Agenda Item: 3F5

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: September 14, 2010 [X] Consent [] Regular [] Workshop [] Public Hearing Submitted By: Department of Airports
I. EXECUTIVE BRIEF
Motion and Title: Staff recommends motion to receive and file: Five (5) original Agreements for the Department of Airports.
A. Hangar Lease Agreement with Davin T. Connelly, Jr., Unit 13, Building 11220, at North County General Aviation Airport for one (1) year, automatically renewed at one (1) year intervals, commencing on 7/1/2003. (AH)
B. General Aeronautical Services Permit with Airport Terminal Services, Inc., commencing 10/1/2010, expiring 9/30/2011, automatically renewed on a year-to-year basis (10/1 through 9/30). (AH)
C. Consent to Sublease for a Sublease Agreement between Galaxy Aviation of Palm Beach, Inc. and Mountain Eagle Aviation, LLC, commencing 7/1/2010. (AH)
D. Fourth Amendment to Airline-Airport Use and Lease Agreement with Delta Air Lines, Inc., effective 8/2/2010. (AH)
E. Nonconcessionaire Rental Car and Parking Lot Operator Ground Transportation Permit with Rent Max Miami, Inc., effective 6/7/2010, terminating 9/30/2010, automatically renewed on yearly basis (10/1 through 9/30). (AH)
Summary: Delegation of authority for execution of the standard County agreements above was approved by the BCC in R-1994-1453, R-2003-0522, R-2006-1906, R-2009-1267 and R-2010-0708. Countywide
Background and Justification: N/A
Attachments: Five (5) Standard Agreements for the Department of Airports
Recommended By: Department Head Date
Approved By: 8/24/2010 County Administrator Date

NORTH COUNTY GENERAL AVIATION AIRPORT HANGAR LEASE AGREEMENT

This Lease, is made and entered into this 1th_day of July, 2003, (the "Effective Date") by and between Palm Beach County, a political subdivision of the state of Florida (the "COUNTY"), and Davin T. Connelly, Jr., whose address is 32 Rabbits Run Road, Palm Beach Gardens, Florida 33418 ("LESSEE").

WITNESSETH

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

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

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

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

- 1. <u>Term.</u> The term of this Lease shall be for a period of one (1) year commencing on the 1st day of July, 2003, and terminating on the 30thth day of June 2004. This Lease shall be automatically renewed at one (1) year intervals thereafter; provided, however, either party may elect to not renew this Lease upon providing no less than thirty (30) days advance written notice to the other party prior to the expiration of the then current term.
- 2. <u>Premises.</u> COUNTY hereby leases to LESSEE and LESSEE hereby rents from COUNTY that certain hangar identified as unit number 13, Building 11220, containing a total of 1,400 square feet, located at the Airport, all as more particularly described on Exhibit "A", dated January 1, 1999, attached hereto and made a part hereof (the "Premises").
- 3. Rental. LESSEE shall pay COUNTY as the initial annual rental for the Premises, the sum of Four Thousand Eight Hundred Dollars (\$4,800.00), payable in equal monthly installments of Four Hundred Fifty Dollars (\$400.00), plus any applicable taxes as may be required by law. Payment of rental by LESSEE to County shall commence on the Effective Date. Rental shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the term of this Lease, as adjusted in accordance with the provisions of Section 5 below. If the Effective Date occurs on a day other than the first day of a month, LESSEE shall pay rent from the Effective Date to the first day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Effective Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. Rental payable for each month during any renewal term shall be the monthly rental in effect for the prior year, as adjusted in accordance with the provisions of Section 5 below. Rental shall be made payable to Palm Beach County Board of Commissioners and shall be mailed or hand delivered to the following address:

