Agenda Item: 3F9

### PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

### AGENDA ITEM SUMMARY

meeting Date:	October 21, 2008		[X] Conse				
Submitted By:	Department of Airports	[ ]	Workshop	[ ] Public Hearing			
<u> </u>	2 22 22 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2		2525222222 25252222222				
I. EXECUTIVE BRIEF							
	tle: Staff recommends motion he Department of Airports.	on to re	ceive and file:	Three (3) original			
Property, comr	Agreement with Palm Beach mencing 9/12/2008, expiring basis thereafter. ( <b>JB</b> )						
	Agreement with Vanguard Ca short term storage of operable						
C. Consent commencing 4/	to Sublease for Northwest / 24/2008. <b>(JB)</b>	Airlines,	Inc. with JE	Γ Aircraft Maintenance, Inc			
_	legation of authority for execution BCC in R-94-1453-D and R-2007			agreements above was			
Background an	d Justification: N/A						
Attachments:	Three (3) Standard Agreements f	or the Do	epartment of Air	ports			
Recommended	By: Department Dire	ctor	).	Date			
Approved By:	M/Rocker County Administr	rator		0/9/0 <del>/</del> Date			

### **LICENSE AGREEMENT**

THIS LICENSE AGREEMENT (this "Agreement") made and entered into this \_\_\_\_\_\_ day of September, 2008, by and between Palm Beach County, a political subdivision of the State of Florida, hereinafter referred to as ("County") and Palm Beach Transportation Group, LLC a Florida limited liability company, whose principal place of business is located at 1700 N. Florida Mango Road, West Palm Beach, FL 33409, hereinafter referred to as ("Licensee").

#### **WITNESSETH:**

WHEREAS, County, by and through its Department of Airports (the "Department"), is the owner and operator of the Palm Beach international Airport (the "Airport"); and

**WHEREAS**, County is the owner of that certain real property as more particularly described on the attached Exhibit "A"; and

**WHEREAS**, County is willing to grant Licensee a revocable license to use the Property for the purposes hereinafter defined.

**NOW THEREFORE**, in consideration of the covenants and agreements hereinafter set forth on the part of the Licensee to be observed and performed, the County hereby grants the Licensee a non-exclusive, revocable license to use the Property (as hereinafter defined) upon the following terms and conditions:

### ARTICLE 1 BASIC PROVISIONS

- 1.01 Recitals. The foregoing recitals are true and correct and incorporated herein.
- 1.02 <u>Property.</u> The Property, which is the subject of this Agreement, is that portion of Building 1440 on the Airport consisting of approximately 1,100 square feet, plus the front parking area consisting of approximately 41,363 square feet, as more particularly identified in Exhibit "A", attached hereto and incorporated herein (the "Property").

### ARTICLE 2 LENGTH OF TERM AND COMMENCEMENT DATE

The term of this Agreement shall be for the period commencing on September 12, 2008 (the "Commencement Date") and expiring on October 31, 2008 (the "Initial Term"), unless terminated earlier as provided for herein. This Agreement shall be automatically renewed for one (1) month intervals thereafter (the "Renewal Term"), unless terminated earlier as provided for herein; provided, however, either party may elect to not renew this Agreement upon providing no less than fifteen (15) days advance written notice to the other party prior to the expiration of the then current term. The Initial Term and Renewal Term shall be collectively referred to as the "Term".

### ARTICLE 3 LICENSE FEE

3.01 <u>License Fee.</u> Licensee shall pay County for the use and occupancy of the Property a license fee for the Initial Term in the amount of Four Thousand Five Hundred Ninety-Five and 25/100 Dollars (\$4,595.25), together with applicable sales taxes thereon. For each Renewal Term, Licensee shall pay County for the use and occupancy of the Property a license fee for the in the amount of Two Thousand Eight Hundred Thirteen and 42/100 Dollars (\$2,813.42) per month, together with applicable sales taxes thereon. The license fee 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 Agreement with the first payment becoming due and payable on the Commencement Date.

3.02 <u>Security Deposit</u>. Licensee and County agree that Licensee's security deposit provided to County pursuant to that certain Airport Ground Transportation Concession Agreement (R2005-1774) (the "Security Deposit") shall also serve as security for this License. If there is a fee deficiency, if the Property requires maintenance or repair in order to be returned to serviceable condition, or upon Licensee's failure to perform any of its obligations hereunder, County shall have the right to draw upon the Security Deposit and apply the Security Deposit, or any part thereof, to the deficiency or to costs incurred by County, plus any applicable administrative overhead. Licensee shall amend the Security Deposit to reference this Agreement and shall maintain the Security Deposit in good standing throughout the Term.

# ARTICLE 4 CONDUCT OF BUSINESS AND USE OF PROPERTY BY LICENSEE

- 4.01 <u>Use of Property</u>. Licensee shall use the Property solely and exclusively for the temporary staging of vehicles associated with Licensee's Airport Ground Transportation Concession Agreement (R2005-1774) at the Airport. Licensee shall not be permitted to park vehicles overnight on the Property, and shall not be permitted to perform maintenance of any kind to vehicles on the Property. Licensee shall not use, permit or suffer the use of the Property for any other business or purpose whatsoever.
- 4.02 <u>Improvements.</u> Licensee shall make no improvements, alterations or additions to the Property whatsoever, without the prior written consent of the Department, which may be granted or withheld in the Department's sole and absolute discretion.
- 4.03 <u>Condition of Property.</u> Licensee accepts the Property in its "As is", "Where is" condition as of the Commencement Date. Licensee further acknowledges that County has not made any warranties or representations of any nature whatsoever regarding the Property including, but not limited to, any warranties or representations relating to the physical condition of the Property or any improvements located therein, or the suitability of the Property or any improvements for the Licensee's intended use.
- 4.04 <u>Waste or Nuisance.</u> Licensee shall not commit or suffer to be committed any waste upon the Property or any nuisance or other act or thing which may result in damage or depreciation of value of the Property.
- 4.05 <u>Compliance with Laws.</u> Licensee shall, at its sole cost and expense, secure any and all required licenses and permits and shall comply with all local, state, and federal laws pertaining to Licensee or its use of the Property, including all applicable zoning, building and fire laws and regulations. Licensee acknowledges and agrees that County has made no representations whatsoever regarding Licensee's ability to use the Property for the purposes set forth in this Agreement. Licensee shall ensure that its invitees, guests and any all other persons entering the Property with or without Licensee's consent or knowledge comply with all applicable laws on the Property. Licensee shall indemnify, defend and save County harmless from any and all penalties, fines, costs, expenses, suits, claims, or damages resulting from Licensee's failure to perform its obligations specified in this Section. The foregoing indemnification agreement shall survive the expiration or earlier termination of this Agreement.
- 4.06 <u>Non-Discrimination</u>. Licensee 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, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Property, (b) that in the construction of any improvements on, over, or under such Property and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, 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 Licensee shall use the Property 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 Agreement and to reenter and repossess the Property and the facilities hereon, and hold the same as if the Agreement 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.

- 4.07 <u>Surrender of Property.</u> Upon expiration or earlier termination of Licensee's license to use the Property, Licensee, at its sole cost and expense, shall surrender the Property to the County in at least the same condition as the Property was in as of the Commencement Date of this Agreement.
- 4.08 <u>County's Right to Enter.</u> County shall have the right to enter the Property at any time, without notice, for any purpose whatsoever. County agrees to exercise reasonable efforts to minimize interference with or disruption of Licensee's operations on the Property; provided, however, County shall not be required to expend additional sums of money in order to comply with the foregoing requirement. In the event that a County work activity must take place within the Property during Licensee's operating hours, which will disrupt or interfere with the Licensee's operations, County will endeavor to provide prior notice to Licensee. The notice requirements provided under Section 10.04 shall not apply to this Section.

