 287.133 (3) (a), Florida Statutes.

21.19 Excusable Delays. Neither COUNTY nor LESSEE shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations, other than the payment of rentals, fees, and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, or sabotage, or any other circumstances for which it is not responsible or which are not within its control.

21.20 Annual Appropriation. COUNTY's monetary agreements and obligations to perform under this Lease, if any, are expressly contingent upon annual appropriation of funding by the Palm Beach County Board of County Commissioners.

21.21 Entirety of Agreement. The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.

21.22 Remedies Cumulative. Except as otherwise provided for herein, the rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

21.23 Incorporation by References. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by reference.

21.24 Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from COUNTY's public health unit.

(Remainder of Page Left Blank Intentionally)

IN WITNESS WHEREOF, the parties hereto have caused this Executive Hangar Lease Agreement to be signed by the COUNTY Administrator or his designee, the Director of the Department of Airports, pursuant to the authority granted by the Palm Beach County Board of County Commissioners, and LESSEE, Palm Beach Avionics, Inc. has caused these presents to be signed in its lawful name by its duly authorized officer, the President, acting on behalf of LESSEE, and the seal of LESSEE to be affixed hereto the day and year first written above.

WITNESSES:

Connie Shoffner
Signature

Connie Shoffner
Print Name

[Signature]
Signature

Colleen Hawkins
Print Name

PALM BEACH COUNTY
BY THE COUNTY ADMINISTRATOR OR
DIRECTOR OF THE DEPARTMENT
OF AIRPORTS

BY [Signature]
County Administrator or Director

WITNESSES:

Aurora K. Ford
Signature

Susanne K. Jordan
Print Name

Douglas M. Bearss
Signature

Douglas M. Bearss
Print name

LESSEE:

BY Jimmy D. Cook, Pres.
Signature

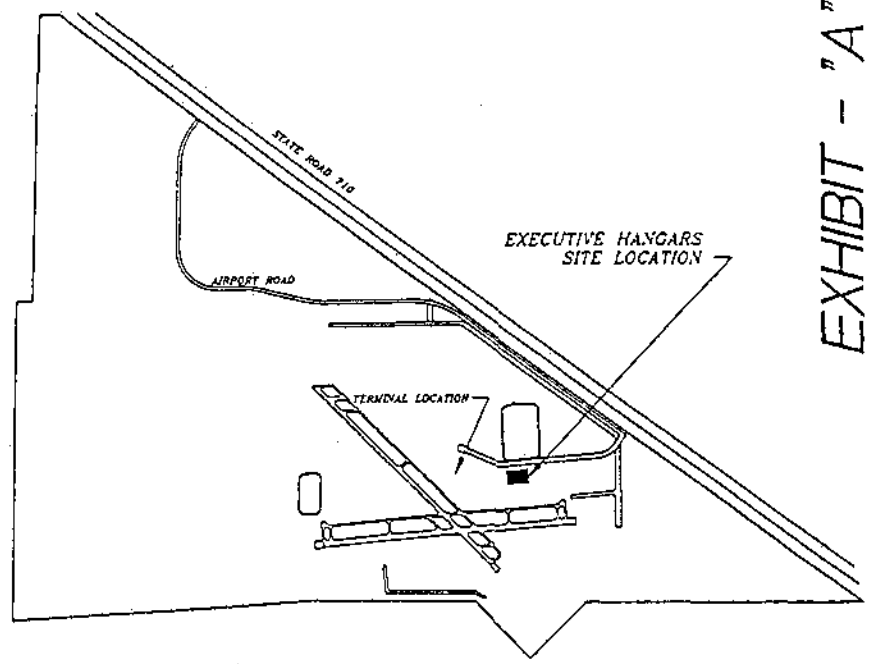
Jimmy D. Cook
Print Name

Title President

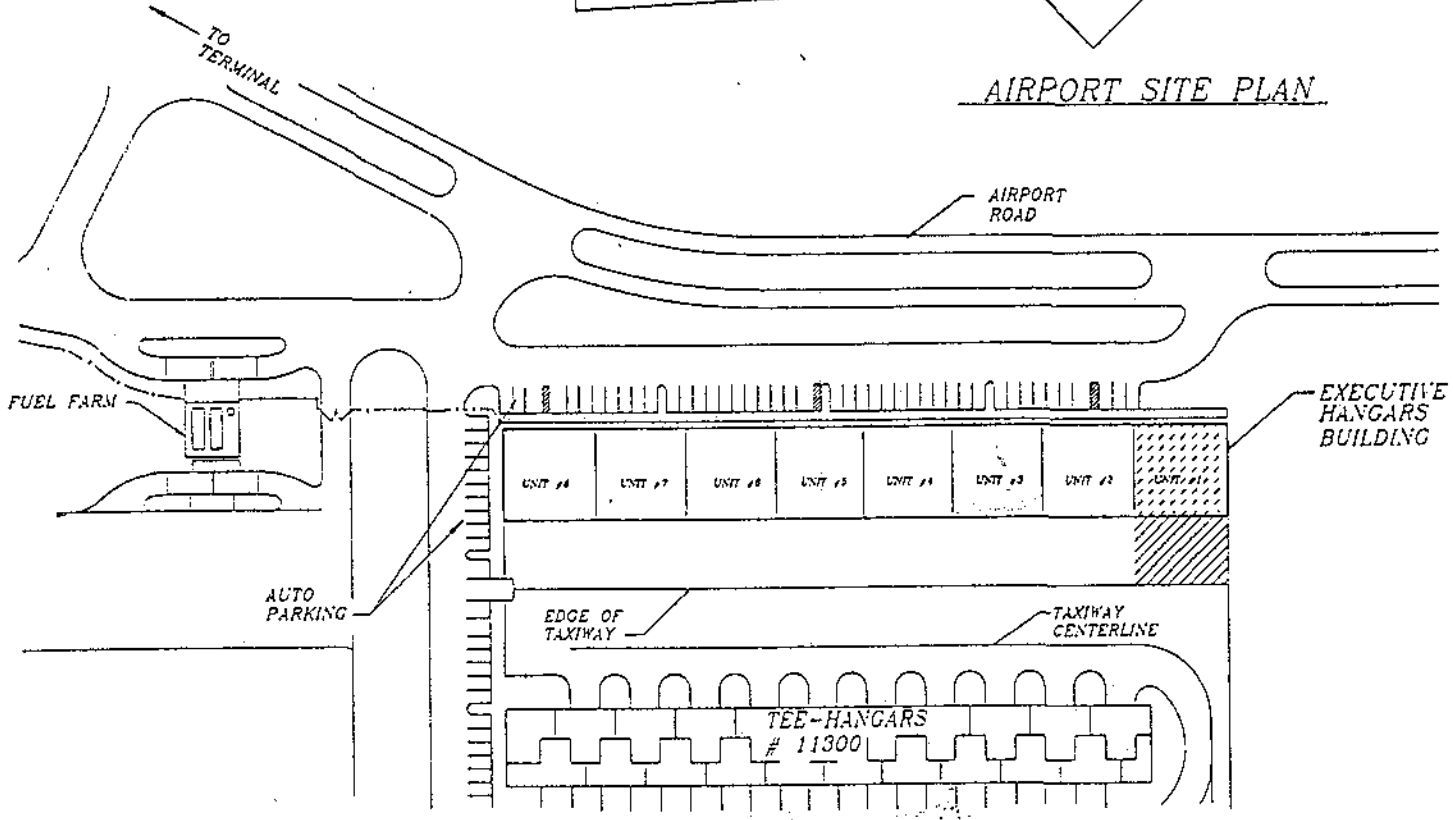
APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: Anne Helzlsouer
County Attorney

EXHIBIT - "A"



AIRPORT SITE PLAN



EXECUTIVE HANGARS SITE PLAN

EXHIBIT - "A"
EXECUTIVE HANGAR
BUILDING - # 11250



Palm Beach County
Department Of Airports
North Palm Beach County
General Aviation Airport

Drawn by: DLF
Approved by: MCT
Date: Oct. 1, 1995

Sheet
1 of 1

EXECUTIVE HANGAR LEASE AGREEMENT

North County General Aviation Airport

Department of Airports

Palm Beach County, Florida

**Palm Beach Avionics, Inc.
LESSEE**

EXECUTIVE HANGAR LEASE AGREEMENT

THIS EXECUTIVE HANGAR LEASE AGREEMENT (this "Lease") is made and entered into this _____ day of **AUG 29 2007**, 20____, by and between Palm Beach County, a political subdivision of the State of Florida, ("COUNTY"), and Palm Beach Avionics, Inc, whose address is 11250 Aviation Blvd. # 3, West Palm Beach, Florida 33412 ("LESSEE").

WITNESSETH:

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport, located in Palm Beach County, Florida (the "Airport"); and

WHEREAS, COUNTY has certain aircraft hangar facilities at the Airport, which are available for leasing on a net basis; and

WHEREAS, LESSEE desires to lease such facilities for the purposes described herein; and

WHEREAS, LESSEE has indicated a willingness and demonstrated the ability to properly keep and maintain said facilities in accordance with the terms and conditions of this Lease.

WHEREAS, the Minimum Standards (as hereinafter defined) for the Airport establishes certain minimum requirements for commercial aeronautical activities on the Airport; and

WHEREAS, LESSEE's operations are subject to the Minimum Standards; and

WHEREAS, the Premises (as hereinafter defined) will not satisfy the minimum leasehold premises requirements of the Minimum Standards; and

WHEREAS, the Board of County Commissioners hereby grants a variance from the Minimum Standards.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.

ARTICLE 1 TERM

1.01 **Term.** The term of this Lease shall commence on September 1, 2007 (the "Commencement Date") and terminate on August 31, 2008 (the "Term"), unless terminated earlier as provided for herein.

1.02 **Renewal Term.** Upon the expiration of the Term, LESSEE shall have the option to renew this Lease for one (1) additional term of one (1) year(s) (the "Renewal Term"), subject to the prior written approval of COUNTY, which approval may be granted or withheld in COUNTY's sole and absolute discretion. In the event LESSEE desires to renew this Lease, LESSEE shall provide written notice to COUNTY at least sixty (60) days prior to the expiration of the Term. In the event COUNTY approves of the renewal, the parties shall enter into an amendment to this Lease to extend the Term. In the event COUNTY elects not to approve the renewal request, this Lease shall automatically expire at the end of the Term and LESSEE shall have no further rights hereunder. An amendment entered into by the parties pursuant to this paragraph may be signed by the Director of the Department on behalf of the COUNTY.]

ARTICLE 2 PREMISES AND PRIVILEGES

2.01 **Description of Premises Leased.** The premises hereby leased consist of that certain aircraft hangar facility, Unit 4 (the "Unit") containing approximately 3,844 square feet of space, located within Building # 11250 (the "Building") at the Airport, together with the through-way ramp area located immediately adjacent to and extending from the south side of the Unit to the north edge of the taxi-way, as more particularly identified on Exhibit "A" (the "Premises"), attached hereto and made a part hereof.

2.02 **Description of General Privileges, Uses and Rights.** COUNTY hereby grants to LESSEE the following general privileges, uses and rights all of which shall be non-exclusive on the Airport:

A. The general use, in common with others, of all public Airport facilities and improvements, which are now or may hereafter be connected with or appurtenant to the Airport, to be used by LESSEE and/or its authorized sub lessees in connection with its operations hereunder. For the purpose of this Lease "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, not specifically leased to or under the contractual control of others.

B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport for LESSEE, its agents and employees, patrons and invitees, suppliers of service and furnishers of material. The aforementioned right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Nothing herein contained shall be construed to grant to LESSEE the right to use any space or area improved or unimproved, which is leased to a third party or which COUNTY has not specifically leased herein.

2.03 Description of Specific Privileges, Uses and Rights. In addition to the general privileges, uses and rights described herein, COUNTY hereby grants to LESSEE the right to improve, operate and maintain the Premises, including all necessary appurtenances thereto, to be used for the sole purpose(s) of commercial avionics sales, repair, and maintenance.

2.04 Restrictions of Privileges, Uses and Rights. The rights granted hereunder are expressly limited to the improvement, operation and maintenance of the Premises pursuant to the terms of this Lease. The Premises shall not be used for habitation. The parking of boats, motor homes or inoperable vehicles and the stockpiling or storage of equipment and machinery within the Premises or any other area of the Airport is strictly prohibited.

2.05 Compliance with Minimum Standards. LESSEE agrees to comply with the requirements set forth in the Minimum Standards for Commercial Aeronautical Activities (R-2003-1956), as now or hereinafter amended or superseded, (the "Minimum Standards") applicable to LESSEE'S operations with the exception of the minimum leasehold premises size requirements.

2.06 Condition of Premises. LESSEE expressly acknowledges that it has inspected the Premises and Airport and accepts both in their "AS IS CONDITION" and "WITH ALL FAULTS," together with all defects, latent and patent, if any. LESSEE further acknowledges that COUNTY has made no representations or warranties of any nature whatsoever regarding the Airport or the Premises including, but not limited to, the physical and/or environmental condition of the Premises or any improvements located thereon; the value of the Premises or improvements; the zoning of the Premises; title to the Premises; the suitability of the Premises or any improvements for LESSEE'S intended use; or LESSEE'S legal ability to use the Premises for LESSEE'S intended use.

ARTICLE 3 RENTAL

3.01 Rental. The initial annual rental to be paid to COUNTY by LESSEE for the Premises shall be \$23,811.60 per year, plus any applicable sales taxes as may be required by law.

3.02 Commencement and Time of Payment. Payment of rental by LESSEE to COUNTY shall commence upon the Commencement Date. Annual rental shall be payable in equal monthly installments, in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first (1st) day of each and every month throughout the Term and any extension thereof. If the Commencement Date occurs on a day other than the first (1st) day of a month, LESSEE shall pay rent from the Commencement Date to the first (1st) day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Commencement Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. All payments shall be made payable to the COUNTY'S contracted Airport manager/operator and shall be mailed or delivered to the offices of same, which as of the date of this Lease is: Landmark Aviation. COUNTY may change the payment procedure and/or the address to which payments are to be delivered from time to time. COUNTY will provide thirty (30) days written notice to LESSEE prior to any change in payment procedure or the address to which payments are to be delivered. *Rental shall be deemed delinquent if payment is not received by the first (1st) business day of the month in which it is due.*

3.03 Adjustment of Rental.

A. Each October 1st (the "Adjustment Date") throughout the Term and any extension thereof, the annual rental payable hereunder shall be adjusted as hereinafter set forth in accordance with any increase in the Consumer Price Index for all Urban Consumers, All Items, U.S. city average (1982-1984 = 100), not seasonally adjusted (the "CPI"), issued by the Bureau of Statistics of the U.S. Department of Labor. On the Adjustment Date, the annual rental payable hereunder shall be adjusted by multiplying the then current annual rental by a fraction, the numerator of which shall be the CPI value for the month of July of the then current calendar year, and the denominator of which shall be the CPI value for the month of July of the then preceding calendar year. In no event shall the adjusted annual rental be less than then current annual rental. In the event that the CPI ceases to be published during the Term, or if a substantial change is made in the method of establishing or computing the CPI, then the determination of the adjustment in the annual rent shall be made with the use of such conversion factor, formula or table as may be published by the Bureau of Labor Statistics or, if none is available, by any other nationally recognized publisher or similar statistical information chosen by COUNTY. LESSEE shall commence payment of the adjusted annual rental on the Adjustment Date.

B. Notwithstanding any provision of this Lease to the contrary, rentals shall be established at all times to ensure compliance with the provisions of Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.

3.04 Sales, Use and Rent Taxes, Assessments, Personal Property Taxes. LESSEE shall pay before delinquency all personal property taxes and assessments which may be levied by any governmental authority against the Premises, on the property of LESSEE located in the Premises and on additions and improvements upon the Premises belonging to LESSEE. LESSEE shall also pay to COUNTY all sales taxes assessed by governmental authority against the rental payable hereunder even though the taxing statute or ordinance may purport to impose such sales tax against COUNTY. The payment of sales tax shall be made by LESSEE monthly, concurrent with the payment of rental.

3.05 Unpaid Rent. In the event LESSEE fails to make timely payment of any rentals and charges due and payable in accordance with the terms of this Lease, interest, at the rate established from time-to-time by the Board of County Commissioners (currently set at one and one-half percent [1½ %] per month), shall accrue against the delinquent payment(s) from the date due until the date payment is received. Notwithstanding the foregoing, COUNTY shall not

be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.