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

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

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

- 5. Adjustment of Rent. The amount of rentals due hereunder may be adjusted from time-to-time by the COUNTY. In such event, LESSEE shall be provided at least ninety (90) days advance written notice prior to the commencement of any new rental rate. Notwithstanding anything to the contrary contained in this Lease, the rental rate shall be maintained at all times to ensure compliance with the provisions Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.
- 6. <u>Security Deposit.</u> LESSEE shall pay to COUNTY, prior to the Effective Date of this Lease, a refundable security deposit, in the form of a certified or cashier's check, in an amount equal to three (3) months rental due hereunder. The security deposit shall be held by the Department and will be refunded to LESSEE upon termination of this Lease provided that LESSEE is not in default of any of the provisions of this Lease; the Premises are left in good and serviceable condition, to be determined in the sole discretion of the Department; all rentals, fees, and taxes due are paid in full by LESSEE; and LESSEE has returned the Airport access card key to the Department. If there is a rental or fee deficiency or if the Premises require maintenance or repair in order to be returned to serviceable condition, the Department may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by COUNTY, plus any applicable administrative overhead.
- 7. <u>Additional Rent.</u> Any and all sums of money or charges required to be paid by LESSEE under this Lease, other than the annual rent, shall be considered "Additional Rent," whether or not the same is specifically so designated, and COUNTY shall have the same rights to enforce due and timely payment by LESSEE of all Additional Rent as are available to COUNTY with regard to annual rent.
- 8. <u>Description of Specific Privileges, Uses and Rights.</u> The County hereby grants to LESSEE, the limited right to use the Premises for the following purposes, and for no other purposes whatsoever, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:
 - A. LESSEE shall use the Premises to store aircraft which are owned by or leased to LESSEE and registered with the Department in accordance with the provisions of this Lease (the "Registered Aircraft").

FAA Registration N	lo. <u>N5245</u>	5J
Make:	Cessr	na
Model: T	C 340	310 R

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

- B. LESSEE may perform preventive maintenance on the Registered Aircraft, of the kind and to the extent permitted by Title 14, Part 43.3 Appendix A, paragraph (C) of the Code of Federal Regulations entitled "Preventive Maintenance", as may be amended from time to time. LESSEE shall not perform repairs or maintenance to its Aircraft on any ramp, apron, taxiway, runway or other public area of the Airport.
- C. LESSEE agrees that use of the Premises shall be in accordance with federal, state and local laws and regulations including, but not limited to, the Palm Beach County Airport Rules and Regulations, Resolution No. R-98-220, as amended and as may be amended from time to time.
- D. LESSEE's aircraft shall not be parked or positioned in such common use areas so as to block, limit or restrict the use of the ramps, aprons or taxiways by other Airport tenants or users.
- E. LESSEE may place within the Premises a small desk, workbench, tool cabinet and necessary small hand tools required for work permitted under Section 8(B) above.
- F. LESSEE may store parts and accessories within the Premises for the Registered Aircraft; provided, however, storage of any parts, accessories, hulls, or incomplete aircraft, which are not manufactured for use on, or cannot be readily adapted for use on the Registered Aircraft for the Premises is prohibited.
- G. LESSEE may park one (1) operable automobile within the Premises, but only while the Registered Aircraft is in use.
- H. LESSEE may install within the Premises one (1) hand-operated winch, and/or one (1) motorized towing vehicle to assist with maneuvering and hangaring of aircraft.

- I. LESSEE may store not more than five (5) gallons of flammable fluid within the Premises, provided that any such storage shall be limited to NFPA-approved containers, or unopened original cans.
- J. LESSEE shall not use the Premises to store furniture, boats, recreational vehicles, hang gliders, ultralights, inoperative or unregistered aircraft (except to the extent permitted under Section 8(F) and (G) above), utility trailers, or any other objects unrelated to the purposes for which the Premises have been leased.
- K. LESSEE shall not perform repair service on automobiles or automotive equipment of any kind, other than an authorized motorized towing vehicle, from or at the Premises.
- L. LESSEE shall not perform painting, or "doping" operations of any kind within the Premises and shall not install or use compressors for any purpose; provided, however, LESSEE may use non-electric, non-combustible, air pressure tanks used to inflate aircraft landing gear tires within the Premises.
- M. LESSEE shall install and maintain an appropriate fire extinguisher within the Premises at all times.
- N. Subject to written approval of the Department, LESSEE may be permitted to use approved electrical appliances that have a combined maximum load of 5.0 amps or less. Such electrical appliances shall not be used on a continual basis or while the Registered Aircraft is not within the Premises or while the LESSEE is not actually working within the Premises. It shall be the responsibility of the LESSEE to request and obtain the Department's written approval of the installation and use of approved electrical appliances and failure to do so may result in termination of this Lease or other action deemed appropriate by the Department. In addition to any other remedy or action available to COUNTY, COUNTY shall have, and LESSEE hereby agrees that COUNTY shall have the right to enter onto the Premises and remove therefrom any and all electrical appliances or devices which COUNTY has not approved for installation and use in the Premises. COUNTY shall not be held liable for any such loss or damage suffered by the LESSEE as a result of such action by COUNTY unless such loss or damage results from solely from negligence of COUNTY, its officers, agents, or employees.
- O. LESSEE shall not have open flames or weld within the Premises.
- P. LESSEE shall keep hangar doors closed when the Registered Aircraft is not being stored within the Premises.
- Q. No running water or washing of aircraft shall take place within the Premises, or any other Airport location except the COUNTY approved aircraft wash rack.
- 9. <u>Description of General Privileges, Uses and Rights.</u> In addition to the specific privileges granted in Section 8 above, COUNTY hereby grants to LESSEE the following general, nonexclusive privileges, uses, and rights on the Airport, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:
 - A. The general use, in common with others, of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access). For purposes of this Lease, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, which are not specifically leased to or under the contractual control of others.
 - B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