### ARTICLE 5 REPAIRS AND MAINTENANCE OF PROPERTY/SECURITY

- Repairs & Maintenance. County shall not be obligated or required to make or conduct any maintenance or repairs whatsoever to the Property. All portions of the Property and all improvements erected on the Property shall be kept in good repair and condition by Licensee. Licensee shall maintain the Property free of trash and debris. Licensee shall keep the Property at all times in a clean and orderly condition and appearance and all of the fixtures, equipment and personal property which are located in any part of the Property that is open to or visible by the general public. Licensee shall repair any damage to paving or other surface of the Property caused by any oil, gasoline, grease, lubricants or other liquids or substances having a corrosive or detrimental effect thereon. Licensee shall be responsible for the payment of all utilities including but not limited to, the supply of water, gas service, electrical power, telephone and telecommunications, sanitary sewers and storm sewers which are now or which may be subsequently located upon the Property. Upon expiration or earlier termination of this Agreement, Licensee shall deliver the Property to County in good repair and condition as specified herein, free of all improvements constructed by Licensee, if any. In the event of any damage to the Property, County may complete the necessary repairs or maintenance of the Property and Licensee shall reimburse County for all expenses incurred by County in doing so, plus a twenty five percent (25%) overhead, within fifteen (15) days after written request for reimbursement from County.
- 5.02 <u>Security.</u> Licensee acknowledges and accepts full responsibility for the security and protection of the Property and any and all personal property and improvements now existing or hereafter placed on or installed in or upon the Property, and for the prevention of unauthorized access to the Property. Licensee 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 Property, shall be the sole responsibility of Licensee and shall involve no additional cost to County.

### ARTICLE 6 INSURANCE

6.01 <u>Maintenance of Insurance.</u> Licensee agrees to maintain, on a primary basis and at its sole expense, at all times during the Term of this Agreement, and any extension thereof, the insurance coverages and limits set forth in Exhibit "B", attached hereto and incorporated herein. The requirements contained herein, as well as County's review or acceptance of insurance maintained by Licensee is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Licensee under this Agreement.

## ARTICLE 7 INDEMNIFICATION

Licensee shall indemnify, defend and save County harmless from and against any and all claims, actions, damages, liability and expense in connection with: (i) loss of life, personal injury and/or damage to or destruction of property arising from or out of any occurrence in, upon or at the Property; (ii) the occupancy or use by Licensee of the Property or any part thereof; or (iii) any act or omission of Licensee, its agents, contractors, employees or invitees. In the event the County is made a party to any litigation commenced against Licensee or by Licensee against any third party, then Licensee shall protect and hold County harmless and pay all costs and attorney's fees incurred by County in connection with such litigation, and any appeals thereof. Licensee recognizes the broad nature of this indemnification provision and specifically acknowledges the receipt of good and value separate consideration in support thereof. This provision shall survive expiration or earlier termination of this Agreement.

## ARTICLE 8 ASSIGNMENT

Licensee may not assign, sublet or rent any portion of the Property.

## ARTICLE 9 REVOCATION OF LICENSE/DEFAULT

- 9.01 <u>Revocation of License.</u> Notwithstanding any provision of this Agreement to the contrary, the rights granted to Licensee hereunder amount only to a non-exclusive license to use the Property, which license is expressly revocable by County for any reason whatsoever upon notice to Licensee. Upon notice from County of the revocation of the license granted hereby, this Agreement shall terminate and County shall be relieved of all further obligations hereunder accruing subsequent to the date of such termination.
- 9.02 <u>Termination for Convenience by Licensee.</u> Licensee may terminate this Agreement for convenience upon five (5) days prior written notice to County, whereupon the parties shall be relieved of all further obligations hereunder with the exception of those obligations accruing prior to the date of such termination and those obligations which expressly survive termination of this Agreement.
- 9.03 <u>Default.</u> Failure to perform or observe any of the agreements, covenants, or conditions contained in this Agreement to be performed or observed by such party upon five (5) days prior written notice shall constitute a default of this Agreement.

### ARTICLE 10 MISCELLANEOUS

- 10.01 <u>Subordination to Bond Resolution</u>. This Agreement and all rights granted to Licensee 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 Licensee 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 Licensee and County with the terms and provisions of this Agreement and Bond Resolution.
- 10.02 <u>Subordination to State/Federal Agreements</u>. This Agreement 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 Property are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Licensee understands and agrees that this Agreement 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.

10.03 Entire Agreement. This Agreement and any Exhibits attached hereto and forming a part thereof as if fully set forth herein, constitute all agreements, conditions and understandings between County and Licensee concerning the Property. All representations, either oral or written, shall be deemed to be merged into this Agreement. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Agreement shall be binding upon County or Licensee unless reduced to writing and signed by them.

10.04 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, telecopied or faxed (provided in each case a receipt is obtained), 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, courier services or overnight mail, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, 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 designate 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:

### (a) If to the County at:

Palm Beach County Department of Airports 846 Palm Beach International Airport West Palm Beach, FL 33406-1470 Attn: Deputy Director, Airports Business Affairs Fax: (561) 471-7427

(b) If to the Licensee at: Palm Beach Transportation Group, LLC 1700 N. Florida Mango Road West Palm Beach, FL 33409 Fax: (561) 689-3838

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

10.05 <u>Recording.</u> Licensee shall not record this Agreement or any memorandum or short form thereof.

10.06 <u>Waiver of Jury Trial.</u> The parties hereto waive trial by jury in connection with proceedings or counterclaims brought by either of the parties hereto against the other, in connection with this Agreement.

10.07 <u>Governing Law and Venue.</u> This Agreement shall be governed by and interpreted according to the laws of the State of Florida and venue shall be in Palm Beach County.

10.08 <u>Time of Essence</u>. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.

10.09 <u>Captions</u>. The captions and section designations set forth herein are for convenience only and shall have no substantive meaning.

- 10.10 Severability. In the event that any section, paragraph, sentence, clause, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.
- 10.11 Waiver. No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.
- 10.12 Liability of County. Licensee shall look solely to the estate and property of the County in the Property for the collection of any judgment, or in connection with any other judicial process, requiring the payment of money by County in the event of any default by County with respect to any of the terms, covenants and conditions of this Agreement to be observed and performed by County, and no other property or estates of County shall be subject to levy, execution or other enforcement procedures for the satisfaction of Licensee's remedies and rights under this Agreement.
- 10.13 Effective Date. This Agreement shall become effective when executed by the parties hereto and approved by the Palm Beach Board of County Commissioners.

IN WITNESS WHEREOF, County and Licensee have executed this Agreement, or have caused the same to be executed as of the day and year first above written.

