





PALM BEACH COUNTY DEPARTMENT OF AIRPORTS

GENERAL AVIATION AIRPORT

AERONAUTICAL ACTIVITIES PERMIT

This General Aviation Airport Aeronautical Activities Permit (this "Permit") is issued this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by Palm Beach County, a political subdivision of the State of Florida (the "County") to The Lightship Group, a Florida general partnership, having its office and principal place of business at 8249 Parkline Boulevard, Suite 200, Orlando, FL 32809-7890 (the "Permittee").

1. Airport. This Permit is issued for the Palm Beach County Park Airport (a/k/a "Lantana Airport - LNA") (the "Airport") owned and operated by County, by and through its Department of Airports (the "Department").

2. Term. The term of this Permit shall commence on the 1<sup>st</sup> day of January, 2010 (the "Commencement Date") and expire on September 30, 2010 (the "Initial Term"). This Permit shall be automatically renewed at one (1) year intervals thereafter upon the expiration of the then current term (the "Renewal Term"); provided that: (i) Permittee has paid all Permit Fees and other charges pursuant to this Permit; (ii) this Permit has not been terminated by either party; (iii) Permittee has not been provided a notice of non-renewal; and (iv) Permittee is not in violation of any Permit terms and conditions. (The Initial Term and each Renewal Term are collectively referred to herein as the "Term"). This Permit shall not be effective until signed by Permittee and by the Director of the Department, on behalf of County (the "Effective Date").

3. Aeronautical Activities. Subject to the terms, conditions and limitations of this Permit, County hereby grants Permittee the non-exclusive right to conduct the following aeronautical activities at the Airport (the "Permitted Aeronautical Activities"):

The mooring of one (1) blimp airship and the parking of not more than three (3) Airport-approved trailers and associated tow vehicles in support of Permittee's operations, which shall be registered with the Department in accordance with the provisions of Section 6 of this Permit. Permittee shall be permitted to conduct only routine, preventive maintenance on the blimp airship, 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. For each period of use and occupancy of the Designated Area (as defined in Section 5 below) requested by Permittee (the "Mooring Event"), Permittee shall submit a written request to the Department, not less than 72 hours prior to the requested Mooring Event. The request shall identify the beginning and ending dates for each Mooring Event, the Registered Aircraft and Vehicles, and any other pertinent information including local staff contact information. The Department shall review the Mooring Event request and provide written confirmation to the Permittee, including any operational conditions applicable to the Mooring Event.

In addition to terms, conditions and limitations of this Permit, the Permitted Aeronautical Activities shall be subject any operational restrictions, limitations and requirements established by the Department for the Permitted Aeronautical Activities.

4. Permit Fee.

- A. Permittee shall pay a non-refundable application fee of Fifty Dollars (\$50.00) with submission of Permittee's application for this Permit. In the event this Permit expires or is otherwise terminated, Permittee shall be required to pay an additional application fee at the then current rate. Permittee acknowledges and agrees that the fees and charges payable hereunder may be modified from time to time and that Permittee shall be responsible for payment of such modified fees without formal amendment to this Permit
- B. Permittee shall pay County, for the Permit issued herein, a permit fee in the amount of One Hundred Twenty-Five and 00/100 Dollars (\$125.00) per day together with applicable sales taxes thereon, for each day of Permittee's requested use and occupancy of the Designated Area (the "Permit Fee"). The Permit Fee shall be payable upon demand by County, and the Permit Fee shall be due and payable for the entire duration of the requested Mooring Event, regardless if Permittee's use of the Designated Area terminates earlier than requested. The Permit Fee shall be made payable to the Palm Beach County Board of County Commissioners and shall be mailed or hand delivered to the Palm Beach County Department of Airports, ATTN: Fiscal Department, 846 Palm Beach International Airport, West Palm Beach, Florida, 33406-1470, or such other address as may be designated by the Department.
- C. Permittee acknowledges and agrees that County may modify the amount of Permit Fees, or establish new fees and charges during the Term of this Permit, upon thirty (30) days prior written notice by County to Permittee, without formal amendment to this Permit.