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

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

11. Obligations of COUNTY.

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

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

12. Obligations of LESSEE.

- Maintenance. LESSEE shall, at its sole cost and expense, maintain the Premises in a clean, safe and presentable condition consistent with good business practice, industry standards, and in accordance with all applicable laws, regulations, and rules of any applicable governmental entity. LESSEE shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, suppliers of services or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE's operations thereon or LESSEE's use of the Premises. LESSEE hereby agrees that it shall abide by the decision of the Department with respect to any and all such maintenance or repair. Upon written notice by the Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with the Department's decision. If LESSEE has not made a good faith effort, as determined by the Department, to begin to perform the required maintenance or repair within twenty (20) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter the Premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for any costs incurred by COUNTY, plus a twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's billing therefore.
- B. <u>Security.</u> LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all of LESSEE's property placed upon the Premises. LESSEE fully understands that the police security protection provided by COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and property thereon, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY. COUNTY shall have the right to review, change, alter, or revise any security policy or procedure at any time based on the COUNTY's responsibility to operate the Airport in a safe and secure manner.
- Indemnification. LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE's use or occupancy of the Premises, including, without limitation, those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease; provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of body injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE's activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. This indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that COUNTY would not have entered into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.
- 14. Insurance. Without limiting LESSEE's obligation to indemnify COUNTY, as provided herein, LESSEE shall provide, pay for, and maintain in force at all times during the term of this Lease, a policy of Aircraft/General Liability Insurance to protect against bodily injury liability and property damage in an aggregate amount of not less than Five Hundred Thousand Dollars (\$500,000). If LESSEE will be operating vehicles on the Airport, LESSEE shall provide Automobile Liability Insurance coverage with minimum limits of One Hundred Thousand Dollars (\$100,000) per person, Three Hundred Thousand Dollars (\$300,000) per accident for bodily injury, and Fifty Thousand Dollars (\$50,000) per accident for property damage. A certificate(s) evidencing all required insurance must be provided to COUNTY prior to the Effective Date of this Lease and renewal certificates must be provided throughout the term of this Lease. Certificate(s) of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. COUNTY shall have the right to review and modify insurance requirements of this Lease from time to time, provided that COUNTY gives LESSEE ninety (90) days prior written notice of any such change.

- 15. <u>Assignment by LESSEE</u>. LESSEE shall not assign an interest in this Lease, or any part thereof, without the prior written consent of the Department, which consent may be granted or withheld at the Department's sole and absolute discretion for any reason or no reason at all. Any attempted assignment without Department approval shall be null and void. In the event the Department provides such consent, LESSEE shall have the right only to the extent permitted by the Department's consent to assign all or any portion of the Premises, provided that any such assignment shall be limited to only the same purposes as are permitted under this Lease. LESSEE is expressly prohibited from subleasing, mortgaging or otherwise encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered grounds for termination of this Lease.
- 16. <u>Assignment by COUNTY</u>. COUNTY may freely assign this Lease at any time without the consent of LESSEE, and COUNTY shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by COUNTY, LESSEE agrees that it shall recognize COUNTY's assignee as its new landlord under this Lease upon the effective date of such assignment. LESSEE acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between COUNTY and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. LESSEE acknowledges and agrees that COUNTY may transfer any security deposit held by COUNTY pursuant to Section 6 above to COUNTY's assignee.
- 17. <u>Signs and Improvements.</u> No signs, emblems, or advertising shall be placed or erected on or in the Premises, nor shall LESSEE make any alterations, changes or additions to the Premises.
- COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY Disclaimer of Liability. RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS OR INVITEES DURING THE TERM OF THIS LEASE OR ANY EXTENSION HEREOF INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S INVITEES THAT MIGHT BE LOCATED OR STORED ON THE PREMISES, UNLESS SUCH LOSS, DAMAGE OR INJURY IS CAUSED BY COUNTY'S NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE. LESSEE RELEASES COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS LEASE. FURTHERMORE, LESSEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS LEASE WAS AT ITS SOLE RISK. THE FOREGOING DISCLAIMER SHALL NOT BE CONSTRUED TO CONSTITUTE AN AGREEMENT BY LESSEE TO INDEMNIFY THE COUNTY FOR THE COUNTY'S NEGLIGENT, WILLFUL OR INTENTIONAL ACTS.
- 19. <u>Default.</u> The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by LESSEE:
 - A. The vacating or abandonment of the Premises by LESSEE for a period of more than sixty (60) consecutive, calendar days.
 - B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from the Department to LESSEE.
 - C. The failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by LESSEE, other than described in paragraph B. above, where such failure shall continue for a period of fifteen (15) days after written notice from the Department; provided, however, that if the nature of LESSEE's default is such that more than fifteen (15) days are reasonably required for its cure, then LESSEE shall not be deemed to be in default if LESSEE has commenced such cure within such fifteen (15) day period and thereafter diligently pursues such cure to completion.
 - D. To the extent permitted by law, (i) The making by LESSEE or any guarantor hereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