WINESSES:
same Showner
Signature Constitution of the Constitution of
Typed or Printed Name
Pan Walo
Signature
Typed or Printed Name

PALM BEACH COUNTY, FLORIDA, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA

Director, Department of Airports

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

County Attorney

WITNESSE

Typed or Printed Name

(Corporate Seal)

Exhibit "A"
The "Property"
Page 1 of 2
Front Parking Lot

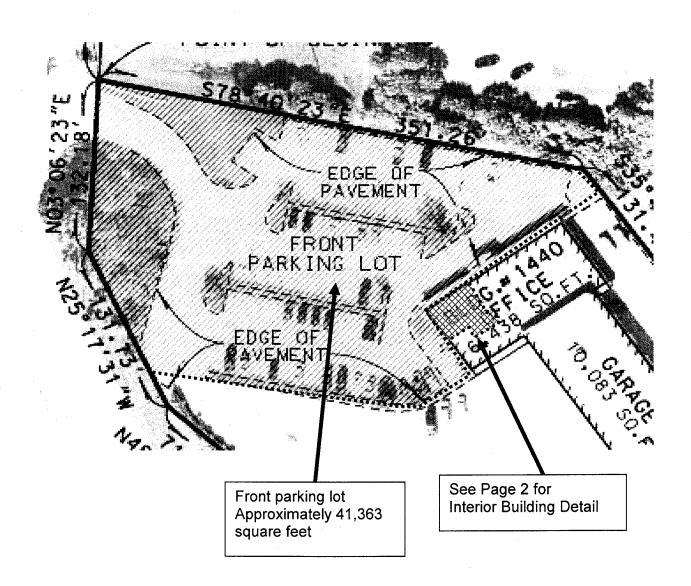
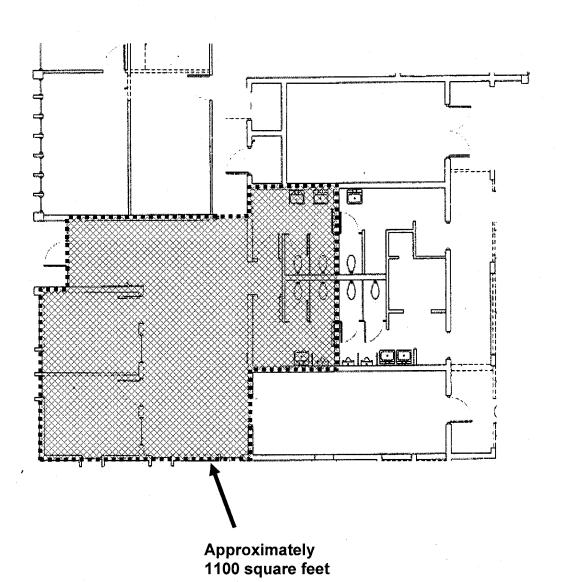


Exhibit "A"
The "Property"
Page 2 of 2
Building Interior Detail



## **EXHIBIT "B" INSURANCE**

Commercial General Liability. Licensee shall maintain Commercial General Liability Insurance at a limit of liability of not less than One Million Dollars (\$1,000,000.00) each occurrence. Coverage shall not contain any endorsement(s) excluding or limiting Premises/Operations, Damage to Rented Property, Personal Injury, Product/Completed Operations, Contractual Liability, Severability of Interests or Cross Liability. Coverage shall be provided on a primary basis.

<u>Business Automobile Liability.</u> Licensee shall maintain Business Automobile Liability Insurance at a limit of liability of not less than Five Hundred Thousand Dollars (\$500,000.00) each occurrence. Coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event the Licensee does not own automobiles, Licensee agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy. Coverage shall be provided on a primary basis.

Additional Insured. Licensee shall endorse the County as an Additional Insured with a "CG026 Additional Insured - Designated Person or Organization" endorsement to the Commercial General Liability policy. 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." Coverage shall be provided on a primary basis.

Waiver of Subrogation. Licensee agrees by entering into this Agreement to a Waiver of Subrogation for each policy required herein. When required by the insurer, or should a policy condition not permit Licensee to enter into any pre-loss agreement to waive subrogation without an endorsement, then Licensee agrees to 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, which includes a condition specifically prohibiting such an endorsement, or voids coverage should Licensee enter into such an agreement on a pre-loss basis.

<u>Certificate(s) of Insurance.</u> Licensee shall provide the County with Certificate(s) of Insurance evidencing that all coverages, limits and endorsements required herein are maintained and in full force and effect. The Certificate(s) of Insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation (ten (10) days for nonpayment of a premium) or non-renewal of coverage. The Certificate Holder address shall read: Palm Beach County Board of County Commissioners, c/o Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406.

#### LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "Agreement") made and entered into this \_\_\_\_\_ day of \_\_SEP 2 9 2008, by and between Palm Beach County, a political subdivision of the State of Florida, hereinafter referred to as ("County") and Vanguard Car Rental USA, Inc., a Delaware Corporation, whose principal place of business is located at 700 Corporate Drive, 3<sup>rd</sup> Floor, St. Louis, MO 63105, hereinafter referred to as ("Licensee").

#### WITNESSETH:

WHEREAS, County, by and through its Department of Airports (the "Department"), is the owner and operator of the Palm Beach International Airport (the "Airport"); and

WHEREAS, County is the owner of that certain real property as more particularly described on the attached Exhibit "A"; and

**WHEREAS**, County is willing to grant Licensee a revocable license to use the Property for the purposes hereinafter defined.

**NOW THEREFORE**, in consideration of the covenants and agreements hereinafter set forth on the part of the Licensee to be observed and performed, the County hereby grants the Licensee a non-exclusive, revocable license to use the Property (as hereinafter defined) upon the following terms and conditions:

### ARTICLE 1 BASIC PROVISIONS

- 1.01 Recitals. The foregoing recitals are true and correct and incorporated herein.
- 1.02 <u>Property.</u> The Property, which is the subject of this Agreement, is more particularly identified in Exhibit "A", attached hereto and incorporated herein (the "Property").

### ARTICLE 2 LENGTH OF TERM AND COMMENCEMENT DATE

The term of this Agreement shall commence on September 7, 2008 (the "Commencement Date") and expire on September 30, 2008 (the "Term"), unless terminated earlier as provided for herein.

### ARTICLE 3 LICENSE FEE

- 3.01 <u>License Fee.</u> Licensee shall pay County for the use and occupancy of the Property a license fee in the amount of \$2,025.00 together with applicable sales taxes thereon. The License Fee shall be payable within thirty (30) days of the Commencement Date.
- 3.02 <u>Holdover by Licensee</u>. Licensee shall pay County for the use and occupancy of the Property a License Fee in the amount of \$84.38 per day, together with applicable sales taxes thereon, for each day of Licensee's use and occupancy of the Property beyond September 30, 2008. The License Fee shall be payable upon demand by County.

## ARTICLE 4 CONDUCT OF BUSINESS AND USE OF PROPERTY BY LICENSEE

4.01 Use of Property. Licensee shall use the Property solely and exclusively for the

short term storage of operable vehicles. Licensee shall not use, permit or suffer the use of the Property for any other business or purpose whatsoever.

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- Non-Discrimination. Licensee 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, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Property, (b) that in the construction of any improvements on, over, or under such Property and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, 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 Licensee shall use the Property 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 Agreement and to reenter and repossess the Property and the facilities hereon, and hold the same as if the Agreement 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.
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### ARTICLE 7 INDEMNIFICATION

Licensee shall indemnify, defend and save County harmless from and against any and all claims, actions, damages, liability and expense in connection with: (i) loss of life, personal injury and/or damage to or destruction of property arising from or out of any occurrence in, upon or at the Property; (ii) the occupancy or use by Licensee of the Property or any part thereof; or (iii) any act or omission of Licensee, its agents, contractors, employees or invitees. In the event the County is made a party to any litigation commenced against Licensee or by Licensee against any third party, then Licensee shall protect and hold County harmless and pay all costs and attorney's fees incurred by County in connection with such litigation, and any appeals thereof. Licensee recognizes the broad nature of this indemnification provision and specifically acknowledges the receipt of good and value separate consideration in support thereof. This provision shall survive expiration or earlier termination of this Agreement.