3.06 Security Deposit. Prior to the Commencement Date, LESSEE shall post a security deposit with COUNTY equal to three (3) monthly installments of rental ("Security Deposit"). The Security Deposit shall serve as security for the payment of all sums due to COUNTY and shall also secure the performance of all obligations of LESSEE to COUNTY pursuant to this Lease. The Security Deposit shall be either in the form of a cash deposit, a clean, Irrevocable Letter of Credit ("Letter of Credit") or a Surety Bond ("Bond"). In the event LESSEE elects to provide a Letter of Credit or Bond, the Letter of Credit or Bond shall be in form and substance satisfactory to COUNTY, in its sole discretion. In the event of any failure by LESSEE to pay any rentals or charges when due or upon any other failure to perform any of its obligations or other default under this Lease beyond applicable cure periods, then in addition to any other rights and remedies available to COUNTY at law or in equity, COUNTY shall be entitled to draw on the Security Deposit and apply same to all amounts owed. Upon notice of any such draw, LESSEE shall immediately replace the Security Deposit with a new Bond, Letter of Credit or cash deposit in the full amount of the Security Deposit required hereunder. LESSEE shall increase the amount of the Security Deposit to reflect any increases in the sums payable hereunder within thirty (30) days after notification by the Department of any such increase. The Security Deposit shall be kept in full force and effect throughout the Term and any extension thereof and for a period of three (3) months after the termination of this Lease. Not less than forty-five (45) calendar days prior to any expiration date of a Letter of Credit or Bond, LESSEE shall submit evidence in form satisfactory to COUNTY that such security instrument has been renewed or submit a cash deposit. Failure to renew a Letter of Credit or Bond or to submit a cash deposit or to increase the amount of the Security Deposit as required by this Section 3.06 shall: (i) entitle COUNTY to draw down the full amount of such Security Deposit, and (ii) constitute a default of this Lease entitling COUNTY to all available remedies. The Security Deposit shall not be returned to LESSEE or released by COUNTY until all obligations under this Lease are performed and satisfied. Prior to consent from COUNTY to any assignment of this Lease by LESSEE, LESSEE'S assignee shall be required to provide a Security Deposit to COUNTY in accordance with the terms and conditions of this Section 3.06.

3.07 Accord and Satisfaction. In the event LESSEE pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. COUNTY may accept any check or payment without prejudice to COUNTY'S right to recover the balance due or to pursue any other remedy available to COUNTY pursuant to this Lease or under the law.

ARTICLE 4 CONSTRUCTION OF IMPROVEMENTS

4.01 Right to Install Improvements. LESSEE may construct and install, at its sole cost and expense, improvements within the Premises, subject to the prior written approval of the Department. All such improvements shall be of attractive construction and first-class design and shall comply with all applicable governmental laws, regulations, rules, and orders, shall follow standard construction methods and shall be completed in accordance with the Department's Development Standards and Criteria, as may be amended by the Department from time to time. Prior to the commencement of construction, full and complete plans and specifications for all improvements shall be submitted to and subject to the written approval of the Department. LESSEE further covenants and agrees that:

A. The construction and/or installation of improvements shall not interfere with the operation of the Airport or unreasonably interfere with the activities of other Airport tenants and users.

B. All construction and/or installation of improvements shall be: (i) completed at the sole risk of LESSEE; (ii) performed in accordance with all applicable governmental regulations, rules and laws and all applicable Federal Aviation Administration ("FAA") Advisory Circulars, Orders and policies; and (iii) subject to inspection by COUNTY. The Department may require any improvements constructed on the Premises in violation of this Article 4 to be removed and/or reconstructed at LESSEE'S sole cost and expense.

C. LESSEE shall complete construction of all improvements within the time period specified in writing by the Department.

D. Upon completion of construction, LESSEE shall submit to the Department one complete set of as-built drawings for all improvements in the latest version of Auto Cad acceptable to the Department or such other form of documentation as specified by the Department together with a detailed statement of actual construction costs, for the permanent record of COUNTY. COUNTY reserves the right, through its authorized representatives, to undertake an audit of the actual construction costs and, if requested by the Internal Auditor of COUNTY, to require that said costs be certified by an independent Certified Public Accountant, acceptable to COUNTY.

4.02 Construction Bonds. LESSEE shall ensure that all improvements are constructed to completion in accordance with the approved plans and that all persons or entities performing work or providing materials relating to such improvements including, but not limited to, all contractors, subcontractors, laborers, materialmen, suppliers and professionals, are paid in full for such services and materials. LESSEE, at its sole cost and expense, shall cause to be made, executed and delivered to COUNTY prior to commencement of any improvements to the Premises, a bond, drawn in a form and issued by a company approved by COUNTY, guaranteeing compliance by LESSEE of its obligations arising hereunder. COUNTY shall be named as a dual obligee on the bond(s).

4.03 Contractor Requirements. LESSEE shall require contractors to furnish for the benefit of COUNTY a public construction bond as required under Section 255.05, Florida Statutes, in a form approved by COUNTY. LESSEE shall require its contractors to name COUNTY as a dual obligee on the bond(s). LESSEE shall also require contractors to furnish satisfactory evidence of statutory Worker's Compensation insurance, comprehensive general liability insurance, comprehensive auto insurance, and physical damage insurance on a Builder's Risk form with the interest of COUNTY endorsed thereon, in such amounts and in such manner as COUNTY'S Risk Management

Department may require. COUNTY's Risk Management Department may require additional insurance for any alterations or improvements approved hereunder, in such amounts as COUNTY's Risk Management Department determines to be necessary.

4.04 No Liens. LESSEE agrees that nothing contained in this Lease shall be construed as consent by COUNTY to subject the estate of COUNTY to liability under the Construction Lien Law of the State of Florida and understands that COUNTY's estate shall not be subject to such liability. LESSEE shall notify any and all parties or entities performing work or providing materials relating to any improvements made by LESSEE of this provision of this Lease. If so requested by COUNTY, LESSEE shall file a notice satisfactory to COUNTY in the Official Public Records of Palm Beach County, Florida, stating that COUNTY interest shall not be subject to liens for improvements made by LESSEE. In the event that a construction lien is filed against the Premises or other COUNTY property in connection with any work performed by or on behalf of LESSEE, LESSEE shall satisfy such claim, or transfer same to security, within ten (10) days from the date of filing. In the event that LESSEE fails to transfer or satisfy such claim within the ten (10) day period, COUNTY may do so and thereafter charge LESSEE all costs incurred by COUNTY in connection with the satisfaction or transfer of such claim, including attorneys' fees, and LESSEE shall promptly pay to COUNTY all such costs upon demand, as additional rent.

ARTICLE 5 OBLIGATIONS OF COUNTY

Except as otherwise provided for herein, COUNTY shall maintain the structure of the Building, including exterior walls, foundation, roof, exterior lighting (excluding trade signs, if any), pavement, security fencing, and utility cables to their point of connection with the Building and shall provide for the maintenance of the grassed and landscaped areas around the Building.

ARTICLE 6 OBLIGATIONS OF LESSEE

6.01 Maintenance and Repair. Except as otherwise provided for herein, LESSEE shall, at its sole cost and expense, maintain the Premises, improvements, and appurtenances thereto, in a safe and presentable condition consistent with good business practice, industry standards and in accordance with all applicable laws, regulations and rules of any governmental entity. LESSEE shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, licensees, suppliers of service or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE'S operations thereon or LESSEE'S use of the Premises. LESSEE hereby agrees that it shall abide by the decision of the Department with respect to maintenance or repair of the Premises. The Department shall be the sole judge of LESSEE'S performance under this Article 6 as to the quality of maintenance and repair. Upon written notice by the Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with Department's decision. If LESSEE has not made a good faith effort, as determined by Department, to begin to perform said maintenance or repair within ten (10) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter on the Premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of the costs incurred by the Department, plus twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's invoice.

6.02 Utilities. LESSEE shall pay for all utilities used by it. LESSEE shall have the right, at its sole cost and expense, to connect to any and all utility mainlines or cables existing at the time of this Lease or installed during the Term.

6.03 Cleanliness of Premises; Grounds Maintenance. LESSEE shall, at its sole cost and expense, keep the Premises clean at all times and shall maintain and keep the through-way ramp area portion of the Premises free of obstructions so to allow unrestricted movement of aircraft and equipment. LESSEE shall not deposit nor store any waste, garbage, or refuse of any kind on any part of the Airport; provided, however, LESSEE may procure, together with other Building tenants, such appropriate type waste disposal containers as prescribed by COUNTY. All costs associated with the maintenance of the waste disposal containers shall be the responsibility of those tenants having caused such containers to be placed at the Building. The placement of such containers shall be limited only to those areas as designated for such purpose by the Department. The Department reserves the right to limit the number of such containers. LESSEE shall not use any areas of the Airport in a manner that causes or results in dust, debris or waste of any kind to be blown about or raised so as to be ingested by aircraft or individuals, or otherwise interfere with or disturb the use or enjoyment by others of their premises or any non-leased areas of the Airport. The Department shall reasonably determine whether LESSEE is in compliance with the maintenance obligations as provided for herein and shall provide LESSEE with written notice of any violations of LESSEE'S maintenance obligations. Immediately upon LESSEE'S receipt of COUNTY'S written notice of violation, LESSEE shall commence such corrective action as required by COUNTY or as may be necessary to remedy such non-compliance to satisfaction of COUNTY. If corrective action is not immediately initiated and pursued in a diligent manner to completion, the Department may cause the same to be accomplished and LESSEE hereby expressly agrees that LESSEE shall assume and be liable to COUNTY for payment of all the cleaning and grounds maintenance costs, plus twenty-five percent (25%) for administrative overhead. Such cleaning and grounds maintenance costs, plus the administrative cost, shall be due and payable within thirty (30) days of the date of written notice.

6.04 Security. LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all inventory, equipment and facilities now existing or hereafter placed on or installed in or upon the Premises, and for the prevention of unauthorized access to its facilities and expressly agrees to comply with all laws, orders, rules, regulations and security directives of COUNTY, FAA, Transportation Security Administration ("TSA"), as now or hereafter amended, and of any and all other governmental entities that now or may hereafter have jurisdiction over security of the Airport. LESSEE fully understands that the police security protection provided by COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County

Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and improvements constructed thereon, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY.

ARTICLE 7 INSURANCE

LESSEE shall, at its sole expense, maintain in full force and effect at all times throughout the Term and any extension thereof, insurance limits, coverage or endorsements required herein. The requirements contained herein, as well as COUNTY's review or acceptance of insurance, is not intended to and shall not in any manner limit nor qualify the liabilities and obligations assumed by LESSEE under this Lease.

7.01 Commercial General Liability/Airport Liability. LESSEE shall maintain Commercial General Liability/Airport Liability Insurance with limits of liability not less than One Million Dollars (\$1,000,000) Each Occurrence including coverage for, but not limited to, Premises/Operations, Products/Completed Operations, Contractual Liability (covering this Lease, Personal/Advertising Injury and Cross Liability). Coverage shall be provided on a primary basis.

7.02 Hangarkeeper's Legal Liability. LESSEE shall maintain Hangarkeeper's Legal Liability Insurance, providing property damage to aircraft which are the property of others and in the care, custody, or control of LESSEE, but only while such aircraft are not in flight, in an amount not less than One Hundred Thousand Dollars (\$100,000) any one aircraft and Two Hundred Thousand Dollars (\$200,000) any one occurrence.

7.03 Business Auto Liability. LESSEE shall maintain Business Automobile Liability Insurance with limits of liability not less than One Million Dollars (\$1,000,000) Each Occurrence for owned, non-owned and hired automobiles. If LESSEE transports fuel the policy must include CA 99 48 Pollution Liability - Broadened Coverage for Covered Autos - Business Auto, Motor Carrier and Truckers Coverage Forms Endorsement or equivalent. In the event LESSEE has no owned automobiles, LESSEE shall only be required to maintain Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability or separate Business Auto Liability. Coverage shall be provided on a primary basis.

7.04 Aircraft Liability. LESSEE shall maintain Aircraft Liability Insurance with respect of all aircraft owned, leased or operated by the LESSEE for bodily injury (including death) and property damage liability in a Combined Single Limit Amount of not less than One Million Dollars (\$1,000,000) per occurrence, including a Passenger Liability sub-limit not less than One Hundred Thousand Dollars (\$100,000) per passenger.

7.05 Worker's Compensation & Employers Liability. LESSEE shall maintain Worker's Compensation and Employer's Liability Insurance in accordance with state and federal law. Coverage shall be provided on a primary basis.

7.06 Umbrella or Excess Liability. LESSEE may satisfy the minimum limits required above for Commercial General Liability/Airport Liability and/or Business Auto Liability and/or Aircraft Liability coverage under Umbrella or Excess Liability. The Umbrella or Excess Liability shall have an aggregate limit not less than the highest "Each Occurrence" limit for the Commercial General Liability/Airport Liability, Aircraft Liability or Business Auto Liability. COUNTY shall be endorsed as an Additional Insured on the Umbrella or Excess Liability, unless the Certificate of Insurance notes the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.

7.07 Property Insurance. LESSEE shall maintain property insurance in an amount not less than 100% of the total replacement cost of any betterments and improvements made by or on behalf of LESSEE as well as LESSEE's contents located on the Premises. The settlement clause shall be on a Replacement Cost basis. Coverage shall be written with a Special - Cause of Loss (All-Risk) form. Coverage shall be provided on a primary basis.

7.08 Additional Insured Endorsement LESSEE shall endorse the COUNTY as an Additional Insured on the Commercial General Liability/Airport Liability Insurance. A CG 2011 Additional Insured - Managers or Lessors of Premises or its equivalent shall be used. The Additional Insured endorsement shall provide coverage on a primary basis. The Additional Insured endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida, 33406-1470."

7.09 Loss Payee Endorsement. LESSEE shall endorse COUNTY as a Loss Payee on the Property, Flood, and Windstorm Insurance policies. The Loss Payee endorsement shall provide coverage on a primary basis. The Loss Payee endorsement shall read "Palm Beach COUNTY Board of COUNTY Commissioners, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida, 33406-1470."

7.10 Certificate of Insurance. Prior to the Commencement Date, LESSEE shall provide COUNTY with a certificate of insurance evidencing limits, coverage and endorsements required herein. The certificate of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage in the event coverage cancels or non-renews during the term of this Lease or any renewal thereof. The certificate must clearly indicate that Contractual Liability coverage applies to this Lease. LESSEE shall provide to COUNTY new certificate(s) of insurance evidencing replacement coverage thirty (30) days prior to the expiration of any coverage required hereunder. Certificate Holder's name and address shall read:

Palm Beach County Board of County Commissioners
c/o Department of Airports
846 Palm Beach International Airport
West Palm Beach, FL 33406-1470

7.11 Waiver of Subrogation. By entering into this Lease, LESSEE agrees to a Waiver of Subrogation for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, LESSEE shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, a condition to which the policy specifically prohibits such an endorsement, or voids coverage should LESSEE enter into such an agreement on a pre-loss basis. Nothing contained in this Section shall be construed as an obligation of LESSEE to provide a Waiver of Subrogation in the event that LESSEE'S insurer will not provide it.

7.12 Premiums and Proceeds. LESSEE shall not keep, use, sell or offer for sale in or upon the Premises any article that may be prohibited by any, condition, provision, limitation, of the Property, Flood, or Wind Insurance policies. LESSEE shall agree to be responsible for all premiums, including increases, for Property, Flood, or Wind insurance policies. LESSEE agrees that all property, flood or windstorm insurance proceeds as a result of a loss shall be made available for use to promptly replace, repair or rebuild the building, betterments and improvements, including those made by or on behalf of LESSEE, so to ensure a replacement cost settlement or avoid policy cancellation.

7.13 Deductibles, Coinsurance, & Self-Insured Retention. LESSEE shall be fully and solely responsible for any deductible, coinsurance penalty, or self-insured retention; including any losses, damages, or expenses not covered due to an exhaustion of limits or failure to comply with the policy.

7.14 Right to Review or Adjust Insurance. COUNTY'S Risk Management Department shall have the right, but not the obligation, to review, adjust, reject or accept insurance policies, limits, coverage, or endorsements throughout the Term or any extension thereof. COUNTY shall have the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or by way of illegal operation. COUNTY shall provide LESSEE written notice of such action and LESSEE agrees to cure or comply with such action within thirty (30) days of the date of such notice.

7.15 No Representation of Coverage Adequacy. The limits, coverage or endorsements identified herein are intended to primarily transfer risk and minimize liability of COUNTY. LESSEE acknowledges and agrees that LESSEE has not relied upon such requirements in assessing the extent or determining appropriate types or limits of coverage to protect LESSEE against any loss exposures, whether as a result of this Lease or otherwise.