- 17
- D. Permittee acknowledges and agrees that failure to pay Permit Fees or other charges under this Permit shall be considered a violation of this Permit and, in addition to any other remedy available to County, shall be grounds for immediate revocation of this Permit by the Department on behalf of County. Interest at the rate of one and one-half percent (1.5%) per month [eighteen percent (18%) per annum] shall accrue against 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 Permit for Permittee's failure to pay Permit Fees or from enforcing any other provisions contained herein or implied by law.
- E. As security for payment of Payment Fees, Permittee shall pay to County, prior to the Effective Date of this Permit, and shall maintain at all times during the Term, a refundable security deposit in the amount of Eight Hundred Seventy-Five and 00/100 Dollars (\$875.00). The security deposit shall be held by the Department and will be refunded to Permittee upon termination of this Permit provided that Permittee is not in default of any of the provisions of this Permit; the Designated Area is 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 Permittee; and Permittee has returned any Airport access cards and keys to the Department. If there is a deficiency in any amount due by Permittee to County or if the Designated Area requires maintenance or repair in order to be returned to serviceable condition, or if any Airport access cards or keys are not returned to Department, 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.
5. Conduct and Use of Airport and Designated Area by Permittee.
- A. Permitted Aeronautical Activities shall be confined or restricted to the area(s) or portion(s) of the Airport identified in Exhibit "A", attached hereto and made a part hereof (the "Designated Area"). Permittee acknowledges that the location or identification of the Designated Area may change from time to time, upon written notice to Permittee by the Department. Permittee's use and occupancy of the Designated Area shall be non-exclusive and shall constitute a revocable license issued by County pursuant to this Permit. Nothing in this Permit shall be construed as granting Permittee any title, interest or estate in the Designated Area. The rights of Permittee to use the Designated Area shall at all times be subject to the rights of others to use the same in common with Permittee. The Department may at any time, in the best interests of the Airport or County, relocate, modify the limits of, or close all or any portion of the Designated Area to abate or rectify a condition determined to be unsafe or dangerous by the Department, in its sole discretion; for maintenance; and for public safety or security of the Airport as determined necessary in the sole discretion of the Department. In the event the Designated Area is closed, Permittee agrees that County shall not be liable for, and Permittee hereby waives, any claims for lost profits, economic losses or other consequential damages.
- B. Permittee shall use and occupy the Designated Area solely and exclusively for temporary operations associated with the Permitted Aeronautical Activities. Permittee shall not perform any maintenance whatsoever on the Designated Area and Permittee shall remove all of Permittee's property, equipment and materials from the Designated Area following use of the Designated Area for Permitted Aeronautical Activities. Permittee shall not use, permit or suffer the use of the Designated Area or any other portion of the Airport for any other business or purpose whatsoever. Permittee's equipment and vehicles shall be identified, but Permittee shall not use the Designated Area or any other portion of the Airport for advertisement of Permittee's services.
6. Registered Aircraft and Vehicles.
- A. Permittee shall register with the Department in advance, all aircraft, vehicles and ground support equipment utilized by Permittee at the Airport in connection with this Permit. Permittee shall only be permitted to use aircraft, vehicles and ground support equipment, which are owned by, or leased to, Permittee and registered with the Department (the "Registered Aircraft and Vehicles"), for Permitted Aeronautical Activities under this Permit.
- B. Permittee shall promptly notify Department in writing of any changes in aircraft, vehicles and ground support equipment, or the registration thereof. The listing of Registered Aircraft and Vehicles may be amended by County from time to time, without formal amendment to this Permit, upon presentation of appropriate documentation from Permittee evidencing sufficient ownership or control, registration and proper insurance coverage for the aircraft, vehicles and ground support equipment.