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## ARTICLE 9 REVOCATION OF LICENSE/DEFAULT

- 9.01 <u>Revocation of License.</u> Notwithstanding any provision of this Agreement to the contrary, the rights granted to Licensee hereunder amount only to a non-exclusive license to use the Property, which license is expressly revocable by County for any reason whatsoever upon notice to Licensee. Upon notice from County of the revocation of the license granted hereby, this Agreement shall terminate and County shall be relieved of all further obligations hereunder accruing subsequent to the date of such termination.
- 9.02 <u>Termination for Convenience by Licensee.</u> Licensee may terminate this Agreement for convenience upon five (5) days prior written notice to County, whereupon the parties shall be relieved of all further obligations hereunder with the exception of those obligations accruing prior to the date of such termination and those obligations which expressly survive termination of this Agreement.
- 9.03 <u>Default.</u> Failure to perform or observe any of the agreements, covenants, or conditions contained in this Agreement to be performed or observed by such party upon five (5) days prior written notice shall constitute a default of this Agreement.

### ARTICLE 10 MISCELLANEOUS

- 10.01 <u>Subordination to Bond Resolution</u>. This Agreement and all rights granted to Licensee 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 Licensee 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 Licensee and County with the terms and provisions of this Agreement and Bond Resolution.
- 10.02 <u>Subordination to State/Federal Agreements</u>. This Agreement 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 Property are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Licensee understands and agrees that this Agreement 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.
- 10.03 Entire Agreement. This Agreement and any Exhibits attached hereto and forming a part thereof as if fully set forth herein, constitute all agreements, conditions and understandings between County and Licensee concerning the Property. All representations, either oral or written, shall be deemed to be merged into this Agreement. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Agreement shall be binding upon County or Licensee unless reduced to writing and signed by them.
- 10.04 <u>Notices.</u> 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, telecopied or faxed (provided in each case a receipt is obtained), 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, courier services or overnight mail, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, 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

designate 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:

(a) If to the County at:

Palm Beach County Department of Airports 846 Palm Beach International Airport West Palm Beach, FL 33406-1470 Attn: Deputy Director, Airports Business Affairs

Fax: (561) 471-7427

(b) If to the Licensee at:

Vanguard Car Rental USA, Inc.

Attn: Airport Relations Department

700 Corporate Drive, 3<sup>rd</sup> Floor

St. Louis, MO 63105

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

- 10.05 Recording. Licensee shall not record this Agreement or any memorandum or short form thereof.
- 10.06 <u>Waiver of Jury Trial.</u> The parties hereto waive trial by jury in connection with proceedings or counterclaims brought by either of the parties hereto against the other, in connection with this Agreement.
- 10.07 <u>Governing Law and Venue.</u> This Agreement shall be governed by and interpreted according to the laws of the State of Florida and venue shall be in Palm Beach County.
- 10.08 <u>Time of Essence</u>. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.
- 10.09 <u>Captions</u>. The captions and section designations set forth herein are for convenience only and shall have no substantive meaning.
- 10.10 <u>Severability.</u> In the event that any section, paragraph, sentence, clause, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.
- 10.11 <u>Waiver</u>. No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.
- 10.12 <u>Liability of County.</u> Licensee shall look solely to the estate and property of the County in the Property for the collection of any judgment, or in connection with any other judicial process, requiring the payment of money by County in the event of any default by County with respect to any of the terms, covenants and conditions of this Agreement to be observed and performed by County, and no other property or estates of County shall be subject to levy, execution or other enforcement procedures for the satisfaction of Licensee's remedies and rights under this Agreement.
- 10.13 Effective Date. This Agreement shall become effective when executed by the parties hereto and approved by the Palm Beach Board of County Commissioners.

**IN WITNESS WHEREOF,** County and Licensee have executed this Agreement, or have caused the same to be executed as of the day and year first above written.

WITNESSES:  Jerné Shoffner  Signature  Shoffner	PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA  By: Lely
Signature  Signature  Signature  Typed or Printed Name	Director, Department of Airports
	APPROVED AS TO FORM AND LEGAL SUFFICIENCY  By:  County Attorney
WITNESSES:  Signature  Signature  Typed or Printed Name  Signature  Signature  Typed or Printed Name  L. Eller  Typed or Printed Name	LICENSEE: VANGUARD CAR RENTAL USA, INC  By: Signature Typed or Printed Name  Title:

(Corporate Seal)

## EXHIBIT "A" THE PROPERTY



18,000 Square Feet (150 cars) located at the Southeast corner of Country Club Rd. and Cherry Rd in West Palm Beach, FL ("Cherry Road Lot")

## **EXHIBIT "B" INSURANCE**

Commercial General Liability. Licensee shall maintain Commercial General Liability Insurance at a limit of liability of not less than Five (5) Million Dollars (\$5,000,000) each occurrence. Coverage shall not contain any endorsement(s) excluding or limiting Premises/Operations, Personal Injury, Product/Completed Operations, Contractual Liability, Severability of Interests or Cross Liability. Coverage shall be provided on a primary basis.

<u>Business Automobile Liability.</u> Licensee shall maintain Business Automobile Liability Insurance at a limit of liability of not less than One (1) Million Dollars (\$1,000,000) each occurrence. Coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event the Licensee does not own automobiles, Licensee agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy. Coverage shall be provided on a primary basis.

Additional Insured. Licensee shall endorse the County as an Additional Insured with a "CG026 Additional Insured - Designated Person or Organization" endorsement to the Commercial General Liability policy. 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." Coverage shall be provided on a primary basis.

Waiver of Subrogation. Licensee agrees by entering into this Agreement to a Waiver of Subrogation for each policy required herein. When required by the insurer, or should a policy condition not permit Licensee to enter into any pre-loss agreement to waive subrogation without an endorsement, then Licensee agrees to 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, which includes a condition specifically prohibiting such an endorsement, or voids coverage should Licensee enter into such an agreement on a pre-loss basis.

<u>Certificate(s)</u> of <u>Insurance</u>. Licensee shall provide the County with Certificate(s) of Insurance evidencing that all coverages, limits and endorsements required herein are maintained and in full force and effect. The Certificate(s) of Insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation (ten (10) days for nonpayment of a premium) or non-renewal of coverage. The Certificate Holder address shall read: Palm Beach County Board of County Commissioners, c/o Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406.

#### CONSENT TO SUBLEASE

PALM BEACH COUNTY, a political subdivision of the State of Florida (the "COUNTY"), by and through its Department of Airports, under that certain Airline-Airport Use and Lease Agreement "(Lease Agreement") with Northwest Airlines, Inc. (the "LESSEE"), dated April 23, 2007 (R-2007-0859), hereby consents to LESSEE entering into that certain Facilities Use Agreement with JET Aircraft Maintenance, Inc. (the "SUBLESSEE"), dated April 24, 2008 (the "Sublease Agreement"), for the sublease of certain premises contained within the leasehold of LESSEE under the Lease Agreement.

Notwithstanding any provision of the Sublease Agreement to the contrary, the COUNTY hereby rejects any such provision in the Sublease Agreement, if any, which gives a greater right to the SUBLESSEE than that which the LESSEE has and, further, the COUNTY rejects any provision of the Sublease Agreement which purports to give the SUBLESSEE a right or interest in the premises independent of the LESSEE's Lease Agreement with the COUNTY. It is the express intent of the COUNTY in giving its consent that any forfeiture, loss, or termination of the LESSEE's Lease Agreement shall automatically terminate any sublease of the premises. In giving its consent to sublease the premises, Palm Beach County does not in any manner adopt, accept, or approve the terms of the Sublease Agreement or alter the terms of the Sublease Agreement.

LESSEE further acknowledges and agrees that it shall remain liable to COUNTY for all rights and obligations contained in its Lease Agreement with the COUNTY.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_ day of \_\_\_\_\_\_, 2008, by the County Administrator or the Director of the Department of Airports on behalf of and pursuant to the authority granted by the Board of County Commissioners.