ARTICLE 8 RELATIONSHIP OF THE PARTIES

LESSEE is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and COUNTY shall in no way be responsible therefore.

ARTICLE 9 INDEMNIFICATION

LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them individually, free and harmless at all times from and against any claims, liability, expenses, losses, costs, fines and damages (including attorney fees and costs at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE'S use or occupancy of the Premises, including, without limitation those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE'S acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease; provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE'S activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. Said indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE acknowledges the broad nature of this indemnification and hold-harmless clause and that COUNTY would not enter into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification in accordance with laws of the State of Florida. The obligations arising under this Article shall survive the expiration or termination of this Lease.

ARTICLE 10 DAMAGE OR DESTRUCTION OF PREMISES/IMPROVEMENTS

10.01 Damage or Destruction. LESSEE hereby assumes full responsibility for the condition of the Premises and character, acts and conduct of all persons admitted to the Premises by or with the actual or constructive consent of LESSEE or by or with the consent of any person acting for or on behalf of LESSEE. If the Premises, improvements, or any part thereof, are damaged in any way whatsoever by the act, default or negligence of LESSEE or its sublessees, contractors, employees, officers, licensees, agents or invitees, LESSEE shall, at its sole cost and expense, restore the Premises to the condition existing prior to such damage. LESSEE shall commence such restoration within thirty (30) days and shall diligently pursue such restoration to completion. Such repairs, replacements or rebuilding shall be made by LESSEE in accordance with the construction requirements established by the Department. If LESSEE fails to restore the Premises as required above, COUNTY shall have the right to enter the Premises and

perform the necessary restoration, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of the costs incurred by COUNTY, plus twenty-five percent (25%) administrative overhead. Such restoration cost, plus the administrative cost, shall be due and payable within thirty (30) days from date of COUNTY's written notice.

10.02 Partial Destruction. If any of the improvements on the Premises are damaged or destroyed in part by fire or other casualty, COUNTY may terminate this Lease upon written notice to LESSEE within ninety (90) days after the date of any such damage or destruction or commence restoration of the Premises within a commercially reasonable period of time subject to the limitations set forth herein. In the event of restoration of the Premises by COUNTY pursuant to this paragraph, LESSEE'S obligation to pay rental shall be abated proportionately on a square footage basis as to that portion of the Unit rendered unusable by reason of casualty commencing on the date of the casualty. Such abatement shall continue until thirty (30) days after notice by COUNTY to LESSEE that the Premises have been substantially repaired or restored. Notwithstanding any provision of this Lease to the contrary, COUNTY shall have no obligation under this Lease to restore the Premises in the event the casualty was the result of the act, default or negligence of LESSEE or its sublessees, contractors, employees, officers, licensees, agents or invitees. In such event, LESSEE shall be obligated to restore the Premises in accordance with Section 10.01 above with no abatement in rental.

10.03 Total Casualty. In the event of a total casualty to the Premises, which renders the Premises unusable, as reasonably determined by the Department, either party shall have the right to terminate this Lease within ninety (90) days of the date of the casualty by delivering a written notice of termination to the other party in accordance with the notice provisions in this Lease; provided, however, LESSEE shall not have the right to terminate in the event the casualty was the result of the act, default or negligence of LESSEE or LESSEE'S sublessees, contractors, employees, officers, licensees, agents or invitees. In such event, LESSEE shall be obligated to restore the Premises in accordance with Section 10.01 above with no abatement in rental. In the event neither party terminates this Lease pursuant to this Section 10.03 and COUNTY elects to restore the Premises, LESSEE'S obligation to pay rental shall be abated until thirty (30) days after notice by COUNTY to LESSEE that the Premises have been substantially repaired or restored.

10.04 Waiver. LESSEE hereby waives any claim against COUNTY for damages or compensation in the event this Lease is terminated pursuant to Sections 10.02 or 10.03 above.

10.05 Limitations. Notwithstanding any provision of this Lease to the contrary, COUNTY obligation to repair, rebuild or restore LESSEE's personal property or fixtures or any improvements made by LESSEE to the Premises. In the event COUNTY elects to restore or rebuild the Premises following a casualty, COUNTY'S obligation to restore, rebuild or restore the Premises pursuant to this Lease shall exist only to the extent of the insurance proceeds received by COUNTY as a result of such casualty. LESSEE shall not be entitled to and hereby waives any claims against COUNTY for any compensation or damage for any loss of use of the Premises, in whole or in part, or for any inconvenience or annoyance occasioned by any such damage, destruction, repair or restoration. In addition, COUNTY shall not be liable for any damage or inconvenience or interruption of the business of LESSEE occasioned by fire or other casualty.

10.06 Insurance Proceeds. Upon receipt by LESSEE of the proceeds of any applicable insurance policy or policies, the proceeds shall be deposited in an escrow account approved by the Department so as to be available to pay for the cost of such repair, replacement or rebuilding. Any insurance proceeds shall be disbursed during construction to pay the costs of such work. If the amount of the insurance proceeds is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged improvements and the damage was caused by LESSEE or its sublessees, contractors, employees, officers, licensees, agents or invitees, LESSEE shall pay any additional sums required into said escrow account. If the amount of the insurance proceeds is in excess of the costs of repair, replacement or rebuilding, the amount of such excess shall be remitted to LESSEE.

ARTICLE 11 TITLE TO IMPROVEMENTS

Notwithstanding any provision of this Lease to the contrary, upon the expiration of the Term or its earlier termination as provided herein, all structures and improvements constructed or placed upon the Premises by LESSEE shall become the absolute property of COUNTY, and COUNTY shall have every right, title and interest therein, free and clear of any liens; and any interest in such structures and improvements theretofore held by LESSEE, and absolute title thereto, shall thereafter be vested in COUNTY; provided, however, COUNTY shall be entitled, at its option, to have the Premises returned to COUNTY free and clear of some or all such improvements, at LESSEE'S sole cost and expense. In such event, COUNTY shall provide timely notification to LESSEE of its election to require removal of the improvements and to the extent possible, COUNTY shall notify LESSEE at least sixty (60) days prior to the effective date of such termination. LESSEE shall have sixty (60) days from date of notice within which to remove the improvements. If LESSEE fails to remove the improvements, COUNTY may remove same at LESSEE'S sole cost and expense.

ARTICLE 12 TERMINATION OF LEASE, CANCELLATION, ASSIGNMENT AND TRANSFER

12.01 Termination. This Lease shall automatically terminate at the end of the Term, unless renewed as provided for herein, and LESSEE shall have no further right or interest herein.

12.02 Default. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by LESSEE:

A. The vacating or abandonment of the Premises by LESSEE for a period of more than sixty (60) consecutive days.

B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from COUNTY to LESSEE.

C. The failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by LESSEE, other than described in paragraphs A and B above, where such failure continues for a period of thirty (30) days after written notice from COUNTY; provided, however, that if the nature of LESSEE'S default is such that more than thirty (30) days are reasonably required for its cure, then LESSEE shall not be deemed to be in default if LESSEE has commenced such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion.

D. To the extent permitted by law, (i) the making by LESSEE or any guarantor hereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

12.03 Remedies. In the event of any such material default or breach by LESSEE, COUNTY may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which COUNTY may have under the law by reason of such default or breach, elect to exercise any one of the following remedies:

A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.

B. Terminate LESSEE's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of LESSEE, in which case the rent and other sums due hereunder shall be accelerated and due in full and LESSEE shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what COUNTY is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by LESSEE. Upon such reletting, all rentals received by COUNTY shall be applied, first to the payment of any indebtedness other than rent due under this Lease from LESSEE; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by COUNTY due to LESSEE's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by COUNTY relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to LESSEE.

C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of COUNTY, thereby terminating any further liability under this Lease on the part of LESSEE and COUNTY. Notwithstanding the foregoing, COUNTY shall have a cause of action to recover any rent remaining unpaid when COUNTY retakes possession of the Premises for the account of COUNTY.

D. Stand by and do nothing, holding LESSEE liable for the rent as it comes due.

E. Pursue any other remedy now or hereafter available to COUNTY under the laws and judicial decisions of the State of Florida.

Notwithstanding any provision of this Lease to the contrary, upon the occurrence of a material default or breach of this Lease by LESSEE, COUNTY shall have the right to bring an action for damages. COUNTY further reserves all rights which the laws of the State of Florida confer upon a landlord against a LESSEE in default.

12.04 Termination by LESSEE. LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving COUNTY sixty (60) days' advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:

A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes or a substantial part of the Premises, which injunction remains in force for a period of at least ninety (90) days.

B. The default by COUNTY in the performance of any covenant or agreement required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of ninety (90) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of termination, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of termination; or in the event the same cannot be cured within such ninety (90) day period and COUNTY has commenced such cure and thereafter diligently pursues the same until completion.

C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of LESSEE, for a period of at least ninety (90) days.

In the event of termination pursuant to this Section 12.04, the parties shall be relieved of all obligations created hereunder except for those obligations accruing prior to termination of this Lease and those obligations that specifically survive termination of this Lease.

12.05 Surrender of Premises. LESSEE expressly agrees that it shall immediately surrender the Premises to COUNTY in good and fit condition upon expiration or termination of this Lease, depreciation and wear from ordinary use for the purpose for which the Premises were leased being excepted. All repairs and obligations that LESSEE is responsible for shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such holdover, double rental, as provided for in Section 83.06, Florida Statutes. LESSEE shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of LESSEE, including, but not limited to aircraft, not removed shall become the property of COUNTY.

ARTICLE 13 ASSIGNMENT

13.01 Assignment by LESSEE. LESSEE shall not, in any manner, assign, transfer, or otherwise convey an interest in this Lease, nor sublet the Premises or any part thereof, without the prior written consent of the Department. Any such attempted assignment, transfer, or sublease without Department approval shall be null and void. In the event the Department consents in writing as aforesaid, LESSEE shall have the right to the extent permitted by the Department's consent to sublease or assign all or any portion of the Premises, provided that any such sublease or assignment shall be limited to only the same purposes as are permitted under this Lease. In the event of a sublease in which the rentals, fees and charges for the sublease exceed the rentals, fees and charges payable by LESSEE for the Premises pursuant to this Lease, LESSEE shall pay to COUNTY fifty percent (50%) of the excess of the rentals, fees and charges received from the sublessee over that specified to be paid by LESSEE herein. Any such sublease or assignment shall be subject to the same conditions, obligations and terms as set forth herein and LESSEE shall be fully responsible for the observance by its assignees and sublessees of the terms and covenants contained in this Lease. Notwithstanding any provision of this Lease to the contrary, in the event of an approved sublease, LESSEE shall remain primarily liable to COUNTY for fulfilling all obligations, terms and conditions of this Lease, throughout the entire Term.

13.02 Assignment by COUNTY. COUNTY may freely assign this Lease at any time without the consent of LESSEE, and COUNTY shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by COUNTY, LESSEE agrees that it shall recognize COUNTY's assignee as its new landlord under this Lease upon the effective date of such assignment. LESSEE acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between COUNTY and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. LESSEE acknowledges and agrees that COUNTY may transfer any security deposit held by COUNTY pursuant to Section 3.0 6 above to COUNTY's assignee.

ARTICLE 14 ALTERATIONS OR ADDITIONS; SIGNS

14.01 Alterations or Additions. LESSEE shall make no alterations or additions to the Premises or improvements constructed thereon, without the prior written consent of the Department. Any such additions, alterations or improvements shall be made in accordance with the construction requirements as established by the Department.

14.02 Signs. No signs, posters, or similar devices shall be erected, displayed, or maintained by LESSEE in review of the general public in, on or about the Premises or elsewhere on the Airport, without the prior written approval of the Department. Any such signs not approved shall be immediately removed at the sole cost and expense of LESSEE, upon written notification thereof by the Department.

ARTICLE 15 LAWS, REGULATIONS, PERMITS AND TAXES

15.01 General. LESSEE agrees that throughout the Term and any extension thereof, LESSEE shall at all times be and shall remain in full and complete compliance with all applicable federal, state and local laws, statutes, regulations, rules, rulings, orders, ordinances and directives of any kind or nature, as now or hereafter amended, including, without limitation, FAA Advisory Circulars, Palm Beach County Airport Rules and Regulations (Appendix B, Palm Beach County Code) and Environmental Laws. For purposes of this Article 15, the term "Environmental Laws" means all applicable federal, state and local laws, rules, orders and regulations protecting human health, the environment and/or natural resources, as such laws, rules, orders and regulations are now or hereafter amended, including, without limitation, the Federal Clean Water Act, Safe Drinking Water Act, Clean Air Act, Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation and Liability Act of 1980.

15.02 Permits and Licenses. LESSEE agrees that it shall, at its sole cost and expense, obtain, maintain current, and fully comply with, any and all permits, licenses and other governmental authorizations, as may be required by law, any federal, state or local governmental entity, or any court of law having jurisdiction over LESSEE or LESSEE's operations and activities, for any activity of LESSEE conducted on the Premises and/or Airport. Upon the written request of the Department, LESSEE shall provide the Department with certified copies of any and all permits and licenses.

15.03 Air and Safety Regulation. LESSEE shall conduct its operations and activities under this Lease in a safe manner, shall comply with all safety regulations of the Department and with safety standards imposed by applicable federal, state and local laws and regulations and shall require the observance thereof by all employees, contractors, business invitees and all other persons transacting business with or for LESSEE resulting from, or in any way related to, the conduct of LESSEE's business on the Premises. LESSEE shall procure and maintain such fire prevention and extinguishing devices as required by COUNTY and by law and shall at all times be familiar and comply with the fire regulations and orders of COUNTY and the fire control agency with jurisdiction at the Airport. LESSEE agrees that

neither LESSEE nor any employee or contractor or any person working for or on behalf of LESSEE shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health or safety, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as now or hereafter amended, as well as all state and local laws, regulations, and orders relative to occupational safety and health.

15.04 Assumption of Liability. LESSEE shall be strictly liable for and hereby expressly assumes all responsibility for the cost of all citations, fines, penalties, environmental controls, monitoring, clean up, disposal, restoration and corrective measures resulting from or in any way connected to the handling, storage and/or disposal by LESSEE or its employees, invitees, licensees, suppliers of service or materials or contractors of any pollutants or hazardous materials regulated by Environmental Laws. LESSEE's obligations under this paragraph shall survive the expiration or termination of this Lease.

15.05 Environmental Indemnification. LESSEE hereby expressly agrees to indemnify and hold COUNTY harmless from and against any and all liability for fines and physical damage to property or injury or death to persons, including, without limitation, reasonable expenses and attorneys fees, arising from or resulting out of, or in any way caused by, LESSEE's failure to comply with any and all Environmental Laws. LESSEE understands that this indemnification is in addition to and is a supplement of LESSEE's indemnification agreement set forth in Article 9 of this Lease and that LESSEE fully understands the broad extent of this indemnification and hereby expressly acknowledges that it has received full and adequate consideration from COUNTY to legally support this indemnification agreement. LESSEE's obligations under this paragraph shall survive expiration or termination of this Lease.

15.06 Emergency Coordinator. LESSEE agrees that an emergency coordinator and phone number shall be furnished to the Department, COUNTY's Risk Management Department - Safety Division, and to all appropriate governmental entities having jurisdiction thereof in case of any spill, leak, or other emergency situation involving hazardous, toxic, flammable, and/or other pollutant/contaminated materials.

15.07 Payment of Taxes. LESSEE shall pay any and all taxes and other costs lawfully assessed against its interest in the Premises, the improvements, whether owned by LESSEE or COUNTY, personal property or its operations under this Lease including, without limitation, tangible, intangible, sales and ad valorem taxes, general or special assessments. In the event this Lease or LESSEE's use of the Premises renders the Premises subject to ad valorem real property taxes or similar impositions imposed by any government entity, LESSEE shall be responsible for and pay the same prior to delinquency. LESSEE shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending LESSEE's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, LESSEE shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

ARTICLE 16 DISCLAIMER OF LIABILITY

COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE, OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS LEASE INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE, OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED ON THE PREMISES, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS CAUSED SOLELY BY COUNTY'S SOLE NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE.

ARTICLE 17 GOVERNMENTAL RESTRICTIONS

17.01 COUNTY Tax Assessment Right. None of the terms, covenants and conditions of this Lease shall in any way be construed as a release or waiver on the part of COUNTY, as a political subdivision of the State of Florida, or any of the public officials of COUNTY, of the right to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the Premises, the business or property of LESSEE.

17.02 Height Restriction. LESSEE expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Title 14, Part 77, Code of Federal Regulations, as now or hereafter amended.