7. Obligations of Permittee.

- A. Conduct. Permittee shall conduct its activities at the Airport in an orderly and commercially reasonable manner, considering the nature of the activities so as not to unreasonably annoy, disturb, endanger or be offensive to others at the Airport. Permittee shall control, and hereby assumes responsibility for, the character, acts and conduct of its agents, employees, officers, representatives, guests, invitees, licensees, contractors and patrons and shall ensure that its agents, employees, officers, representatives, guests, invitees, licensees, contractors and patrons do not harass, disturb or annoy any other Airport tenants or users. Upon objection by the Department or its designated agent or representative, concerning the conduct, acts or demeanor of any such persons, Permittee shall immediately take all reasonable steps necessary to remove the cause of objection.
- B. Obstructions in Aircraft Operating Areas. Permittee and its employees, agents, representatives, patrons, licensees and invitees shall not block, limit or restrict the use of the ramps, aprons or taxiways by other Airport tenants or users with vehicles, aircraft, equipment, temporary structures or personal property of any kind whatsoever. Permittee shall be responsible for ensuring that any such obstructions are removed upon immediate request of the Department or its representatives, including, but not limited to, the Airport's manager.
- C. Minimum Standards. Permittee acknowledges that County has established, or may in the future establish or amend, general aviation minimum standards (the "Minimum Standards") for the Airport. In addition to complying with the terms and conditions of this Permit, Permittee shall comply with any Minimum Standards adopted by County which are applicable to Permittee's activities on the Airport.
- D. Manager/Representatives. Permittee shall have a qualified manager or other authorized representative of Permittee on site at all times during Permittee's operations on the Airport. Permittee shall notify the Department in writing of the names, addresses and telephone numbers of its managers and other authorized representatives prior to the Commencement Date and shall notify the Department of any changes in management or the list of authorized representatives.
- E. Compliance with Laws, Rules and Regulations. Throughout the term of this Permit, Permittee shall be and 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 without limitation, as now or hereafter amended, including, but not limited to, the Palm Beach County Airport Rules and Regulations, (Resolution R-98-220), as now or hereafter amended ("Airport Rules and Regulations"), applicable Federal Aviation Administration ("FAA") Advisory Circulars and any Certificate of Waiver or Authorization or other approval required by the FAA (the "Waiver"). Permittee shall at its sole cost and expense be strictly liable and responsible for obtaining, paying for, fully complying with, and maintaining current any and all permits, licenses or other governmental authorizations, including all applicable zoning, building and fire laws and regulations, however designated, as may be required at any time throughout the Term of this Permit by any federal, state or local governmental entity or any court of law having jurisdiction over Permittee or Permittee's operations and activities, for any activity or operation conducted by Permittee on the Airport. Upon request by Department, Permittee shall provide to Department certified copies of any and all permits and licenses that Department may request.
- F. Permittee acknowledges and agrees that County has made no representations whatsoever regarding Permittee's ability to use the Airport for the purposes set forth in this Permit. Permittee shall ensure that its agents, contractors, employees, invitees and guests entering the Airport with or without Permittee's consent or knowledge comply with all applicable laws on the Airport. Permittee shall indemnify, defend and save County harmless from any and all penalties, fines, costs, expenses, suits, claims, or damages resulting from Permittee's failure to perform its obligations specified in this Section. The foregoing indemnification agreement shall survive the expiration or earlier termination of this Permit.
- G. Permittee acknowledges and agrees that failure to comply with the requirements of this Section 7 shall be considered a violation of this Permit and, in addition to any other remedies available to County, may result in immediate revocation of this Permit by the Department.

8. Signs and Improvements. Permittee shall not place or erect any signs, emblems or advertising on the Airport, and shall make no improvements, alterations or additions to the Airport whatsoever.

9. Condition of Airport. Permittee accepts the Airport, including the Designated Area, in its "As is", "Where is" condition as of the Commencement Date. Permittee further acknowledges that County has not made any warranties or representations of any nature whatsoever regarding the Airport including, but not limited to, any warranties or representations relating to the physical condition of the Airport or Designated Area or any improvements located therein, or the suitability of the Airport or Designated Area or any improvements for Permittee's intended use. County shall have no obligation whatsoever to repair or improve any area of the Airport to accommodate Permittee's operations pursuant to this Permit.