Title: Director of Airports

Approved as to Form and Legal Sufficiency:

By: County Attorney

#### **FACILITIES USE AGREEMENT**

This FACILITIES USE AGREEMENT (the "Agreement") is made and entered into as of this 24 day of April, 2008 (the "Effective Date") by and between Northwest Airlines, Inc., a Minnesota corporation ("Northwest") and JET Aircraft Maintenance, Inc., a Florida corporation ("Licensee").

#### WITNESSETH:

WHEREAS, Northwest leases certain premises and facilities at the Palm Beach International Airport (the "Airport") under that certain Airline-Airport Use and Lease Agreement dated as of April 23, 2007 by and between Palm Beach County, State of Florida (the "Lessor") and Northwest (as amended and supplemented from time to time, the "Northwest Lease"); and

WHEREAS, Licensee desires to have access to certain portions of the premises and facilities leased by Northwest pursuant to the Northwest Lease on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, Northwest is willing to grant such access to Licensee such portions of said premises and facilities on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, Northwest and Licensee, each in consideration of the agreements of the other and intending to be legally bound, agree as follows:

Section 1. Use of Premises. During the term of this Agreement, Northwest hereby agrees to provide Licensee and its officers, employees and representatives, on and subject to the terms, conditions and covenants hereinafter set forth, with use of certain of the premises leased by Northwest pursuant to the Northwest Leases. Northwest, in its sole discretion, shall designate from time to time the portion of such premises and facilities to be used by Licensee hereunder (said premises and facilities so designated by Northwest, and together with all improvements and fixtures located thereon, are hereinafter referred to as the "Premises"). A description of the initial Premises is set forth in Exhibit A attached hereto. Licensee's use of the Premises shall be on a nonexclusive, non-preferential, shared-use basis, said use to be coordinated with Northwest's Manager at the Airport. Nothing in this Agreement shall be deemed to confer upon Licensee any interest in the Premises, right to possess or control the use of the Premises, or any other rights with respect to the Premises other than those expressly provided herein. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, USE OF THE PREMISES IS PROVIDED ON AN "AS IS, WHERE IS" BASIS AND WITH ALL DEFICIENCIES AND FAULTS BOTH KNOWN AND UNKNOWN. LICENSEE ACKNOWLEDGES THAT IT HAS MADE A THOROUGH INSPECTION OF THE PREMISES AND ACCEPTS THE USE OF SUCH PREMISES "AS IS, WHERE IS" AND THAT, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, NORTHWEST MAKES NO REPRESENTATIONS OR WARRANTIES, AND LICENSEE EXPRESSLY WAIVES ALL WARRANTIES, EXPRESSED OR IMPLIED, RELATING TO THE SUITABILITY, FITNESS FOR USE OR FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, DESIGN OR CONDITION OF THE PREMISES. Licensee accepts the Premises in their condition as of the Effective Date, and acknowledges that Northwest shall not be obligated to

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make any alterations, additions, improvements or repairs to the Premises on account of this Agreement.

Section 2. Incorporation of the Northwest Leases. Licensee expressly acknowledges and agrees that this Agreement is subject to and conditioned upon all of the terms, covenants and conditions of the Northwest Lease, which terms, covenants and conditions, except as modified or deleted herein, are expressly incorporated into this Agreement by reference as if set forth in full herein to the extent the same apply to the Premises. Licensee agrees to assume, faithfully perform, carry out and be bound by all of the terms, covenants and conditions of the Northwest Lease with respect to its use of the Premises at the time and in the manner provided therein as if Licensee was expressly named as the Lessee under the Northwest Lease. Unless otherwise provided herein, all references to the "Lessor" in the Northwest Lease shall be deemed to include both the Lessor and Northwest, and Northwest shall have against Licensee all rights and remedies conferred upon the Lessor therein, provided, however, that Licensee agrees to look solely to the Lessor for performance of the Lessor's obligations under the Northwest Lease. Northwest shall not be liable to Licensee for the failure of the Lessor to perform its obligations under the Northwest Lease, provided that within a reasonable period of time after receipt of notice from Licensee that Lessor has failed to so perform, Northwest shall use its reasonable efforts to cause the Lessor to perform such obligations to the extent that the failure of Lessor to do so could adversely affect Licensee's use of the Premises. Licensee agrees that it will not do or fail to do anything with respect to the Premises which would cause a default to occur under the terms of the Northwest Lease. If approval of this Agreement by the Lessor is required pursuant to the provisions of the Northwest Lease, this Agreement is conditioned upon receipt of such approval. In the event the Lessor does not approve this Agreement, this Agreement shall be canceled immediately and all rights and obligations of the parties hereunder shall terminate immediately.

Section 3. <u>Term.</u> The term of this Agreement shall commence on the Effective Date and shall continue in effect until the earlier of the expiration or termination of the Northwest Lease or the expiration or termination of the Services Agreement, subject to earlier termination upon the occurrence of any of the following: (i) if the Northwest Lease expires or is terminated for any reason whatsoever, in which event this Agreement shall terminate immediately without notice upon the expiration or termination of the Northwest Lease; (ii) if Northwest terminates this Agreement pursuant to Section 13 hereof; (iii) if the Services Agreement is terminated for any reason; or (iv) upon mutual agreement of the parties hereto.

#### Section 4. Rent and Other Charges; Security Deposit.

- (a) <u>Base Rent</u>. With respect to the Premises at the Airport, Licensee will pay Northwest rent for such Premises in an amount equal to the amount of base rent payable by Northwest under the Northwest Lease, plus an administrative fee of 15% ("Base Rent"). Base Rent shall be invoiced monthly, in advance, and shall be due on the first of each month.
- (b) Additional Rent. With respect to the Premises at the Airport, in addition to Base Rent, Licensee shall be responsible for and shall pay to Northwest on a monthly

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or other periodic basis determined by Northwest, within ten (10) days of Northwest's written invoice and demand, all amounts other than Base Rent payable by Northwest under the Northwest Lease, including without limitation operating and maintenance expenses, and amounts payable to other third party contractors, including without limitation operating expenses attributable to building maintenance, janitorial services provided to common areas, pest control, security, landscaping, and snow removal, plus an administrative fee of 15% (collectively, "Additional Rent").

- (c) <u>Utilities</u>. Licensee shall be responsible for all costs and expenses associated with utilities provided to the Premises at the Airport during the term hereof. To the extent Northwest pays for any such costs and expenses, Licensee shall reimburse Northwest for such amounts, plus an administrative fee of 15%, within ten (10) days of Northwest's written invoice and demand.
- (d) Taxes, Fees and Other Charges; Liens. In addition to Base Rent, Additional Rent and other amounts payable pursuant to this Section 4, Licensee shall be responsible for the payment of all taxes (other than taxes based on or measured by Northwest's net income), fees and other charges, including without limitation port or percentage fees assessed against this Agreement, which are imposed by the Lessor or any governmental authority against the Lessor, Northwest or Licensee with respect to this Agreement, the Premises or improvements, fixtures, furnishings, equipment or other personal property located thereon or Licensee's use of the Premises, or on any tangible personal property owned by Licensee, plus all interest and penalties attributable to such taxes, fees or other charges. Licensee's obligations in this Section 5 pertain to all taxes (other than taxes based on or measured by Northwest's net income), fees and other charges incurred or arising during the term of this Agreement. In the event that Licensee enters into this Agreement in the middle of any annual taxation period, such tax liabilities will be prorated accordingly between Northwest and Licensee.
- (e) Other Pass-Through Obligations. With respect to the Premises at the Airport, in the event that Northwest incurs any increased or additional cost or expense in connection with the Northwest Leases or the Premises (A) for services, amenities, facilities, and annual reconciliations (other than for services, amenities or facilities provided exclusively to Northwest and not available to Licensee or the Premises); (B) in connection with the financing of any improvements, equipment or facilities within the Premises (other than improvements, equipment or facilities used exclusively by Northwest and not available to Licensee or the Premises), or (C) as a result of changes in the law (including legal and tax compliance), Licensee shall pay or reimburse Northwest, within ten (10) days of Northwest's written demand, for the amount of such costs and expenses.
- (f) <u>Pro-ration</u>. If the term of this Agreement begins on other than the first day of a month or ends on a day other than the last day of a month, Licensee's obligation to pay Base Rent, Additional Rent and other amounts payable pursuant to this Section 4 will be prorated on a per diem basis based on a thirty (30) day month.