17.03 Right of Flight. COUNTY reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.

17.04 Operation of Airport. LESSEE expressly agrees for itself, its subleases, successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.

17.05 Release. LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases COUNTY from any and all liability relating to the same.

17.06 Hazardous Wildlife Attractants. LESSEE shall be prohibited from using the Premises in a manner which attracts, or has the potential to attract, hazardous wildlife to or in the vicinity of the Airport. LESSEE further agrees to comply with the provisions of Federal Aviation Administration Advisory Circular No. 150/5200-33, as now or hereafter amended, as such circular is interpreted by the Department.

17.07 Acknowledgment of Governmental Limitations. The parties acknowledge and agree that this Lease shall not limit or restrict COUNTY's discretion in the exercise of its governmental or police powers and shall not constitute a delegation of COUNTY's governmental authority or police powers to LESSEE. LESSEE acknowledges and agrees that this Lease: (i) in no way restricts the legislative, quasi-judicial or executive discretion of the Palm Beach County Board of County Commissioners or County staff; (ii) does not guarantee any particular results for LESSEE on the applications; and (iii) does not give rise to any enforceable right by LESSEE to require any particular results on the applications. LESSEE further acknowledges and agrees that all governmental actions to be taken by COUNTY, the Palm Beach County Board of County Commissioners, County staff and quasi-judicial boards regarding the Premises shall be in conformance with applicable laws and ordinances with no guarantees or agreement by COUNTY as to any particular recommendation or approval.

17.08 Governmental Review. LESSEE acknowledges that this Lease is subject to review or inspection by the United States government, State of Florida and agencies and departments thereof, including the FAA, to determine satisfactory compliance with state and federal law and/or grant assurance requirements. LESSEE agrees that this Lease shall be in full force and effect and binding upon both parties pending such review or inspection, if applicable; provided, however, that upon such review or inspection the parties agree to modify any of the terms of this Lease that are determined by the United States government, State of Florida or any agency or department thereof to be in violation of any applicable laws, regulations, grant assurances or other requirements.

17.09 Exclusive Rights. The rights granted hereunder are non-exclusive with the exception of LESSEE's exclusive right to use and occupy the Unit.

ARTICLE 18 NON-DISCRIMINATION

LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree: (i) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Premises in violation of applicable law; (ii) that in the construction of any improvements on, over, or under the Premises and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in violation of applicable law; and (iii) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. In the event of a breach of any of the above nondiscrimination covenants, COUNTY shall have the right to terminate this Lease and to re-enter as if this Lease had never been made or issued. The foregoing provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including the expiration of any appeal rights.

ARTICLE 19 COUNTY NOT LIABLE

COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury whatsoever sustained by LESSEE or any person whomsoever including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Premises shall be at the sole risk of LESSEE or owner thereof. COUNTY shall not be liable for any damage or loss of said personal property.

ARTICLE 20 CONDEMNATION

If the Premises or any part thereof, or any improvements thereto, shall be taken, appropriated or condemned by exercise of the power of eminent domain, or conveyed or transferred pursuant to an agreement in lieu of condemnation, COUNTY shall be entitled to the entire award therefor, including, without limitation, any award relating to both LESSEE's leasehold estate and COUNTY's reversionary interest in the fee simple estate, without deduction, claim or setoff for any present or future estate of LESSEE. LESSEE hereby assigns and relinquishes to COUNTY all right, title and interest in such award and, upon request, shall execute all documents required to evidence such result. Notwithstanding the foregoing, LESSEE shall be entitled to pursue in such condemnation proceeding such award as may be allowed for moving expenses and business damages. In the event of a total taking of the Premises, this Lease shall terminate upon the date title vests in the condemning authority. In the event of such termination, the rental shall be prorated to the date of termination. COUNTY shall refund any remaining balance to

LESSEE after LESSEE has vacated the Premises and complied with all of its obligations arising hereunder prior to such termination, or as a result of such termination. Thereafter, the parties shall be relieved of all further obligations hereunder. Notwithstanding such termination, LESSEE shall remain liable for all matters arising under this Lease prior to such termination. In the event of a partial taking, the rental shall be abated on a pro rata basis. In the event of a temporary taking, the rental shall be abated on a pro rata basis for the period of time LESSEE is unable to use the portion of the Premises temporarily taken. After such period, the rental shall be restored to the amount which would have been then due without regard to such taking. COUNTY shall have no obligation to restore the Premises or otherwise perform any work upon same as a result of any such taking.

ARTICLE 21 MISCELLANEOUS

21.01 Authorized Uses Only. Notwithstanding any provision of this Lease to the contrary, LESSEE shall not use or permit the use of the Premises for any illegal purpose or for any purpose that would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for COUNTY or LESSEE.

21.02 Waiver. The failure of COUNTY or LESSEE to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY or LESSEE, respectively, may have for any subsequent breach or non-performance, and COUNTY's or LESSEE's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.

21.03 Subordination.

A. Subordination to Bond Resolution. This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and Bond Resolution.

B. Subordination to State/Federal Agreements. This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which the COUNTY acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between COUNTY and the United States of America, the State of Florida or any of their respective agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

21.04 Easements. Nothing in this Lease shall impair any existing utility easements, nor impair the right of access to any existing utility lines. COUNTY reserves the right to grant utility easements, licenses, and rights of way to others over, under, through, across or on the Premises; provided, however, that such grant is not materially detrimental to the proper conduct of LESSEE's operations. If requested by COUNTY, LESSEE shall consent and join in any such easements, licenses or rights of way granted by COUNTY.

21.05 Governmental Authority. Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations. COUNTY's obligations under this Lease are made in a proprietary capacity rather than in a governmental capacity and such agreements shall not be construed as limiting, prohibiting or eliminating the obligation of the parties to comply with all applicable rules, regulations, ordinances, statutes and laws, nor alter or impair COUNTY's governmental functions, including, without limitation, COUNTY's right to lawfully exercise its regulatory authority over the development of the Premises, nor as enabling, permitting, or creating any cause of action or claim arising out of the lawful exercise of COUNTY's governmental authority.

21.06 Rights Reserved to the COUNTY. All rights not specifically granted LESSEE by this Lease are reserved to the COUNTY.

21.07 Invalidity of Clauses. The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no effect upon the validity of any other part or portion hereof.

21.08 Governing Law. This Lease shall be governed by and in accordance with the laws of the State of Florida.

21.09 Venue. Venue in any action, suit or proceeding in connection with this Lease shall be filed and held in a State court of competent jurisdiction located in Palm Beach COUNTY, Florida.

21.10 Notices. All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or overnight mail, or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery or courier services, or the next business day if by overnight mail, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

COUNTY:

Palm Beach County
Department of Airports
ATTN: Director
846 Palm Beach International Airport
West Palm Beach, Florida 33406

With a copy to:

Palm Beach County
Attorney's Office
ATTN: Airport Attorney
301 North Olive Ave.
Suite 601
West Palm Beach, Florida 33401

LESSEE:

Palm Beach Avionics, Inc.
c/o Jim Cook
11250 Aviation Blvd. # 3
West Palm Beach, Florida 33412
(561) 625-6690

With a copy to:

Either party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days prior written notice to the other party.

21.11 Paragraph Headings. The heading of the various articles and sections of this Lease, and its table of contents, are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.

21.12 No Recording. Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.

21.13 Consent or Action. In the event this Lease is silent as to the standard for any consent, approval, determination, or similar discretionary action, the standard shall be at the sole, absolute and unfettered discretion of COUNTY or the Department, rather than any implied standard of good faith, fairness or reasonableness. Wherever this Lease requires COUNTY or the Department's consent or approval or permits COUNTY or the Department to act, such consent, approval or action may be given or performed by the Director of the Department or his or her designee. If LESSEE requests COUNTY's or the Department's consent or approval pursuant to any provision of this Lease and COUNTY or the Department fails or refuses to give such consent, LESSEE shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.

21.14 Binding Effect. The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors, assigns and subtenants, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.

21.15 Performance. The parties expressly agree that time is of the essence in each and every provision of this Lease where a time is specified for performance and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance without liability.

21.16 Construction. No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final Lease. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof, shall be held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and affect.

21.17 No Broker. LESSEE warrants to COUNTY that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease. LESSEE covenants and agrees to defend, indemnify and save the COUNTY harmless from and against any actions, damages, real estate commissions, fees, costs and/or expenses (including reasonable attorneys' fees), resulting or arising from any commissions, fees, costs and/or expenses due to any real estate brokers or agents because of the transaction contemplated by this Lease and the execution and delivery of this Lease, due to the acts of LESSEE. The terms of this section shall survive termination of this Lease.

21.18 Public Entity Crimes. As provided in Section 287.132-133, Florida Statutes, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date hereof. This notice is required by Section 287.133 (3) (a), Florida Statutes.

21.19 Excusable Delays. Neither COUNTY nor LESSEE shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations, other than the payment of rentals, fees, and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, or sabotage, or any other circumstances for which it is not responsible or which are not within its control.

21.20 Annual Appropriation. COUNTY's monetary agreements and obligations to perform under this Lease, if any, are expressly contingent upon annual appropriation of funding by the Palm Beach County Board of County Commissioners.

21.21 Entirety of Agreement. The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.

21.22 Remedies Cumulative. Except as otherwise provided for herein, the rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

21.23 Incorporation by References. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by reference.

21.24 Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from COUNTY's public health unit.

(Remainder of Page Left Blank Intentionally)

IN WITNESS WHEREOF, the parties hereto have caused this Executive Hangar Lease Agreement to be signed by the COUNTY Administrator or his designee, the Director of the Department of Airports, pursuant to the authority granted by the Palm Beach County Board of County Commissioners, and LESSEE, Palm Beach Avionics, Inc. has caused these presents to be signed in its lawful name by its duly authorized officer, the President, acting on behalf of LESSEE, and the seal of LESSEE to be affixed hereto the day and year first written above.

WITNESSES:

Connie Shoffner
Signature

Connie Shoffner
Print Name

[Signature]
Signature

Colleen Havelka
Print Name

PALM BEACH COUNTY
BY THE COUNTY ADMINISTRATOR OR
DIRECTOR OF THE DEPARTMENT
OF AIRPORTS

BY: [Signature]
County Administrator or Director

WITNESSES:

Aurora Rford
Signature

Susanne R Jordan
Print Name

Douglas M. Bearas
Signature

Douglas M. Bearas
Print name

LESSEE:

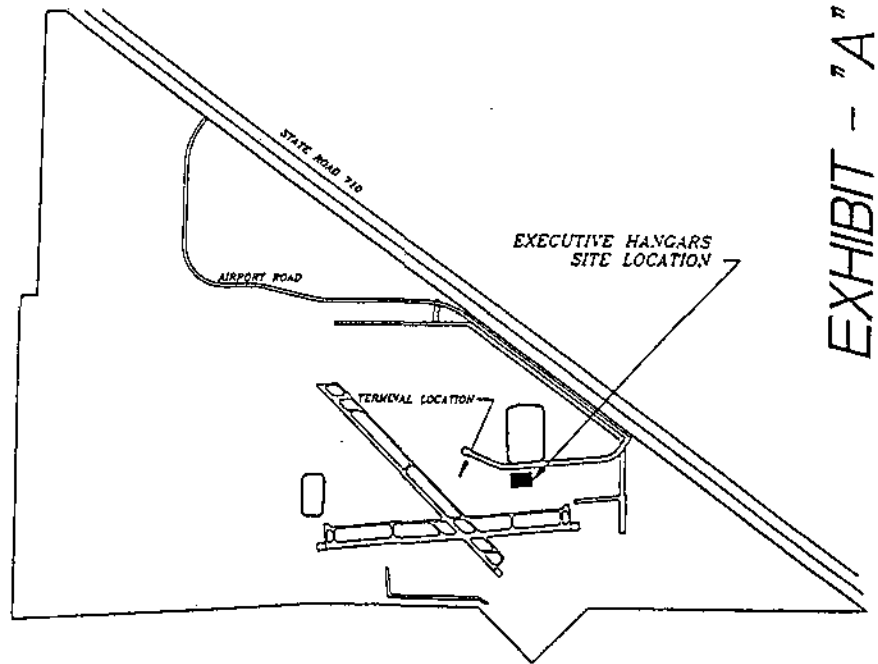
BY: [Signature]
Signature

Jimmy D. Cook
Print Name

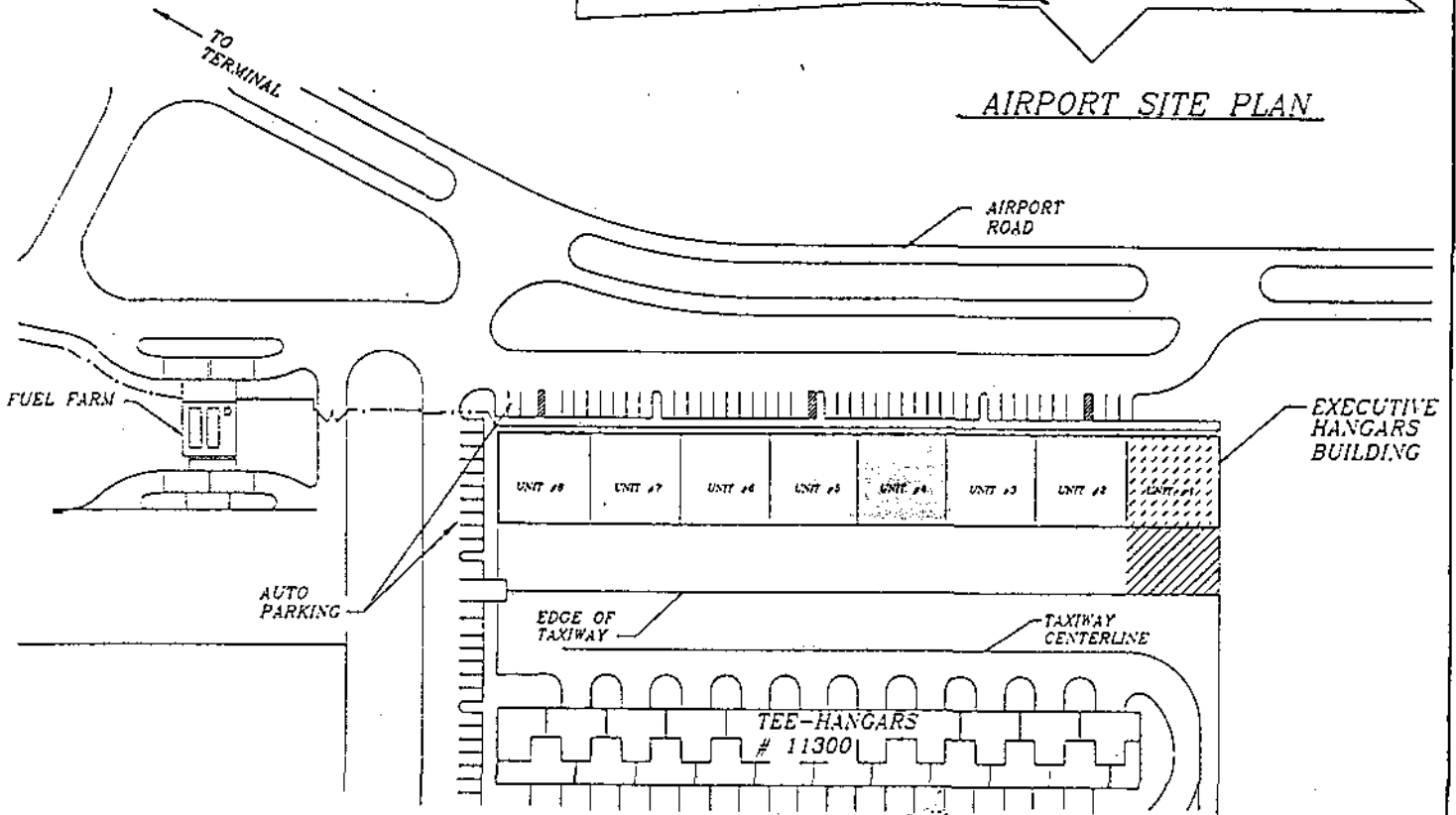
Title President

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: Anne Helgand
County Attorney



AIRPORT SITE PLAN



EXECUTIVE HANGARS SITE PLAN

EXHIBIT - "A"
EXECUTIVE HANGAR
BUILDING - # 11250



Palm Beach County
Department Of Airports
North Palm Beach County
General Aviation Airport

Drawn by: DLF

Approved by: MCT

Date: Oct. 1, 1995

Sheet

1 of 1

**NORTH COUNTY GENERAL AVIATION AIRPORT
HANGAR LEASE AGREEMENT**

AUG 29 2007

This Lease, is made and entered into this ___ day of _____, 2007, (the "Effective Date") by and between Palm Beach County, a political subdivision of the state of Florida (the "COUNTY"), and Edward Hartwig, whose address is 6662 N.W. 98th Drive, Parkland, Florida 33076 ("LESSEE").