10. Waste or Nuisance. Permittee shall not commit or suffer to be committed any waste upon the Airport or any nuisance or other act or thing which may result in damage or depreciation of value of the Airport.
11. Non-Discrimination. Permittee 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 Airport, (b) that in the construction of any improvements on, over, or under such Airport 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 Permittee shall use the Airport 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 Permit and to reenter and repossess the Designated Area and the facilities hereon, and hold the same as if the Permit 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.
12. Repairs & Maintenance. Permittee shall repair any damage caused to the Airport by Permittee's operations or Permittee's use of the Airport or Designated Area. Permittee shall be responsible for removing any trash or debris resulting from Permittee's operations. In the event of damage to the Airport or Designated Area, County may complete the necessary repairs and Permittee shall reimburse County for all expenses incurred by County, plus 25% administrative overhead. Permittee shall reimburse County within fifteen (15) days of the date of the County's invoice.
13. Security. Permittee acknowledges and accepts full responsibility for the security and protection of any and all personal property now existing or hereafter placed on or upon the Airport by Permittee, and for the prevention of unauthorized access to the Airport. Permittee 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 Permittee's operations, shall be the sole responsibility of Permittee and shall involve no additional cost to County. Permittee agrees to observe all security requirements and other requirements of the FAA, TSA, County and Department applicable to Permittee's operations, as now or hereafter amended, including, but not limited to, Title 49, Parts 1500 et al., of the Code of Federal Regulations, to the extent applicable to Permittee and Permittee's activities under this Permit.
14. Insurance. Permittee agrees to maintain, on a primary basis and at its sole expense, at all times during the Term of this Permit, and any extension thereof, the insurance coverages and limits set forth in Exhibit "B" (the "Insurance Requirements"), attached hereto and incorporated herein.
15. Indemnification. Permittee 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 by Permittee, its agents, contractors, employees or invitees, in, upon or at the Airport; (ii) the occupancy or use by Permittee of the Airport or any part thereof; or (iii) any act or omission of Permittee, its agents, contractors, employees or invitees. In the event the County is made a party to any litigation commenced against Permittee or by Permittee against any third party, then Permittee 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. Permittee 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 Permit.
16. Assignment. Permittee may not assign, sublet or rent any portion of the Airport, or the rights granted under this Permit.
17. Termination.
- A. Violation of Permit Conditions. The Department may terminate or suspend this Permit in the event Permittee violates any terms, conditions or provisions of this Permit or the Airport Rules and Regulations. In the event this Permit is terminated or suspended, Permittee shall have no right to use Designated Area or engage in the Permitted Aeronautical Activities at the Airport.
  - B. Termination for Convenience. Either part may terminate this Permit for convenience upon five (5) days prior written notice to the other party, 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 Permit.

- C. Modification of Permit Terms. This Permit is issued upon the terms and conditions required by County for all permittees on the Airport that engage in similar activities permitted herein. Upon ten (10) days' prior written notice, Department may, at any time, terminate this Permit and issue a new Permit to Permittee upon such modified terms and conditions as County shall uniformly apply to all other similarly situated permittees.
- D. Revocation of Permit. Notwithstanding any provision of this Permit to the contrary, the rights granted to Permittee hereunder amount only to a non-exclusive license to use the Designated Area on the Airport for the Permitted Aeronautical Activities, which license is expressly revocable by County for any reason whatsoever upon notice to Permittee.
- E. Non-Renewal. Either party may, without cause, provide written notice to the other party that this Permit will not be renewed at the end of the then current Term.
18. Default. Failure to perform or observe any of the agreements, covenants or conditions contained in this Permit to be performed or observed by such party upon five (5) days prior written notice shall constitute a default of this Permit.
19. Subordination to Bond Resolution. This Permit and all rights granted to Permittee hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by County in the Palm Beach County Airport System Revenue Bond Resolution dated April 3, 1984 (R-84-427), as amended and supplemented (the "Bond Resolution"), and County and Permittee 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 Permittee and County with the terms and provisions of this Permit and Bond Resolution.
20. Subordination to State/Federal Agreements. This Permit 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 Airport and Designated Area are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Permittee understands and agrees that this Permit 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. Entire Agreement. This Permit 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 Permittee concerning the use of the Airport and Designated Area for the Permitted Aeronautical Activities. All representations, either oral or written, shall be deemed to be merged into this Permit. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Permit shall be binding upon County or Permittee unless reduced to writing and signed by them.
22. 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 Permittee at:

The Lightship Group  
8249 Parkline Blvd., Suite 200  
Orlando, FL 32809-7890  
Attn: Director of US Airship Operations  
Fax: 407-363-0962

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

23. Recording. Permittee shall not record this Permit or any memorandum or short form thereof.