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- (g) Payment. All amounts payable hereunder will be invoiced by Northwest on a monthly basis during the term hereof, and Licensee shall pay to Northwest the amount set forth on any such invoice issued to Licensee, without offset, deduction, abatement, reduction or counterclaim, within thirty (10) days after the date of such invoice. Settlement of all accounts or amounts due from Licensee hereunder shall be in U.S. Dollars. It is agreed that Northwest may, by prior written notice to Licensee, require that all payments due from Licensee be made by wire transfer of immediately available funds, transmitted in accordance with wiring instructions provided by Northwest. Any unpaid or delinquent amounts will bear interest accruing at the rate of (A) one and one-half percent (1.5%) per month, or (B) the maximum interest rate allowed by law, whichever is lower.
- Security Deposit. On or before the Effective Date, the Licensee shall (h) deposit with Northwest an amount equal to, from time to time during the term hereof, the sum of two (2) times the amount of the Base Rent payable hereunder and the estimated monthly operating expenses and utility amounts payable hereunder, which on the date hereof equals one thousand, six hundred ninety-one and 94/100 Dollars (\$1,691.94). Licensee shall maintain this amount on deposit with Northwest at all times, and shall increase the amount on deposit with Northwest from time to time in the event the amount of Base Rent, operating expenses and utility charges increases. In the event Licensee shall fail to pay to Northwest amounts owed hereunder, Northwest shall be entitled to deduct and retain any portion of the security deposit in payment of such amounts. In the event Licensee fails to perform its obligations under this Agreement, Northwest shall be entitled (but shall have no obligation) to perform the same and retain any portion of the security deposit in payment of amounts incurred by Northwest in performing Licensee's obligations hereunder. In either such event, Licensee shall immediately deposit such additional funds as shall be required to maintain the security deposit in the amount required hereunder. Northwest shall return the security deposit to Licensee following the expiration or earlier termination of the term hereof upon Licensee's compliance with all of terms and conditions of this Agreement and Licensee's surrender of the Premises to Northwest in accordance with the provisions hereof The deposit will be returned to Licensee within fifteen (15) days following Northwest's written acceptance of the return of the Premises.

Section 5. <u>Liens.</u> At all times during the term of this Agreement, Licensee shall keep the Premises free and clear of all liens, levies and encumbrances arising from or related to any act or omission of Licensee or any party acting by or through Licensee.

Section 6. <u>Use of Premises: Compliance with Laws and Regulations.</u> Licensee shall use the Premises solely for performing services to Northwest in accordance with the Services Agreement, subject to any limitations regarding use set forth in the Northwest Lease, and for no other purpose without Northwest's prior written consent. The Premises may not be sublet, subdivided or used to provide services to other air transportation companies or other entities whether or not such companies are affiliates of Licensee unless approved in advance by Northwest. Licensee shall conduct its operations on the Premises in a reasonable manner and shall not commit or suffer to be committed any nuisance or act or thing which may disturb the quiet enjoyment of Northwest or any other tenant at the Airport. Licensee acknowledges that

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Northwest reserves the right to establish from time to time reasonable rules, regulations and procedures for the use of the Premises at the Airport and Licensee shall be obligated to and shall cause its employees, agents and all persons using the Premises under it to comply with all such rules, regulations and procedures. At all times during the term of this Agreement, Licensee's operations and activities on the Premises shall be in strict compliance with all laws, rules and regulations of any federal, state, county, city or other governmental authority having jurisdiction over the operation of the Airport. Licensee shall pay when due all costs, fines, fees and assessments that may be levied against it with respect to its operations and activities on the Premises during the term of this Agreement.

Section 7. <u>Services</u>. Northwest will not be obligated to provide any services or utilities to Licensee (it being understood that the sole source of such services, if any, shall be the Lessor), and Northwest makes no representation to Licensee about the availability or adequacy of any such services. However, Northwest agrees to use reasonable efforts and cooperate with Licensee, at Licensee's cost and expense, to cause the Lessor to make such services and utilities available to Licensee.

Section 8. Improvements. Licensee shall not erect any structures, make any improvements to or do any other construction work on the Premises or alter, modify, make additions or improvements to or install any fixtures in any building or structure now existing on the Premises at any time during the term hereof, without the prior written consent of both Northwest and the Lessor. The costs of any such construction, improvements, alterations, additions or modifications shall be borne solely by Licensee. In the event Licensee makes any construction, improvement, alteration, modification or addition to the Premises, Northwest may, at any time during or after the term hereof, require Licensee to remove the same and restore the Premises to their condition prior to such construction, improvement, alteration, modification or addition, and if Licensee fails to do the same, Northwest may effect the removal and restoration and Licensee shall pay the cost thereof to Northwest plus an administrative charge of fifteen percent (15%) of such costs. Licensee shall not remove any improvements made or fixtures installed on the Premises during the term of this Agreement (unless Northwest requires their removal pursuant to this Section 8). At the expiration or earlier termination of this Agreement, title to such improvements and fixtures shall automatically vest in Northwest.

Section 9. Maintenance and Repair. To the extent not provided by Lessor pursuant to the Northwest Lease, Licensee shall be responsible for all repairs and maintenance to the Premises required under the terms of the Northwest Lease. Licensee shall promptly repair any and all damage to the Premises caused by its employees, agents, representatives, contractors, subcontractors, guests and invitees, or resulting from Licensee's use of the Premises. Licensee shall arrange for and pay for trash disposal and janitorial services as required to maintain a sanitary condition and neat appearance within the Premises. In the event Licensee fails to perform such obligations and such failure continues for at least ten (10) days following Licensee's receipt of written notice of such failure from Northwest, Northwest may elect, but shall have no obligation, to perform any work on the Premises that may be necessary by reason of Licensee's failure to perform and in such event Licensee shall pay to Northwest immediately upon demand therefor the full cost associated with such work plus an administrative fee of fifteen percent (15%). Nothing herein shall imply any duty upon the part of Northwest to do any

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such work and performance thereof by Northwest shall not constitute a waiver of Licensee's default in failing to perform the same. Northwest shall not be liable for inconvenience, annoyance, disturbance, loss of business or other damage to Licensee as a result of any interference with Licensee's use of the Premises by Northwest.

Section 10. Security Procedures. Licensee agrees to fully implement all procedures and comply with all regulations of the Airport's security program. Licensee will instruct its employees and any other representatives of Licensee, including those under contract, as to the security procedures to be followed and responsibilities required to be performed by Licensee with respect to its use of the Premises. Northwest may, from time to time, evaluate Licensee's compliance with the Airport's security program. In the event Licensee shall fail to implement, perform or observe any of the security procedures on its part to be performed, observed and kept with respect to the Premises, Northwest shall have the right to immediately take any corrective measures deemed necessary by Northwest, including but not limited to termination of this Agreement in accordance with Section 13 hereof. Licensee shall indemnify and hold harmless Northwest, its directors, officers, agents and employees, from and against any and all costs, claims, judgments, losses, liabilities and expenses (including attorneys' fees) incurred by Northwest due to any investigation commenced, or penalties or fines imposed, by the Federal Aviation Administration, Transportation Security Administration, any Airport or any other governmental agency having jurisdiction with respect to the Airport's security program arising out of or in connection with Licensee's use of the Premises.