WITNESSETH

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport (the "Airport") located in Palm Beach County, Florida; and

WHEREAS, COUNTY has certain property at the Airport which is available for lease; and

WHEREAS, LESSEE has indicated willingness and demonstrated the ability to lease the Airport property in accordance with the terms and conditions of this Lease.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereto expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.

1. Term. The term of this Lease shall be for a period of one (1) year commencing on the 1st day of September, 2007, (the "Commencement Date") and terminating on the 31st day of August, 2008. This Lease shall be automatically renewed at one (1) year intervals thereafter; provided, however, either party may elect to not renew this Lease upon providing no less than thirty (30) days advance written notice to the other party prior to the expiration of the then current term.

2. Premises. COUNTY hereby leases to LESSEE and LESSEE hereby rents from COUNTY that certain hangar identified as unit number 19, Building 11300, containing a total of 1,126.24 square feet, located at the Airport, all as more particularly described on Exhibit "A", dated January 1, 2000, attached hereto and made a part hereof (the "Premises").

3. Rental. LESSEE shall pay COUNTY as the initial annual rental for the Premises, the sum of Three Thousand Three Hundred Dollars (\$3,300.00), payable in equal monthly installments of Two Hundred Seventy Five Dollars (\$275), plus any applicable taxes as may be required by law. Payment of rental by LESSEE to County shall commence on the Commencement Date. Rental shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the term of this Lease, as adjusted in accordance with the provisions of Section 5 below. If the Commencement Date occurs on a day other than the first day of a month, LESSEE shall pay rent from the Commencement Date to the first day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Commencement Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. Rental payable for each month during any renewal term shall be the monthly rental in effect for the prior year, as adjusted in accordance with the provisions of Section 5 below. Rental shall be made payable to Palm Beach County Board of Commissioners and shall be mailed or hand delivered to the following address:

Department of Airports
Fiscal Department
846 Palm Beach International Airport
West Palm Beach, FL 33406-1470

COUNTY may, at any time, elect to hire, utilize, or select an agent(s) to administer this Lease and to collect rent payments on behalf of COUNTY and the Department. COUNTY will provide thirty (30) days written notice to LESSEE prior to any change in payment procedure or the payment addresses. COUNTY may offer alternative methods of payment, including, but not limited to, payment by debit card, credit card, or similar method of payment. If LESSEE selects an alternative method of payment, LESSEE agrees to abide by any terms and conditions promulgated by COUNTY in connection with the abovementioned method of payment. Interest at the rate established from time-to-time by the COUNTY (currently set at one and one-half percent [1-1/2%] per month not to exceed eighteen percent (18%) per annum) shall accrue against the delinquent payment(s) from date due until the date payment is received by the Department. Notwithstanding the foregoing, COUNTY shall not be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.

4. Payment of Taxes. LESSEE shall pay any and all taxes and other costs lawfully assessed against its leasehold interest in the Premises, its improvements and its operations under this Lease. LESSEE shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending LESSEE's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings,

LESSEE shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

5. Adjustment of Rent. The amount of rentals due hereunder may be adjusted from time-to-time by the COUNTY. In such event, LESSEE shall be provided at least ninety (90) days advance written notice prior to the commencement of any new rental rate. Notwithstanding anything to the contrary contained in this Lease, the rental rate shall be maintained at all times to ensure compliance with the provisions Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.

6. Security Deposit. LESSEE shall pay to COUNTY, prior to the Effective Date of this Lease, a refundable security deposit, in the form of a certified or cashier's check, in an amount equal to three (3) months rental due hereunder. The security deposit shall be held by the Department and will be refunded to LESSEE upon termination of this Lease provided that LESSEE is not in default of any of the provisions of this Lease; the Premises are left in good and serviceable condition, to be determined in the sole discretion of the Department; all rentals, fees, and taxes due are paid in full by LESSEE; and LESSEE has returned the Airport access card key to the Department. If there is a rental or fee deficiency or if the Premises require maintenance or repair in order to be returned to serviceable condition, the Department may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by COUNTY, plus any applicable administrative overhead.

7. Additional Rent. Any and all sums of money or charges required to be paid by LESSEE under this Lease, other than the annual rent, shall be considered "Additional Rent," whether or not the same is specifically so designated, and COUNTY shall have the same rights to enforce due and timely payment by LESSEE of all Additional Rent as are available to COUNTY with regard to annual rent.

8. Description of Specific Privileges, Uses and Rights. The County hereby grants to LESSEE, the limited right to use the Premises for the following purposes, and for no other purposes whatsoever, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:

A. LESSEE shall use the Premises to store aircraft which are owned by or leased to LESSEE and registered with the Department in accordance with the provisions of this Lease (the "Registered Aircraft").

FAA Registration No.	<u>N610BJ</u>
Make:	<u>Experimental</u>
Model:	<u>Starduster Two</u>

LESSEE shall promptly register all aircraft being stored within the Premises with the Department. LESSEE shall not use the Premises for any commercial purpose, including, but not limited to, the sale of products or services of any kind, whether or not such transactions are engaged in for a profit. LESSEE shall not store or park aircraft within the Premises, which are not owned or leased by LESSEE and registered with the Department in accordance with the provisions of this Section.

B. LESSEE may perform preventive maintenance on the Registered Aircraft, of the kind and to the extent permitted by Title 14, Part 43.3 Appendix A, paragraph (C) of the Code of Federal Regulations entitled "Preventive Maintenance", as may be amended from time to time. LESSEE shall not perform repairs or maintenance to its Aircraft on any ramp, apron, taxiway, runway or other public area of the Airport.

C. LESSEE agrees that use of the Premises shall be in accordance with federal, state and local laws and regulations including, but not limited to, the Palm Beach County Airport Rules and Regulations, Resolution No. R-98-220, as amended and as may be amended from time to time.

D. LESSEE's aircraft shall not be parked or positioned in such common use areas so as to block, limit or restrict the use of the ramps, aprons or taxiways by other Airport tenants or users.

E. LESSEE may place within the Premises a small desk, workbench, tool cabinet and necessary small hand tools required for work permitted under Section 8(B) above.

F. LESSEE may store parts and accessories within the Premises for the Registered Aircraft; provided, however, storage of any parts, accessories, hulls, or incomplete aircraft, which are not manufactured for use on, or cannot be readily adapted for use on the Registered Aircraft for the Premises is prohibited.

G. LESSEE may park one (1) operable automobile within the Premises, but only while the Registered Aircraft is in use.

H. LESSEE may install within the Premises one (1) hand-operated winch, and/or one (1) motorized towing vehicle to assist with maneuvering and hanging of aircraft.

I. LESSEE may store not more than five (5) gallons of flammable fluid within the Premises, provided that any such storage shall be limited to NFPA-approved containers, or unopened original cans.

J. LESSEE shall not use the Premises to store furniture, boats, recreational vehicles, hang gliders, ultralights, inoperative or unregistered aircraft (except to the extent permitted under Section 8(F) and (G) above), utility trailers, or any other objects unrelated to the purposes for which the Premises have been leased.

K. LESSEE shall not perform repair service on automobiles or automotive equipment of any kind, other than an authorized motorized towing vehicle, from or at the Premises.

L. LESSEE shall not perform painting or "doping" operations of any kind within the Premises and shall not install or use compressors for any purpose; provided, however, LESSEE may use non-electric, non-combustible, air pressure tanks used to inflate aircraft landing gear tires within the Premises.

M. LESSEE shall install and maintain an appropriate fire extinguisher within the Premises at all times.

N. Subject to written approval of the Department, LESSEE may be permitted to use approved electrical appliances that have a combined maximum load of 5.0 amps or less. Such electrical appliances shall not be used on a continual basis or while the Registered Aircraft is not within the Premises or while the LESSEE is not actually working within the Premises. It shall be the responsibility of the LESSEE to request and obtain the Department's written approval of the installation and use of approved electrical appliances and failure to do so may result in termination of this Lease or other action deemed appropriate by the Department. In addition to any other remedy or action available to COUNTY, COUNTY shall have, and LESSEE hereby agrees that COUNTY shall have the right to enter onto the Premises and remove therefrom any and all electrical appliances or devices which COUNTY has not approved for installation and use in the Premises. COUNTY shall not be held liable for any such loss or damage suffered by the LESSEE as a result of such action by COUNTY unless such loss or damage results from solely from negligence of COUNTY, its officers, agents, or employees.

O. LESSEE shall not have open flames or weld within the Premises.

P. LESSEE shall keep hangar doors closed when the Registered Aircraft is not being stored within the Premises.

Q. No running water or washing of aircraft shall take place within the Premises, or any other Airport location except the COUNTY approved aircraft wash rack.

9. Description of General Privileges, Uses and Rights. In addition to the specific privileges granted in Section 8 above, COUNTY hereby grants to LESSEE the following general, nonexclusive privileges, uses, and rights on the Airport, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:

A. The general use, in common with others, of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access). For purposes of this Lease, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, which are not specifically leased to or under the contractual control of others.

B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Except as expressly set forth in Sections 9 (A) and (B) above, nothing contained in this Lease shall be construed to grant to LESSEE the right to use any space or area improved or unimproved which is leased to a third party, or which COUNTY has not leased herein.

10. Condition of Premises. LESSEE acknowledges that COUNTY has made no representations or warranties of any nature whatsoever regarding the Premises including, without limitation, the physical and/or environmental condition of the Premises, or any improvements located thereon, or the

value of such Premises or improvements, or the suitability of the Premises for LESSEE's intended use thereof.

11. Obligations of COUNTY.

A. Condition of Airport. Except as to the Premises and facilities leased to others by COUNTY, COUNTY shall maintain all public Airport facilities in good and adequate condition for their intended use to the extent required by law.

B. Utilities. COUNTY shall provide at no additional cost to LESSEE electrical power within the Premises for lighting and the operation of electrical appliances as approved by the Department pursuant to Section 8 above, if any.

12. Obligations of LESSEE.

A. Maintenance. LESSEE shall, at its sole cost and expense, maintain the Premises in a clean, safe and presentable condition consistent with good business practice, industry standards, and in accordance with all applicable laws, regulations, and rules of any applicable governmental entity. LESSEE shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, suppliers of services or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE's operations thereon or LESSEE's use of the Premises. LESSEE hereby agrees that it shall abide by the decision of the Department with respect to any and all such maintenance or repair. Upon written notice by the Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with the Department's decision. If LESSEE has not made a good faith effort, as determined by the Department, to begin to perform the required maintenance or repair within twenty (20) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter the Premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of any costs incurred by COUNTY, plus a twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's billing therefore.

B. Security. LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all of LESSEE's property placed upon the Premises. LESSEE fully understands that the police security protection provided by COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and property thereon, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY. COUNTY shall have the right to review, change, alter, or revise any security policy or procedure at any time based on the COUNTY's responsibility to operate the Airport in a safe and secure manner.

13. Indemnification. LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE's use or occupancy of the Premises, including, without limitation, those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease; provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of body injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE's activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. This indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that COUNTY would not have entered into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.

14. Insurance. Without limiting LESSEE's obligation to indemnify COUNTY, as provided herein, LESSEE shall provide, pay for, and maintain in force at all times during the term of this Lease, a

policy of Aircraft/General Liability Insurance to protect against bodily injury liability and property damage in an aggregate amount of not less than Five Hundred Thousand Dollars (\$500,000). If LESSEE will be operating vehicles on the Airport, LESSEE shall provide Automobile Liability Insurance coverage with minimum limits of One Hundred Thousand Dollars (\$100,000) per person, Three Hundred Thousand Dollars (\$300,000) per accident for bodily injury, and Fifty Thousand Dollars (\$50,000) per accident for property damage. A certificate(s) evidencing all required insurance must be provided to COUNTY prior to the Effective Date of this Lease and renewal certificates must be provided throughout the term of this Lease. Certificate(s) of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. COUNTY shall have the right to review and modify insurance requirements of this Lease from time to time, provided that COUNTY gives LESSEE ninety (90) days prior written notice of any such change.

15. Assignment by LESSEE. LESSEE shall not assign an interest in this Lease, or any part thereof, without the prior written consent of the Department, which consent may be granted or withheld at the Department's sole and absolute discretion for any reason or no reason at all. Any attempted assignment without Department approval shall be null and void. In the event the Department provides such consent, LESSEE shall have the right only to the extent permitted by the Department's consent to assign all or any portion of the Premises, provided that any such assignment shall be limited to only the same purposes as are permitted under this Lease. LESSEE is expressly prohibited from subleasing, mortgaging or otherwise encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered grounds for termination of this Lease.

16. Assignment by COUNTY. COUNTY may freely assign this Lease at any time without the consent of LESSEE, and COUNTY shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by COUNTY, LESSEE agrees that it shall recognize COUNTY's assignee as its new landlord under this Lease upon the effective date of such assignment. LESSEE acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between COUNTY and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. LESSEE acknowledges and agrees that COUNTY may transfer any security deposit held by COUNTY pursuant to Section 6 above to COUNTY's assignee.

17. Signs and Improvements. No signs, emblems, or advertising shall be placed or erected on or in the Premises, nor shall LESSEE make any alterations, changes or additions to the Premises.

18. Disclaimer of Liability. COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS OR INVITEES DURING THE TERM OF THIS LEASE OR ANY EXTENSION HEREOF INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S INVITEES THAT MIGHT BE LOCATED OR STORED ON THE PREMISES, UNLESS SUCH LOSS, DAMAGE OR INJURY IS CAUSED BY COUNTY'S NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE. LESSEE RELEASES COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS LEASE. FURTHERMORE, LESSEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS LEASE WAS AT ITS SOLE RISK. THE FOREGOING DISCLAIMER SHALL NOT BE CONSTRUED TO CONSTITUTE AN AGREEMENT BY LESSEE TO INDEMNIFY THE COUNTY FOR THE COUNTY'S NEGLIGENT, WILLFUL OR INTENTIONAL ACTS.

19. Default. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by LESSEE:

- A. The vacating or abandonment of the Premises by LESSEE for a period of more than sixty (60) consecutive, calendar days.
- B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from the Department to LESSEE.
- C. The failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by LESSEE, other than described in paragraph B. above, where such failure shall continue for a period of fifteen (15) days after written notice from the Department; provided, however, that if the nature of LESSEE's default is such that more than fifteen (15) days are reasonably required for its cure, then LESSEE shall not be deemed to be in default if LESSEE has commenced such cure within such fifteen (15) day period and thereafter diligently pursues such cure to completion.

- D. To the extent permitted by law, (i) The making by LESSEE or any guarantor hereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.
- E. The discovery by COUNTY that any information given to COUNTY by LESSEE relating to this Lease was materially false.

20. Remedies. In the event of any such material default or breach by LESSEE, COUNTY may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which COUNTY may have under the law by reason of such default or breach, elect to exercise any one of the following remedies:

- A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.
- B. Terminate LESSEE's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of LESSEE, in which case the rent and other sums due hereunder shall be accelerated and due in full and LESSEE shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what LESSEE is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by LESSEE. Upon such reletting, all rentals received by COUNTY shall be applied, first to the payment of any indebtedness other than rent due under this Lease from LESSEE; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by COUNTY due to LESSEE's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by COUNTY relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to LESSEE.
- C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of COUNTY, thereby terminating any further liability under this Lease on the part of LESSEE and COUNTY. Notwithstanding the foregoing, COUNTY shall have a cause of action to recover any rent remaining unpaid when COUNTY retakes possession of the Premises for the account of COUNTY.
- D. Stand by and do nothing, holding LESSEE liable for the rent as it comes due.
- E. Pursue any other remedy now or hereafter available to COUNTY under the laws and judicial decisions of the State of Florida.

Notwithstanding anything in this Lease to the contrary, upon the occurrence of a material default or breach of this Lease by LESSEE, COUNTY shall have the right to bring an action for damages. COUNTY further reserves all rights which the laws of the State of Florida confer upon a landlord against a Tenant in default.

21. Termination by LESSEE. LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving COUNTY sixty (60) days' advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:

- A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes or a substantial part of the Premises, which injunction remains in force for a period of at least ninety (90) days.
- B. The default by COUNTY in the performance of any covenant or agreement required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of ninety (90) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of termination; or in the event the same cannot be cured within such ninety (90) day period

and COUNTY has commenced such cure and thereafter diligently pursues the same until completion.

- C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of LESSEE, for a period of at least ninety (90) days.

In the event of termination as herein provided, the parties shall be relieved of all obligations created hereunder except for those obligations accruing prior to termination of this Lease and those obligations that specifically survive termination of this Lease.

22. Surrender of Premises. LESSEE expressly agrees that it shall immediately surrender the Premises to COUNTY in good and fit condition upon expiration or termination of this Lease, depreciation and wear from ordinary use for the purpose for which the Premises were leased being excepted. All repairs and obligations that LESSEE is responsible for shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such holdover, double rental, as provided for in section 83.06, Florida Statutes. LESSEE shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of LESSEE, including, but not limited to aircraft, not removed shall become the property of COUNTY.

23. Inspection. COUNTY, its agents and employees and any applicable Federal, State or local governmental entity having jurisdiction shall have the right to enter the Premises at any time for the purpose of inspecting the Premises for compliance with the provisions of this Lease and/or applicable laws. LESSEE agrees that COUNTY may take such action and to make such repairs or alterations as are, in the sole opinion of the COUNTY, desirable or necessary, and to take such materials into or out of the Premises for the safe and economical accomplishment of said purposes without in any way being deemed guilty of an actual or constructive eviction of the LESSEE.

24. Relationship of the Parties. LESSEE or any successor in interest to this Lease, is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.

25. Remedies Cumulative. The rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

26. Notice. Any notice given under the provisions of this Lease shall be in writing and shall be delivered (as elected by the party giving such notice) by hand delivery, courier service, nationally-recognized overnight mail service, or United States certified mail, with return receipt requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier service, or overnight mail, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

COUNTY:

Department of Airports
Palm Beach County
Building 846, Palm Beach International Airport
West Palm Beach, Florida 33406-1491

With a copy to:

Palm Beach County Attorney's Office
Chief Deputy County Attorney
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401

LESSEE:

Edward Hartwig
6662 NW 98th Drive
Parkland, Florida 33076
(954) 341-7389

E-mail Address: _____

Either party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days' prior written notice to the other party.

27. Federal Right to Reclaim. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the Premises are located, for public purposes for a period in excess of ninety (90) days, either party may terminate this Lease by providing written notice of such termination to the other party and the parties shall thereupon be released and fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section shall not act or be construed as a waiver of any rights LESSEE may have against the United States as a result of such taking.

28. Federal Review. LESSEE acknowledges this Lease may be subject to review or inspection by the Federal Aviation Administration to determine satisfactory compliance with Federal law or grant assurances and this Lease shall be in full force and effect and binding upon both parties pending such review or inspection by the Federal Aviation Administration, if applicable; provided, however, that upon such review or inspection all parties hereto agree to modify any of the terms of this Lease which shall be determined by the Federal Aviation Administration to be in violation of existing laws, regulations, grant assurances or other requirements.

29. County Tax Assessment Right. None of the terms, covenants and conditions of this Lease shall in any way be construed as a release or waiver on the part of the COUNTY, as a political subdivision of the State of Florida, or any of the public officials of the County of Palm Beach, of the rights to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the Premises, the business or property of LESSEE.

30. Height Restriction. LESSEE expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Title 14, Part 77 of the Code of Federal Regulations, as amended and as may be amended from time to time.

31. Right of Flight. COUNTY reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.

32. Operation of Airport. LESSEE expressly agrees for itself, its successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.

33. Release. LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases COUNTY from any and all liability relating to the same.

34. Non-discrimination. LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Premises, (b) that in the construction of any improvements on, over, or under such Premises and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, COUNTY shall have the right to terminate this Lease and to reenter and repossess said Premises and the facilities hereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.

35. COUNTY not Liable. COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury whatsoever sustained by LESSEE including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Premises shall be at the sole risk of LESSEE. COUNTY shall not be liable for any damage or loss of said personal property.

36. Compliance with Laws. Notwithstanding anything to the contrary herein, LESSEE shall not use or permit the use of the Premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for COUNTY or LESSEE.

37. Waiver. The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, event of default, or nonperformance, and COUNTY's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.

38. Subordination to Bond Resolution. This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and Bond Resolution.

39. Subordination to Federal Agreements. This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which COUNTY acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between COUNTY and the United States of America, or any of its agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

40. Exclusive Rights. Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that the rights granted under this Lease are nonexclusive, other than the exclusive right of use of the Premises, and that COUNTY may grant similar privileges to another lessee or other lessees on other parts of the Airport.

41. Public Entity Crimes. As provided in sections 287.132-133, Florida Statutes, as may be amended from time to time, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the Effective Date hereof. This notice is required by section 287.133(3)(a), Florida Statutes.

42. Governmental Authority. Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations.

43. Rights Reserved to the COUNTY. All rights not specifically granted LESSEE by this Lease are reserved to the COUNTY.

44. Invalidity of Clauses. The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no effect upon the validity of any other part or portion hereof.

45. Paragraph Headings. The heading of the various articles and sections of this Lease are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.

46. No Recording. Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.

47. Binding Effect. The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.

48. Performance. The parties expressly agree that time is of the essence in this Lease and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance without liability.

49. No Broker. LESSEE warrants to COUNTY that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease and agrees to indemnify and hold COUNTY harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by COUNTY as a result of any claim arising out of the acts of LESSEE (or others on its behalf) for a commission, finder's fee or similar compensation made by any broker or agent who claims to have dealt with LESSEE.

50. Excusable Delay. Any party in performing under this Lease shall use reasonable efforts to remedy the cause or causes of an excusable delay. Excusable delays are those delays due to force majeure, acts of God, fire, flood, earthquake, explosion, riot, sabotage, windstorm, or labor dispute, and shall toll the time to perform under this Lease.

51. Incorporation by References. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by such reference.

52. Venue and Governing Law. To the extent allowed by law, the venue for any action arising from this Lease shall be in Palm Beach County, Florida. This Lease shall be governed by and in accordance with the laws of the State of Florida.

53. Negotiated Agreement. The parties agree that they have had meaningful discussion and/or negotiation of the provisions, terms and conditions contained in this Lease. Therefore, doubtful or ambiguous provisions, of any, contained in this Lease shall not be construed against the party who physically prepared this Lease.

54. Entirety of Agreement. The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.

55. Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed Federal and State guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from COUNTY's public health unit.

(Remainder of Page Left Blank Intentionally)

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

Witnesses:

Connie Shaffer
Signature

Signature

Connie Shaffer
Print Name

Print Name

Colleen Hawkins
Signature

Signature

Colleen Hawkins
Print Name

Print Name

BY ITS DIRECTOR OF AIRPORTS

By: [Signature]
Director

Director

Witnesses:

Patricia Hartwig
Signature

Signature

Patricia Hartwig
Print Name

Print Name

Mary Hartwig
Signature

Signature

Mary Hartwig
Print Name

Print Name

LESSEE:

By: [Signature]
Edward Hartwig

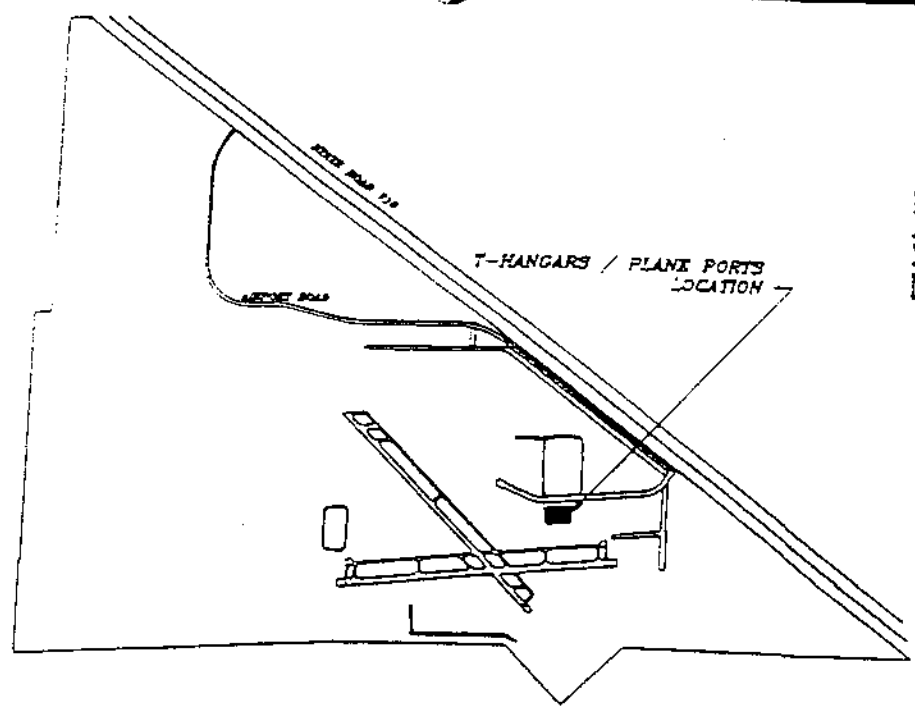
Print Name

Title: _____

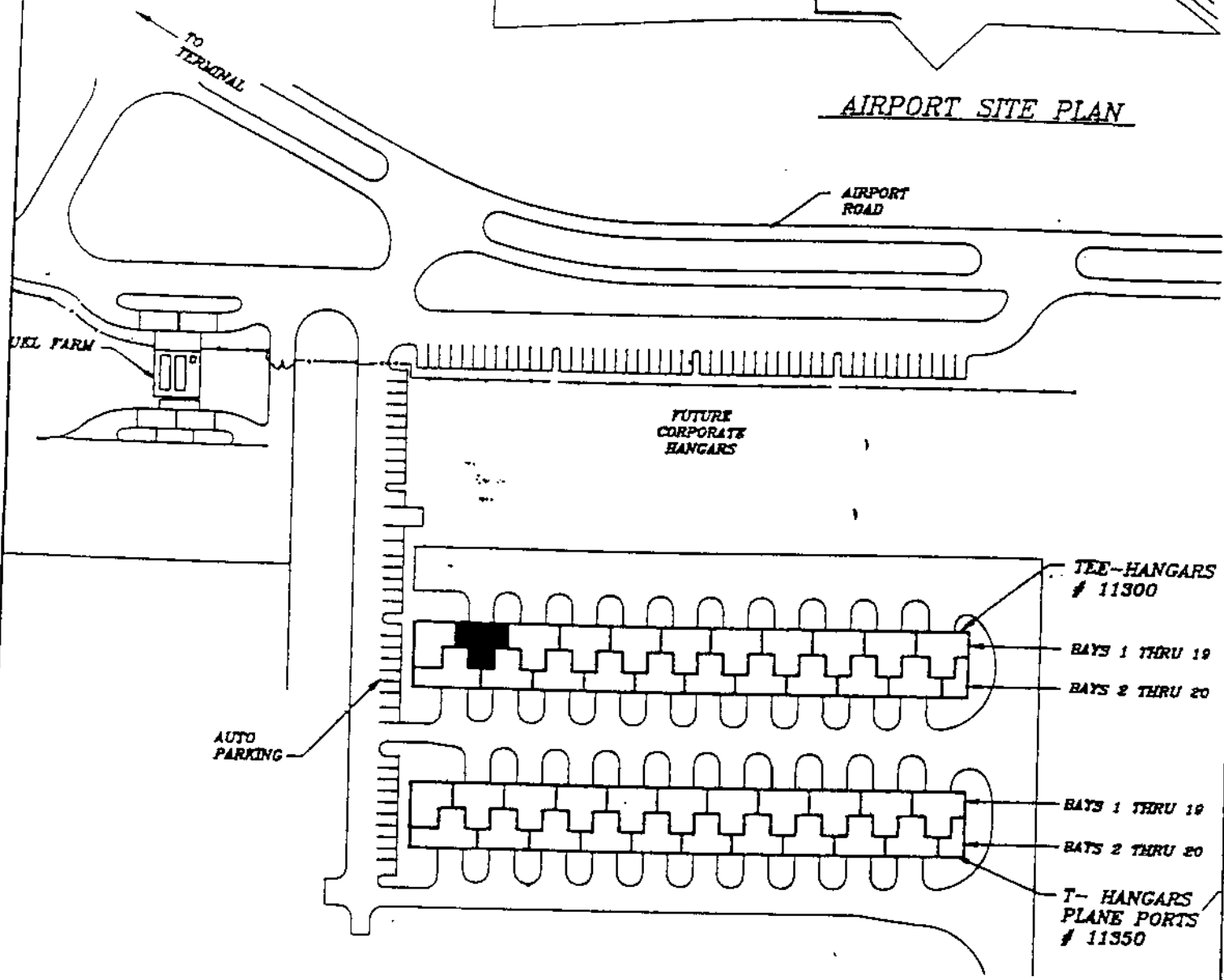
APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: Anne Delgado
County Attorney

County Attorney



AIRPORT SITE PLAN



T-HANGARS / PLANE PORTS SITE PLAN

GENERAL NOTE:
TYPICAL T-HANGAR / PLANE PORT IS 1,126.24 SQ.FT.
DIMENSIONS ARE TAKEN TO THE CENTER OF INTERIOR
WALLS OR COLUMNS AND TO THE OUTER EDGE OF
CONCRETE FLOOR AT FRONT OF T-HANGAR / PLANE PORT.

EXHIBIT - 'A'



Palm Beach County
Department Of Airports
North Palm Beach County
General Aviation Airport

Drawn by: DLF
Approved by: BI
Date: January 1, 2000

Sheet
1 of 1

**NORTH COUNTY GENERAL AVIATION AIRPORT
HANGAR LEASE AGREEMENT**

AUG 04 2007

This Lease, is made and entered into this ___ day of _____, 20___, (the "Effective Date") by and between Palm Beach County, a political subdivision of the state of Florida (the "COUNTY"), and Raymond Richards, whose address is 713 Harbour Point Drive, North Palm Beach, Florida 33410 ("LESSEE").

WITNESSETH

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport (the "Airport") located in Palm Beach County, Florida; and

WHEREAS, COUNTY has certain property at the Airport which is available for lease; and

WHEREAS, LESSEE has indicated willingness and demonstrated the ability to lease the Airport property in accordance with the terms and conditions of this Lease.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereto expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.

1. Term. The term of this Lease shall be for a period of one (1) year commencing on the 1st day of September, 2007, (the "Commencement Date") and terminating on the 31st day of August, 2008. This Lease shall be automatically renewed at one (1) year intervals thereafter; provided, however, either party may elect to not renew this Lease upon providing no less than thirty (30) days advance written notice to the other party prior to the expiration of the then current term.

2. Premises. COUNTY hereby leases to LESSEE and LESSEE hereby rents from COUNTY that certain hangar identified as unit number 5, Building 11740, containing a total of 1,399 square feet, located at the Airport, all as more particularly described on Exhibit "A", dated May 1, 1997, attached hereto and made a part hereof (the "Premises").

3. Rental. LESSEE shall pay COUNTY as the initial annual rental for the Premises, the sum of Six Thousand Three Hundred Dollars (\$6,300.00), payable in equal monthly installments of Five Hundred Twenty Five Dollars (\$525.00), plus any applicable taxes as may be required by law. Payment of rental by LESSEE to County shall commence on the Commencement Date. Rental shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the term of this Lease, as adjusted in accordance with the provisions of Section 5 below. If the Commencement Date occurs on a day other than the first day of a month, LESSEE shall pay rent from the Commencement Date to the first day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Commencement Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. Rental payable for each month during any renewal term shall be the monthly rental in effect for the prior year, as adjusted in accordance with the provisions of Section 5 below. Rental shall be made payable to Palm Beach County Board of Commissioners and shall be mailed or hand delivered to the following address:

Department of Airports
Fiscal Department
846 Palm Beach International Airport
West Palm Beach, Fl 33406-1470

COUNTY may, at any time, elect to hire, utilize, or select an agent(s) to administer this Lease and to collect rent payments on behalf of COUNTY and the Department. COUNTY will provide thirty (30) days written notice to LESSEE prior to any change in payment procedure or the payment addresses. COUNTY may offer alternative methods of payment, including, but not limited to, payment by debit card, credit card, or similar method of payment. If LESSEE selects an alternative method of payment, LESSEE agrees to abide by any terms and conditions promulgated by COUNTY in connection with the above mentioned method of payment. Interest at the rate established from time-to-time by the COUNTY (currently set at one and one-half percent [1-1/2%] per month not to exceed eighteen percent (18%) per annum) shall accrue against the delinquent payment(s) from date due until the date payment is received by the Department. Notwithstanding the foregoing, COUNTY shall not be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.