#### Section 11. Limitation of Liability and Indemnity.

- (a) Notwithstanding any provision of any Northwest Lease to the contrary, Northwest shall not be liable to Licensee, or any of Licensee's agents, employees, servants or invitees, for any damage to persons or property due to the condition or design or any defect in the Premises which may exist or subsequently occur, and Licensee, with respect to Licensee and Licensee's agents, representatives, employees, servants, contractors, subcontractors and invitees, hereby expressly assumes all risks and damage to persons and property, either proximate or remote, by reason of the present or future condition of the Premises.
- Northwest, the Lessor, and their respective officers, directors, employees, agents, successors and assigns, from and against any and all suits, claims, actions, damages, liabilities and expenses (including, without limitation, attorneys' fees, costs and related expenses) (collectively, "Losses") for bodily or personal injury or death to any persons and for any loss of, damage to, or destruction of any property arising out of or in any manner connected with (i) the breach, violation, performance or nonperformance by Licensee or any of Licensee's agents, representatives, employees, contractors, subcontractors or invitees of any provision of this Agreement or of the Northwest Lease, (ii) the use of the Premises by Licensee or any of Licensee's agents, representatives, employees, contractors, subcontractors or invitees, or (iii) Licensee's operations at the Airport, whether or not occurring or arising out of the negligence, whether sole, joint, concurrent, comparative, active, passive, imputed or any other type, of Northwest, the

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Lessor or their respective officers, directors, employees or agents; provided, however, the foregoing indemnification shall not apply to any such claim or liability resulting from the gross negligence or willful misconduct of Northwest, its officers, directors, employees or agents.

#### Section 12. Insurance.

- (a) Licensee at its sole cost and expense shall at all times during the term of this Agreement maintain in full force and effect the insurance coverages required under the Northwest Lease, but in no event less than the insurance coverages set forth in this Section 12.
- (b) Licensee shall at all times during the term of this Agreement maintain in full force and effect the following insurance coverages:
  - (i) Workers' compensation and occupational disease coverage in the form of and in the minimum amounts required by the laws of the states, including monopolistic states, in which Licensee operates. Such coverage shall include employer's liability coverage with limits of no less than \$1,000,000 per accident.
  - (ii) Commercial general liability coverage (with any aircraft exclusion deleted) with limits no less than \$25,000,000 combined single limit per occurrence. Such coverage shall include endorsements for personal injury and contractual liability.
  - (iii) If Licensee is an airline, comprehensive aviation bodily injury and property damage liability coverage with limits of not less than \$300,000,000 combined single limit per occurrence, including but not limited to aircraft liability, passenger legal liability premises and property damage liability, hangar keepers liability, products/services and completed operations liability, and baggage and cargo liability. Such coverage shall include personal injury and contractual liability and shall also include war risk and allied perils, hijack and confiscation coverage with a limit of not less than \$1 billion per incident.
- (c) Commercial general liability and comprehensive airline liability insurance coverages shall provide coverage for events which occur during the policy period, are continuing in nature and not on a claims made basis, and shall include endorsements that:
  - (i) Underwriters acknowledge that the indemnification and hold harmless provisions of this Agreement are insured under Licensee's contractual liability coverage;
  - (ii) Northwest and the Lessor are named as additional insureds on such insurance to the extent of the contractual liability assumed by Licensee hereunder;

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- (iii) Said insurance is primary with respect to the matters within such coverage, irrespective of any insurance carried by Northwest;
- (iv) Provide that, as respects the interests of Northwest and the Lessor, this insurance shall not be invalidated by any breach of warranty by Licensee;
  - (v) Provide a severability of interests/cross liability endorsement; and
- (vi) Provide that the insurer shall waive its subrogation rights against Northwest and the Lessor.
- (d) Prior to the Effective Date, Licensee shall cause to be delivered to Northwest certificates of insurance evidencing compliance with the provisions of this Section 12. All of the insurance coverages referenced in this Section 12 shall be written through a company or companies satisfactory to Northwest, and the certificates of insurance shall unconditionally obligate the insurer to notify Northwest in writing at least thirty (30) days in advance of the effective date of any material adverse change in or cancellation or non-renewal of such insurance.
- (e) The employees of Licensee shall be employees of Licensee for all purposes and shall under no circumstances be deemed to be employees of Northwest. Each Party, with respect to its own employees, accepts full and exclusive liability, for the payment of workers' compensation or employers' liability, including any insurance premiums, and for payment of all taxes, contributions, or other payments for unemployment compensation or old age benefits, pensions, or other benefits now or here after imposed upon employees by any government or agency thereof having jurisdiction in respect of such employees, and agrees to make and file all reports and returns and to do everything necessary to comply with the laws imposing such taxes, contributions or payments.

Section 13. <u>Default and Remedies.</u> Northwest may terminate this Agreement with respect to the Premises at the Airport, or pursue any other remedy provided to the Lessor of such Premises under the Northwest Lease if Licensee fails to cure any default of this Agreement or the Northwest Lease within ten (10) days following receipt of written notice of default from Northwest, or under any circumstances in which the Northwest Lease permits the Lessor to pursue any such remedies. Termination of this Agreement by Northwest pursuant to this Section 13 shall not be construed as a waiver by Northwest of any other rights or remedies it may have at law or in equity. Notwithstanding any other provision of this Agreement, in addition to the remedies provided herein and in the Northwest Lease, Northwest shall have all other rights and remedies available at law or in equity.

### Section 14. Environmental Matters.

(a) Covenants. Licensee hereby acknowledges and agrees that, with respect to

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#### the Premises at the Airport:

- (i) Licensee shall observe and be in strict compliance at all times during the term hereof with all applicable Environmental Laws, all provisions contained in the Northwest Lease pertaining to environmental matters, and any environmental compliance policies, procedures, guides and manuals established or adopted from time to time by any Lessor and/or Northwest (collectively, "Environmental Policies"). Northwest hereby acknowledges delivery to Licensee, and Licensee hereby acknowledges receipt of a copy of, Northwest's existing Environmental Compliance Manual.
- (ii) Licensee shall promptly provide to Northwest a copy of any assessment, audit, report or test results relating to the condition of the Premises or any environmental impact on the Premises performed by or on behalf of Licensee at any time before, during or after the term hereof.
- (iii) Licensee shall properly handle, label and dispose of all Hazardous Substances utilized by or generated from operations on the Premises, and shall ensure that all persons utilized by Licensee in its operations on the Premises have been fully and properly trained in the handling of Hazardous Substances.
- (iv) Licensee shall be responsible for obtaining all permits and authorizations required for its operations on the Premises.
- (v) In the event of a Release of any Hazardous Substance on the Premises and in any event on or before the expiration or earlier termination of this Agreement or at other times if required by any governmental authority or the Lessor, Licensee shall, at its own cost and expense and in accordance with all Environmental Laws, remediate or cause to be remediated any and all contamination on, in or under the Premises that was caused by Licensee, its employees, contractors, subcontractors, agents, representatives, invitees, and all who enter upon the Premises under Licensee or any activity of Licensee or such entities on the Premises.
- (vi) Northwest shall be permitted access to the Premises at all times to inspect Licensee's operations thereon. Northwest may perform an environmental audit of the Premises at any time during the term hereof and Licensee agrees to implement any changes to its operations or practices and procedures requested by Northwest following such audit.
- (vii) Licensee shall notify Northwest immediately in the event of any inquiry or investigation of any environmental condition located on or adjacent to the Premises. Licensee shall provide Northwest with copies of any notice, correspondence or other communication to or from any governmental entity or agency thereof that relates in any way with the condition of the Premises.