4. Payment of Taxes. LESSEE shall pay any and all taxes and other costs lawfully assessed against its leasehold interest in the Premises, its improvements and its operations under this Lease. LESSEE shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending LESSEE's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, LESSEE shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such

proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

5. Adjustment of Rent. The amount of rentals due hereunder may be adjusted from time-to-time by the COUNTY. In such event, LESSEE shall be provided at least ninety (90) days advance written notice prior to the commencement of any new rental rate. Notwithstanding anything to the contrary contained in this Lease, the rental rate shall be maintained at all times to ensure compliance with the provisions Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.

6. Security Deposit. LESSEE shall pay to COUNTY, prior to the Effective Date of this Lease, a refundable security deposit, in the form of a certified or cashier's check, in an amount equal to three (3) months rental due hereunder. The security deposit shall be held by the Department and will be refunded to LESSEE upon termination of this Lease provided that LESSEE is not in default of any of the provisions of this Lease; the Premises are left in good and serviceable condition, to be determined in the sole discretion of the Department; all rentals, fees, and taxes due are paid in full by LESSEE; and LESSEE has returned the Airport access card key to the Department. If there is a rental or fee deficiency or if the Premises require maintenance or repair in order to be returned to serviceable condition, the Department may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by COUNTY, plus any applicable administrative overhead.

7. Additional Rent. Any and all sums of money or charges required to be paid by LESSEE under this Lease, other than the annual rent, shall be considered "Additional Rent," whether or not the same is specifically so designated, and COUNTY shall have the same rights to enforce due and timely payment by LESSEE of all Additional Rent as are available to COUNTY with regard to annual rent.

8. Description of Specific Privileges, Uses and Rights. The County hereby grants to LESSEE, the limited right to use the Premises for the following purposes, and for no other purposes whatsoever, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:

A. LESSEE shall use the Premises to store aircraft which are owned by or leased to LESSEE and registered with the Department in accordance with the provisions of this Lease (the "Registered Aircraft").

FAA Registration No. N424BF

Make: Rotax

Model: Sport Cruiser

LESSEE shall promptly register all aircraft being stored within the Premises with the Department. LESSEE shall not use the Premises for any commercial purpose, including, but not limited to, the sale of products or services of any kind, whether or not such transactions are engaged in for a profit. LESSEE shall not store or park aircraft within the Premises, which are not owned or leased by LESSEE and registered with the Department in accordance with the provisions of this Section.

B. LESSEE may perform preventive maintenance on the Registered Aircraft, of the kind and to the extent permitted by Title 14, Part 43.3 Appendix A, paragraph (C) of the Code of Federal Regulations entitled "Preventive Maintenance", as may be amended from time to time. LESSEE shall not perform repairs or maintenance to its Aircraft on any ramp, apron, taxiway, runway or other public area of the Airport.

C. LESSEE agrees that use of the Premises shall be in accordance with federal, state and local laws and regulations including, but not limited to, the Palm Beach County Airport Rules and Regulations, Resolution No. R-98-220, as amended and as may be amended from time to time.

D. LESSEE's aircraft shall not be parked or positioned in such common use areas so as to block, limit or restrict the use of the ramps, aprons or taxiways by other Airport tenants or users.

E. LESSEE may place within the Premises a small desk, workbench, tool cabinet and necessary small hand tools required for work permitted under Section 8(B) above.

F. LESSEE may store parts and accessories within the Premises for the Registered Aircraft; provided, however, storage of any parts, accessories, hulls, or incomplete aircraft, which are not manufactured for use on, or cannot be readily adapted for use on the Registered Aircraft for the Premises is prohibited.

G. LESSEE may park one (1) operable automobile within the Premises, but only while the Registered Aircraft is in use.

H. LESSEE may install within the Premises one (1) hand-operated winch, and/or one (1) motorized towing vehicle to assist with maneuvering and hanging of aircraft.

I. LESSEE may store not more than five (5) gallons of flammable fluid within the Premises, provided that any such storage shall be limited to NFPA-approved containers, or unopened original cans.

J. LESSEE shall not use the Premises to store furniture, boats, recreational vehicles, hang gliders, ultralights, inoperative or unregistered aircraft (except to the extent permitted under Section 8(F) and (G) above), utility trailers, or any other objects unrelated to the purposes for which the Premises have been leased.

K. LESSEE shall not perform repair service on automobiles or automotive equipment of any kind, other than an authorized motorized towing vehicle, from or at the Premises.

L. LESSEE shall not perform painting, or "doping" operations of any kind within the Premises and shall not install or use compressors for any purpose; provided, however, LESSEE may use non-electric, non-combustible, air pressure tanks used to inflate aircraft landing gear tires within the Premises.

M. LESSEE shall install and maintain an appropriate fire extinguisher within the Premises at all times.

N. Subject to written approval of the Department, LESSEE may be permitted to use approved electrical appliances that have a combined maximum load of 5.0 amps or less. Such electrical appliances shall not be used on a continual basis or while the Registered Aircraft is not within the Premises or while the LESSEE is not actually working within the Premises. It shall be the responsibility of the LESSEE to request and obtain the Department's written approval of the installation and use of approved electrical appliances and failure to do so may result in termination of this Lease or other action deemed appropriate by the Department. In addition to any other remedy or action available to COUNTY, COUNTY shall have, and LESSEE hereby agrees that COUNTY shall have the right to enter onto the Premises and remove therefrom any and all electrical appliances or devices which COUNTY has not approved for installation and use in the Premises. COUNTY shall not be held liable for any such loss or damage suffered by the LESSEE as a result of such action by COUNTY unless such loss or damage results from solely from negligence of COUNTY, its officers, agents, or employees.

O. LESSEE shall not have open flames or weld within the Premises.

P. LESSEE shall keep hangar doors closed when the Registered Aircraft is not being stored within the Premises.

Q. No running water or washing of aircraft shall take place within the Premises, or any other Airport location except the COUNTY approved aircraft wash rack.

9. Description of General Privileges, Uses and Rights. In addition to the specific privileges granted in Section 8 above, COUNTY hereby grants to LESSEE the following general, nonexclusive privileges, uses, and rights on the Airport, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:

A. The general use, in common with others, of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access). For purposes of this Lease, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, which are not specifically leased to or under the contractual control of others.

B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Except as expressly set forth in Sections 9 (A) and (B) above, nothing contained in this Lease shall be construed to grant to LESSEE the right to use any space or area improved or unimproved which is leased to a third party, or which COUNTY has not leased herein.

10. Condition of Premises. LESSEE acknowledges that COUNTY has made no representations or warranties of any nature whatsoever regarding the Premises including, without limitation, the physical and/or environmental condition of the Premises, or any improvements located thereon, or the value of such Premises or improvements, or the suitability of the Premises for LESSEE's intended use thereof.

11. Obligations of COUNTY.

A. Condition of Airport. Except as to the Premises and facilities leased to others by COUNTY, COUNTY shall maintain all public Airport facilities in good and adequate condition for their intended use to the extent required by law.

B. Utilities. COUNTY shall provide at no additional cost to LESSEE electrical power within the Premises for lighting and the operation of electrical appliances as approved by the Department pursuant to Section 8 above, if any.

12. Obligations of LESSEE.

A. Maintenance. LESSEE shall, at its sole cost and expense, maintain the Premises in a clean, safe and presentable condition consistent with good business practice, industry standards, and in accordance with all applicable laws, regulations, and rules of any applicable governmental entity. LESSEE shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, suppliers of services or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE's operations thereon or LESSEE's use of the Premises. LESSEE hereby agrees that it shall abide by the decision of the Department with respect to any and all such maintenance or repair. Upon written notice by the Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with the Department's decision. If LESSEE has not made a good faith effort, as determined by the Department, to begin to perform the required maintenance or repair within twenty (20) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter the Premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of any costs incurred by COUNTY, plus a twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's billing therefore.

B. Security. LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all of LESSEE's property placed upon the Premises. LESSEE fully understands that the police security protection provided by COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and property thereon, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY. COUNTY shall have the right to review, change, alter, or revise any security policy or procedure at any time based on the COUNTY's responsibility to operate the Airport in a safe and secure manner.

13. Indemnification. LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE's use or occupancy of the Premises, including, without limitation, those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease; provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE's activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. This indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that COUNTY would not have entered into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.

14. Insurance. Without limiting LESSEE's obligation to indemnify COUNTY, as provided herein, LESSEE shall provide, pay for, and maintain in force at all times during the term of this Lease, a policy of Aircraft/General Liability Insurance to protect against bodily injury liability and property damage in an aggregate amount of not less than Five Hundred Thousand Dollars (\$500,000). If LESSEE will be

operating vehicles on the Airport, LESSEE shall provide Automobile Liability Insurance coverage with minimum limits of One Hundred Thousand Dollars (\$100,000) per person, Three Hundred Thousand Dollars (\$300,000) per accident for bodily injury, and Fifty Thousand Dollars (\$50,000) per accident for property damage. A certificate(s) evidencing all required insurance must be provided to COUNTY prior to the Effective Date of this Lease and renewal certificates must be provided throughout the term of this Lease. Certificate(s) of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. COUNTY shall have the right to review and modify insurance requirements of this Lease from time to time, provided that COUNTY gives LESSEE ninety (90) days prior written notice of any such change.

15. Assignment by LESSEE. LESSEE shall not assign an interest in this Lease, or any part thereof, without the prior written consent of the Department, which consent may be granted or withheld at the Department's sole and absolute discretion for any reason or no reason at all. Any attempted assignment without Department approval shall be null and void. In the event the Department provides such consent, LESSEE shall have the right only to the extent permitted by the Department's consent to assign all or any portion of the Premises, provided that any such assignment shall be limited to only the same purposes as are permitted under this Lease. LESSEE is expressly prohibited from subleasing, mortgaging or otherwise encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered grounds for termination of this Lease.

16. Assignment by COUNTY. COUNTY may freely assign this Lease at any time without the consent of LESSEE, and COUNTY shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by COUNTY, LESSEE agrees that it shall recognize COUNTY's assignee as its new landlord under this Lease upon the effective date of such assignment. LESSEE acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between COUNTY and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. LESSEE acknowledges and agrees that COUNTY may transfer any security deposit held by COUNTY pursuant to Section 6 above to COUNTY's assignee.

17. Signs and Improvements. No signs, emblems, or advertising shall be placed or erected on or in the Premises, nor shall LESSEE make any alterations, changes or additions to the Premises.

18. Disclaimer of Liability. COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS OR INVITEES DURING THE TERM OF THIS LEASE OR ANY EXTENSION HEREOF INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S INVITEES THAT MIGHT BE LOCATED OR STORED ON THE PREMISES, UNLESS SUCH LOSS, DAMAGE OR INJURY IS CAUSED BY COUNTY'S NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE. LESSEE RELEASES COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS LEASE. FURTHERMORE, LESSEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS LEASE WAS AT ITS SOLE RISK. THE FOREGOING DISCLAIMER SHALL NOT BE CONSTRUED TO CONSTITUTE AN AGREEMENT BY LESSEE TO INDEMNIFY THE COUNTY FOR THE COUNTY'S NEGLIGENT, WILLFUL OR INTENTIONAL ACTS.

19. Default. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by LESSEE:

- A. The vacating or abandonment of the Premises by LESSEE for a period of more than sixty (60) consecutive, calendar days.
- B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from the Department to LESSEE.
- C. The failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by LESSEE, other than described in paragraph B. above, where such failure shall continue for a period of fifteen (15) days after written notice from the Department; provided, however, that if the nature of LESSEE's default is such that more than fifteen (15) days are reasonably required for its cure, then LESSEE shall not be deemed to be in default if LESSEE has commenced such cure within such fifteen (15) day period and thereafter diligently pursues such cure to completion.
- D. To the extent permitted by law, (i) The making by LESSEE or any guarantor hereof of any general assignment, or general arrangement for the benefit of creditors; (ii)

the filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

- E. The discovery by COUNTY that any information given to COUNTY by LESSEE relating to this Lease was materially false.

20. Remedies. In the event of any such material default or breach by LESSEE, COUNTY may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which COUNTY may have under the law by reason of such default or breach, elect to exercise any one of the following remedies:

A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.

B. Terminate LESSEE's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of LESSEE, in which case the rent and other sums due hereunder shall be accelerated and due in full and LESSEE shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what LESSEE is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by LESSEE. Upon such reletting, all rentals received by COUNTY shall be applied, first to the payment of any indebtedness other than rent due under this Lease from LESSEE; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by COUNTY due to LESSEE's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by COUNTY relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to LESSEE.

C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of COUNTY, thereby terminating any further liability under this Lease on the part of LESSEE and COUNTY. Notwithstanding the foregoing, COUNTY shall have a cause of action to recover any rent remaining unpaid when COUNTY retakes possession of the Premises for the account of COUNTY.

D. Stand by and do nothing, holding LESSEE liable for the rent as it comes due.

E. Pursue any other remedy now or hereafter available to COUNTY under the laws and judicial decisions of the State of Florida.

Notwithstanding anything in this Lease to the contrary, upon the occurrence of a material default or breach of this Lease by LESSEE, COUNTY shall have the right to bring an action for damages. COUNTY further reserves all rights which the laws of the State of Florida confer upon a landlord against a Tenant in default.

21. Termination by LESSEE. LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving COUNTY sixty (60) days' advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:

- A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes or a substantial part of the Premises, which injunction remains in force for a period of at least ninety (90) days.
- B. The default by COUNTY in the performance of any covenant or agreement required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of ninety (90) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of termination; or in the event the same cannot be cured within such ninety (90) day period and COUNTY has commenced such cure and thereafter diligently pursues the same until completion.

- C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of LESSEE, for a period of at least ninety (90) days.

In the event of termination as herein provided, the parties shall be relieved of all obligations created hereunder except for those obligations accruing prior to termination of this Lease and those obligations that specifically survive termination of this Lease.

22. Surrender of Premises. LESSEE expressly agrees that it shall immediately surrender the Premises to COUNTY in good and fit condition upon expiration or termination of this Lease, depreciation and wear from ordinary use for the purpose for which the Premises were leased being excepted. All repairs and obligations that LESSEE is responsible for shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such holdover, double rental, as provided for in section 83.06, Florida Statutes. LESSEE shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of LESSEE, including, but not limited to aircraft, not removed shall become the property of COUNTY.

23. Inspection. COUNTY, its agents and employees and any applicable Federal, State or local governmental entity having jurisdiction shall have the right to enter the Premises at any time for the purpose of inspecting the Premises for compliance with the provisions of this Lease and/or applicable laws. LESSEE agrees that COUNTY may take such action and to make such repairs or alterations as are, in the sole opinion of the COUNTY, desirable or necessary, and to take such materials into or out of the Premises for the safe and economical accomplishment of said purposes without in any way being deemed guilty of an actual or constructive eviction of the LESSEE.

24. Relationship of the Parties. LESSEE or any successor in interest to this Lease, is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.

25. Remedies Cumulative. The rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

26. Notice. Any notice given under the provisions of this Lease shall be in writing and shall be delivered (as elected by the party giving such notice) by hand delivery, courier service, nationally-recognized overnight mail service, or United States certified mail, with return receipt requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier service, or overnight mail, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

COUNTY:

Department of Airports
Palm Beach County
Building 846, Palm Beach International Airport
West Palm Beach, Florida 33406-1491

With a copy to:

Palm Beach County Attorney's Office
Chief Deputy County Attorney
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401

LESSEE:

Raymond Richards
713 Harbour Point Drive
North Palm Beach, FL 33410
(561) 630-1966

E-mail Address: _____

Either party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days' prior written notice to the other party.

27. Federal Right to Reclaim. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the Premises are located, for public purposes for a period in excess of ninety (90) days, either party may terminate this Lease by providing written notice of such termination to the other party and the parties shall thereupon be released

and fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section shall not act or be construed as a waiver of any rights LESSEE may have against the United States as a result of such taking.

28. Federal Review. LESSEE acknowledges this Lease may be subject to review or inspection by the Federal Aviation Administration to determine satisfactory compliance with Federal law or grant assurances and this Lease shall be in full force and effect and binding upon both parties pending such review or inspection by the Federal Aviation Administration, if applicable; provided, however, that upon such review or inspection all parties hereto agree to modify any of the terms of this Lease which shall be determined by the Federal Aviation Administration to be in violation of existing laws, regulations, grant assurances or other requirements.

29. County Tax Assessment Right. None of the terms, covenants and conditions of this Lease shall in any way be construed as a release or waiver on the part of the COUNTY, as a political subdivision of the State of Florida, or any of the public officials of the County of Palm Beach, of the rights to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the Premises, the business or property of LESSEE.