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- (b) <u>Indemnity</u>. Licensee shall be responsible for and shall indemnify, defend and hold Northwest harmless from and against all Losses associated with (i) any Release from, in, on or to the Premises of a Hazardous Substance during the term of this Agreement (or any period of holdover by Licensee after expiration of the term), (ii) any violation of any Environmental Law or any non-compliance by Licensee with any permits issued to Licensee in connection with the use of the Premises during the term of this Agreement (or any holdover by Licensee after the expiration of the term), or (iii) any investigation of Licensee ordered by a governmental entity with appropriate jurisdiction over the Premises. The indemnity obligations of this Section 14 shall survive the expiration or termination of this Agreement.
- (c) <u>Definitions</u>. For purposes of this Agreement, the following terms shall have the meanings noted:
  - (i) "Environmental Law" shall mean any federal, state or local law, statute, rule, code, regulation, ordinance, license, authorization, decision, injunction, decree or order or any judicial or agency interpretation of any of the foregoing, which pertains to health, safety, any Hazardous Material or the environment (including without limitation ground, air, water or noise pollution or contamination and underground or aboveground tanks) and shall include, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; the Superfund Amendments and Reauthorization Act of 1986, as amended; the Hazardous Materials Transportation Act, as amended; the Resources Conservation and Recovery Act, as amended; the Toxic Substance Control Act of 1976, as amended; the Federal Clean Air Act, as amended; the Federal Water Pollution Control Act, as amended; the National Environmental Policy Act, as amended; any so-called "Superfund" or "Superlien" law; the Occupational Safety and Health Act, as amended; any other local, state or federal environmental statutes, codes or ordinances, and all rules, regulations, orders and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.
  - (ii) "Hazardous Substance" shall mean all substances defined or listed as "hazardous substances," "toxic substances," "hazardous waste," "toxic pollutants" in, or otherwise regulated under, any Environmental Law, including without limitation petroleum products and wastes and asbestos-containing materials.
  - (iii) "Release" shall mean any actual or threatened escape, seepage, leakage, spillage, discharge, emission, pumping, emptying or release.

Section 15. Notices. All notices and other communications under this Agreement shall be effective two (2) business days after deposit with the United States Postal Service, first class, postage prepaid, or one (1) business day after delivery via overnight courier, or when hand delivered or transmitted by facsimile, and shall be in writing and addressed to the parties at the following addresses:

PBI 537-205-204

Mr.

To Northwest:

Northwest Airlines, Inc.

2700 Lone Oak Parkway (Dept. A1135)

Eagan, MN 55121-1534 Fax No. (612) 727-6041

Attention: Vice President - Facilities & Airport Affairs

To Licensee:

JET Aircraft Maintenance, Inc.

7501 NW 52 Street Miami, FL 33166 Fax No.: 786-845-3057 Phone No.: 786-845-3053

Attention: Alicia Villacorta, Vice President/CFO

Either party may change the address at which notice is to be made by providing notice of the change to the other party, in writing, in the manner provided for in this Section 15.

Section 16. Force Majeure. Neither party shall be liable for any failure to perform its obligations under this Agreement, except for any obligations to pay money set forth herein, if such failure is due to causes beyond its control and not the result of its fault or neglect, including without limitation, acts of God, war, the public enemy, epidemics, quarantine restrictions, fire, fog, flood or other abnormally severe weather condition, epidemics, riots or civil commotion, strikes, lockouts or labor disputes, actions of governments or agencies thereof.

Section 17. Nondiscrimination. Licensee agrees that it shall not discriminate against any worker, employee or applicant or any member of the public because of race, color, creed, religion, national origin, ancestry, age or sex. Licensee agrees to undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no persons shall on the grounds of race, color, creed, national origin or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E.

#### Section 18. Miscellaneous.

- (a) <u>Litigation Expenses.</u> In the event of any legal action between Northwest and Licensee to enforce any of the provisions and/or rights hereunder, the unsuccessful party in such action agrees to pay to the other party all reasonable costs and expenses incurred by the successful party in connection therewith, including, without limitation, court costs and reasonable attorneys' fees.
- (b) <u>Integration; Amendment and Modification.</u> This Agreement, together with the Northwest Leases, embody the entire agreement between the parties hereto relative to the subject matter hereof and shall not be modified, changed or altered in any respect except in writing.
- (c) <u>Assignment: Subletting.</u> Licensee shall not assign its rights or obligations pursuant to this Agreement or permit any third party to use any portion of the Premises

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without the prior written consent of Northwest and the Lessor (if required under the Northwest Lease). In the event Northwest consents to any such assignment, Licensee shall remain fully responsible to Northwest and the Lessor for and shall indemnify and hold Northwest and the Lessor harmless with respect to compliance by the assignee with all of the provisions of this Agreement and the Northwest Lease.

- (d) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.
- (e) <u>Successors and Assigns.</u> The covenants, agreements and obligations herein contained shall extend to, bind and inure to the benefit not only of the parties hereto but their successors and permitted assigns.
- (f) <u>Survival.</u> The obligations of Licensee contained in Sections 2, 5, 7, 8, 9, 10, 11, 14 and 17 hereof shall remain in effect and survive the expiration or termination of this Agreement.
- (g) <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall constitute one agreement.
  - (h) Severability. If any term of this Agreement shall be judicially determined to be illegal, invalid or unenforceable at law or in equity, it shall be deemed to be void and of no force and effect to the extent necessary to bring such term within the provisions of any such applicable law or laws, and such terms as so modified and the balance of the terms of this Agreement shall remain enforceable.
- (i) <u>Conflict</u>. With respect to this Agreement, in the event of any conflict between the provisions contained in any of the Services Agreement and the provisions contained herein, the provisions of this Agreement shall control.

IN WITNESS WHEREOF, Northwest and Licensee have executed this Agreement as of the day and year first above written.

NORTHWEST AIRLINES, INC.

JET AIRCRAFT MAINTENANCE, INC.

(Signature)

Barry J. Hofer

Vice President - Facilities &

Airport Affairs

Name: Miguel A. Villacorta

President

PBI 537-205-204

MN

### **EXHIBIT A**

A. <u>PREMISES:</u> Those premises leased by Northwest pursuant to the Northwest Lease at the locations referenced below, with the exception of those areas, if any, which may be reserved by Northwest for its own purposes, which shall be designated by Northwest from time to time during the term of the Agreement by written notice to Licensee:

PBI: One Ramp Level Office 150 SF (NW Operations Area)

FY 2008 cost (to be revised when PBIA revises rates and charges) \$58.85/SF/YR

Administrative markup: 15% of base rent (section 4.a)

#### Rent calculation:

Annual Base Rent equals (Total SF) times (rate per square foot/year) times (sum of 1 + administrative markup)

Monthly Base Rent equals Annual Base Rent divided by 12

Initial Annual Base Rent = 150 \* 58.85 \* 1.15 = \$10,151.63

Initial Monthly Base Rent = \$10,151.63/12 = \$845.97

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#### **EXHIBIT B**

### Form of Acknowledgment and Consent

Palm Beach County. which is the Lessor under the Airline-Airport Use and Lease Agreement dated as of April 23, 2007 by and between Lessor and Northwest, hereby acknowledges receipt of an executed copy of the foregoing Facilities Use Agreement and, with respect to the Premises leased at the Palm Beach International Airport, consents to the terms thereof.

West Palm Beach International Airport, Palm Beach County, Florida

Ву:		
Name:	 	<del></del>
Title:		
Date:		

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