30. Height Restriction. LESSEE expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Title 14, Part 77 of the Code of Federal Regulations, as amended and as may be amended from time to time.

31. Right of Flight. COUNTY reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.

32. Operation of Airport. LESSEE expressly agrees for itself, its successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.

33. Release. LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases COUNTY from any and all liability relating to the same.

34. Non-discrimination. LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Premises, (b) that in the construction of any improvements on, over, or under such Premises and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, COUNTY shall have the right to terminate this Lease and to reenter and repossess said Premises and the facilities hereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.

35. COUNTY not Liable. COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury whatsoever sustained by LESSEE including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Premises shall be at the sole risk of LESSEE. COUNTY shall not be liable for any damage or loss of said personal property.

36. Compliance with Laws. Notwithstanding anything to the contrary herein, LESSEE shall not use or permit the use of the Premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for COUNTY or LESSEE.

37. Waiver. The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, event of default, or nonperformance, and COUNTY's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.

38. Subordination to Bond Resolution. This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and Bond Resolution.

39. Subordination to Federal Agreements. This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which COUNTY acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between COUNTY and the United States of America, or any of its agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

40. Exclusive Rights. Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that the rights granted under this Lease are nonexclusive, other than the exclusive right of use of the Premises, and that COUNTY may grant similar privileges to another lessee or other lessees on other parts of the Airport.

41. Public Entity Crimes. As provided in sections 287.132-133, Florida Statutes, as may be amended from time to time, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the Effective Date hereof. This notice is required by section 287.133(3)(a), Florida Statutes.

42. Governmental Authority. Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations.

43. Rights Reserved to the COUNTY. All rights not specifically granted LESSEE by this Lease are reserved to the COUNTY.

44. Invalidity of Clauses. The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no effect upon the validity of any other part or portion hereof.

45. Paragraph Headings. The heading of the various articles and sections of this Lease are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.

46. No Recording. Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.

47. Binding Effect. The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.

48. Performance. The parties expressly agree that time is of the essence in this Lease and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance without liability.

49. No Broker. LESSEE warrants to COUNTY that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease and agrees to indemnify and hold COUNTY harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by COUNTY as a result of any claim arising out of the acts of LESSEE (or others on its behalf) for a commission, finder's fee or similar compensation made by any broker or agent who claims to have dealt with LESSEE.

50. Excusable Delay. Any party in performing under this Lease shall use reasonable efforts to remedy the cause or causes of an excusable delay. Excusable delays are those delays due to force majeure, acts of God, fire, flood, earthquake, explosion, riot, sabotage, windstorm, or labor dispute, and shall toll the time to perform under this Lease.

51. Incorporation by References. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by such reference.

52. Venue and Governing Law. To the extent allowed by law, the venue for any action arising from this Lease shall be in Palm Beach County, Florida. This Lease shall be governed by and in accordance with the laws of the State of Florida.

53. Negotiated Agreement. The parties agree that they have had meaningful discussion and/or negotiation of the provisions, terms and conditions contained in this Lease. Therefore, doubtful or ambiguous provisions, of any, contained in this Lease shall not be construed against the party who physically prepared this Lease.

54. Entirety of Agreement. The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.

55. Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed Federal and State guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from COUNTY's public health unit.

(Remaider of page left blank intentionally)

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

Witnesses:

Connie Shofner
Signature

Connie Shofner
Print Name

C. Henslein
Signature

C. Henslein
Print Name

BY ITS DIRECTOR OF AIRPORTS

By: [Signature]
Director

Witnesses:

[Signature]
Signature

ERMINA H. REYES
Print Name

Judi Richards
Signature

Judi Richards
Print Name

LESSEE:

By: [Signature]

RAYMOND RICHARDS
Print Name

Title: _____

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: Anne Helgert
County Attorney

EXISTING TAXILANE "C"

EXISTING TAXILANE "D"

EXISTING TAXILANE "E"

EXISTING TAXILANE "B"

EXISTING TAXILANE "A"

EXISTING TAXILANE "F"

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**AGREEMENT TO TERMINATE
HANGAR LEASE AGREEMENT
BETWEEN PALM BEACH COUNTY AND
JACOB W. HICKS**

This Agreement (this "Agreement") is made and entered into AUG 04 2007, 2007 by and between Palm Beach County, a political subdivision of the State of Florida (the "COUNTY"), and Jacob W. Hicks, residing at, 130 Sherwood Circle, # 14-B, Jupiter, Florida, 33458 (the "LESSEE").

WITNESSETH:

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport (the "Airport") located in Palm Beach County, Florida; and

WHEREAS, pursuant to that certain Hangar Lease Agreement between COUNTY and LESSEE dated April 21, 2006 (R-2006-0972) (the "Hangar Lease Agreement"), LESSEE leases that certain hangar unit # 5, building 11730 on Airport property; and

WHEREAS, LESSEE has requested to terminate the Hangar Lease Agreement; and

WHEREAS, COUNTY has no objection to the termination of the Hangar Lease Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:

1. The recitals set forth above are true and correct and form a part of this Agreement.
2. The parties hereby agree that the Hangar Lease Agreement shall be terminated effective September 30, 2007 (the "Termination Date").
3. COUNTY shall return LESSEE's security deposit within thirty (30) days of the Termination Date.
4. This Agreement shall become effective upon execution by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Witnesses:

Connie Shoffner
Signature

Connie Shoffner
Print Name

C. Hawkins
Signature

C. Hawkins
Print Name

By: [Signature]
County Administrator or designee

Witnesses:

Amber L. Inman
Signature

AMBER L INMAN
Print Name

Rainy L. Shoney
Signature

Rainy L Shoney
Print Name

LESSEE:

By: [Signature]
Jacob W Hicks
Print Name

Title:

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

By: Anne Helms
County Attorney

**FIFTH AMENDMENT TO TERMINAL BUILDING LEASE AGREEMENT BETWEEN
PALM BEACH COUNTY AND
THE GENERAL SERVICES ADMINISTRATION**

THIS FIFTH AMENDMENT TO THE TERMINAL BUILDING LEASE AGREEMENT (this "Amendment") is made and entered into this 17th day of August, 2007, by and between Palm Beach County, a political subdivision of the State of Florida (the "County"), and the General Services Administration, an Executive Agency of the United States of America ("Lessee")

WITNESSETH:

WHEREAS, pursuant to that certain Terminal Building Lease Agreement between County and Lessee dated March 11, 2003 (R2003-0355), as amended (the "Lease"), Lessee leases 3,666 square feet of space within the Terminal Building from County in connection with its operations; and

WHEREAS, the Director of the Department of Airports has authority to execute amendments to the Lease to increase the square footage of the Premises on behalf of County pursuant to Article 2.02 of the Lease; and

WHEREAS, Lessee desires to lease an additional 1,245 square feet of space from County within the Terminal Building, which will cause the Premises to contain a total of 4,911 square feet.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:

1. The foregoing recitals are true and correct and are hereby incorporated herein by reference. Terms not defined herein shall have the meanings ascribed to them in the Lease.
2. The parties agree that, effective August 17, 2007, Exhibit "A", dated May 01, 2007, to the Lease shall be replaced with the attached Exhibit "A", dated August 17, 2007, which is hereby incorporated herein.
3. Except as specifically modified herein, all of the terms and conditions of the Lease shall remain unmodified and in full force and effect and are hereby ratified and confirmed by the parties hereto.
4. This Amendment shall become effective when signed by both the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be signed by the Director of the Department of Airports, pursuant to the authority granted by the Board of County Commissioners, and the General Services Administration, an Executive Agency of the United States of America, has caused these presents to be signed in its name by its duly authorized officer, the Contracting Officer acting on behalf of the Lessee, the day and year first written above.

WITNESSES

Connie Shoffner
Signature
Connie Shoffner
Print Name

Jeremy Pevsse
Signature
Jeremy Pevsse
Print Name

PALM BEACH COUNTY, FLORIDA

By: Bruce V. Pelly
Bruce V. Pelly
Director of Airports

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

By: James Brubaker
County Attorney

WITNESSES:

Andrea Cooney
Signature
Andrea Cooney
Print Name

Patrick K. Singletta
Signature
Patrick K. Singletta
Print Name

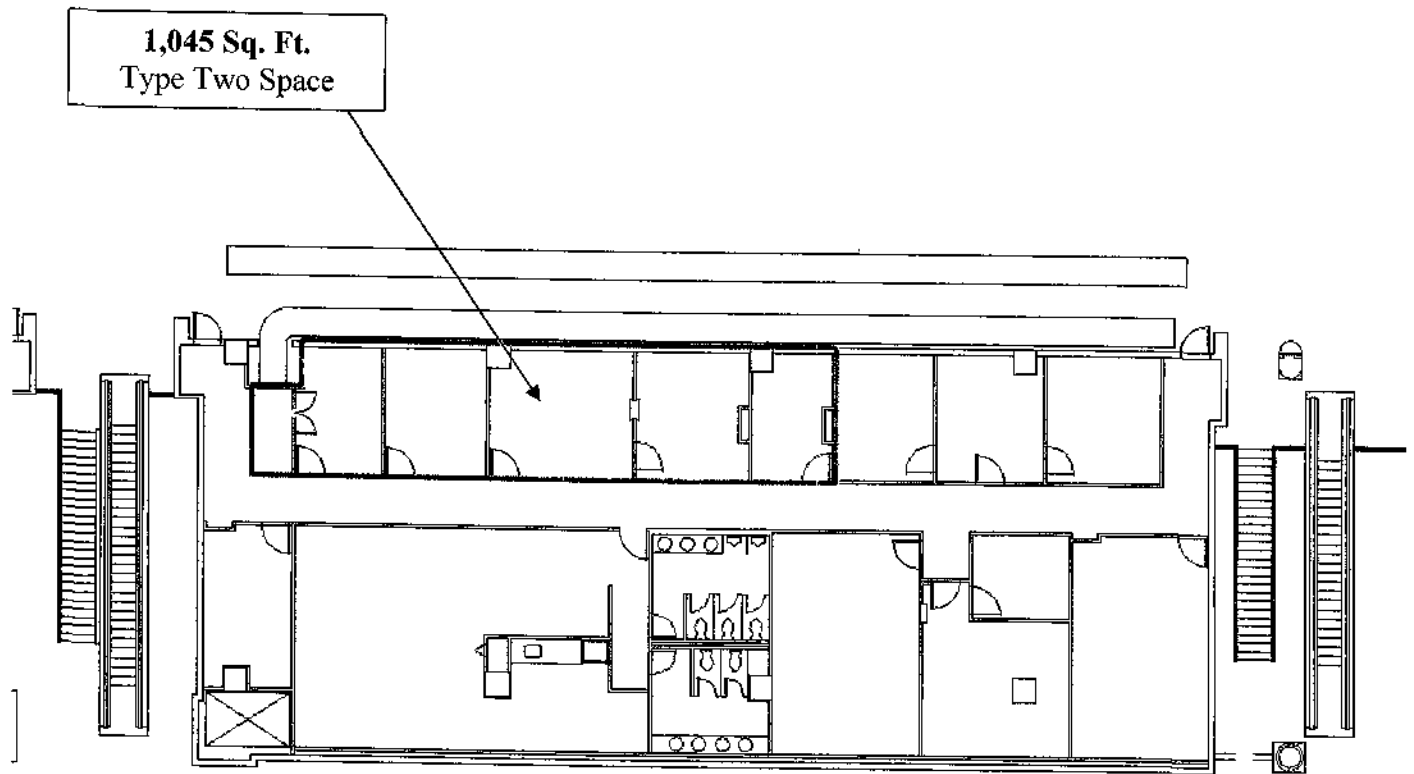
LESSEE:

GENERAL SERVICES ADMINISTRATION

By: Louise Long
Louise Long
Contracting Officer

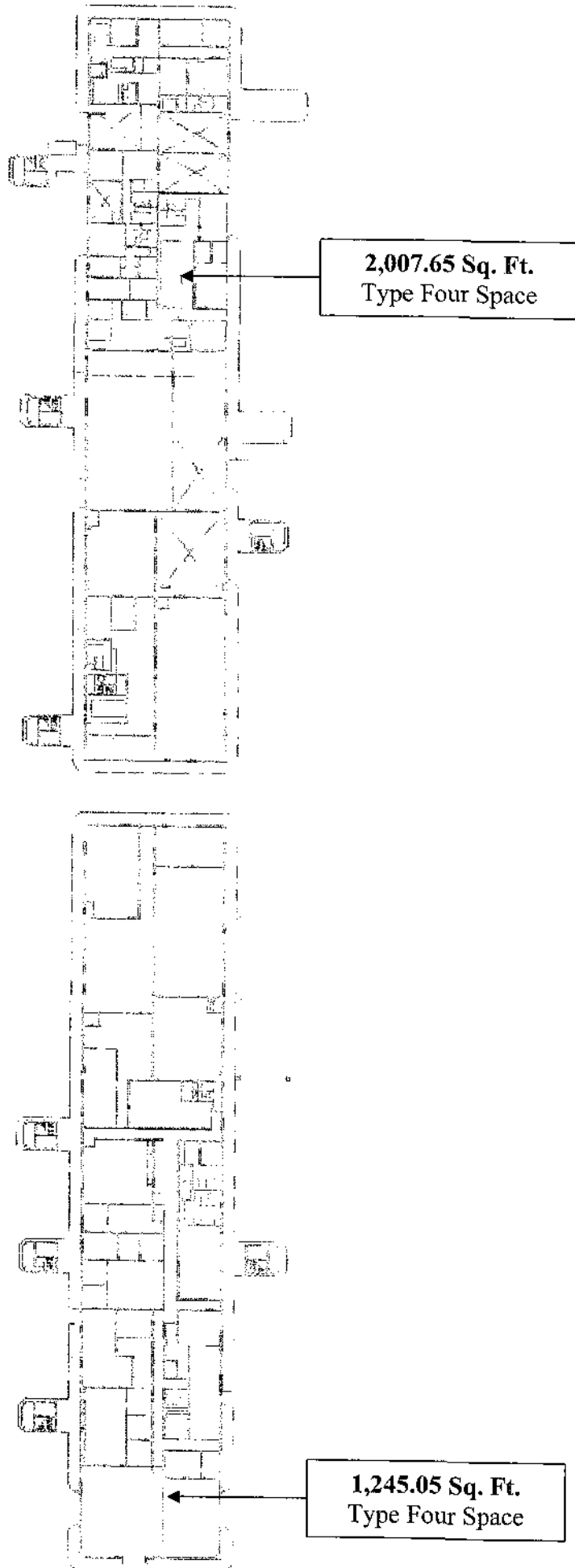
General Services Administration
Exhibit "A" – Leased Premises
1,045.00 Square Feet – Type Two Space

Third Level – ATO Offices
Palm Beach International Airport Terminal Building



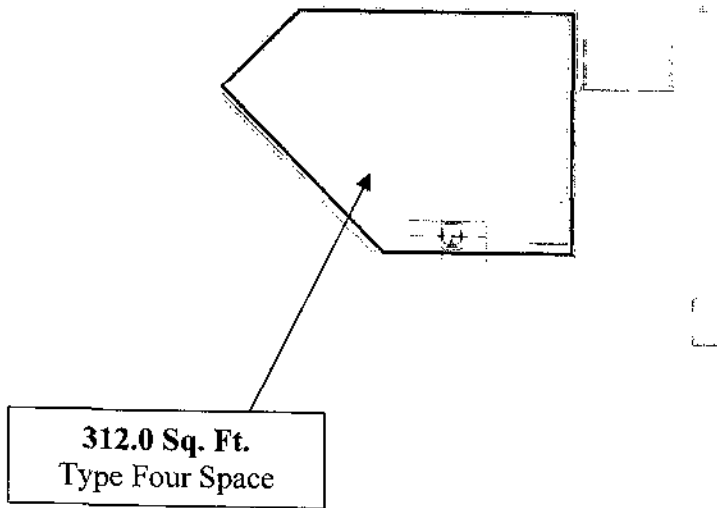
General Services Administration
Exhibit "A" – Leased Premises
3,252.70 Square Feet – Type Four Space

First Level – Concourse C
Palm Beach International Airport



General Services Administration
Exhibit "A" – Leased Premises
312.0 Square Feet – Type Four Space

Second Level – A/B Checkpoint
Palm Beach International Airport Terminal Building



General Services Administration
Exhibit "A" – Leased Premises
301.0 Square Feet – Type Four Space

Second Level – C Checkpoint
Palm Beach International Airport Terminal Building