- E. The discovery by COUNTY that any information given to COUNTY by LESSEE relating to this Lease was materially false.
- 20. <u>Remedies.</u> In the event of any such material default or breach by LESSEE, COUNTY may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which COUNTY may have under the law by reason of such default or breach, elect to exercise any one of the following remedies:
 - A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.
 - B. Terminate LESSEE's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of LESSEE, in which case the rent and other sums due hereunder shall be accelerated and due in full and LESSEE shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what LESSEE is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by LESSEE. Upon such reletting, all rentals received by COUNTY shall be applied, first to the payment of any indebtedness other than rent due under this Lease from LESSEE; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by COUNTY due to LESSEE's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by COUNTY relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to LESSEE.
 - C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of COUNTY, thereby terminating any further liability under this Lease on the part of LESSEE and COUNTY. Notwithstanding the foregoing, COUNTY shall have a cause of action to recover any rent remaining unpaid when COUNTY retakes possession of the Premises for the account of COUNTY.
 - D. Stand by and do nothing, holding LESSEE liable for the rent as it comes due.
 - E. Pursue any other remedy now or hereafter available to COUNTY under the laws and judicial decisions of the State of Florida.

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

- 21. <u>Termination by LESSEE</u>. LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving COUNTY sixty (60) days' advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:
 - A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes or a substantial part of the Premises, which injunction remains in force for a period of at least ninety (90) days.
 - B. The default by COUNTY in the performance of any covenant or agreement required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of ninety (90) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of termination; or in the event the same cannot be cured within such ninety (90) day period and COUNTY has commenced such cure and thereafter diligently pursues the same until completion.
 - C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of LESSEE, for a period of at least ninety (90) days.

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

22. <u>Surrender of Premises.</u> LESSEE expressly agrees that it shall immediately surrender the Premises to COUNTY in good and fit condition upon expiration or termination of this Lease, depreciation and wear from ordinary use for the purpose for which the Premises were leased being excepted. All repairs and obligations that LESSEE is responsible for shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such

holdover, double rental, as provided for in section 83.06, Florida Statutes. LESSEE shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of LESSEE, including, but not limited to aircraft, not removed shall become the property of COUNTY.

- 23. <u>Inspection.</u> COUNTY, its agents and employees and any applicable Federal, State or local governmental entity having jurisdiction shall have the right to enter the Premises at any time for the purpose of inspecting the Premises for compliance with the provisions of this Lease and/or applicable laws. LESSEE agrees that COUNTY may take such action and to make such repairs or alterations as are, in the sole opinion of the COUNTY, desirable or necessary, and to take such materials into or out of the Premises for the safe and economical accomplishment of said purposes without in any way being deemed guilty of an actual or constructive eviction of the LESSEE.
- 24. Relationship of the Parties. LESSEE or any successor in interest to this Lease, is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.
- 25. Remedies Cumulative. The rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.
- 26. Notice. Any notice given under the provisions of this Lease shall be in writing and shall be delivered (as elected by the party giving such notice) by hand delivery, courier service, nationally-recognized overnight mail service, or United States certified mail, with return receipt requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier service, or overnight mail, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

COUNTY:

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

With a copy to:

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

LESSEE:

Davin T. Connelly, Jr. 32 Rabbits Run Road Palm Beach Gardens, Florida 33418

E-mail Address:	
- mai Addiess.	

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

- 27. Federal Right to Reclaim. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the Premises are located, for public purposes for a period in excess of ninety (90) days, either party may terminate this Lease by providing written notice of such termination to the other party and the parties shall thereupon be released and fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section shall not act or be construed as a waiver of any rights LESSEE may have against the United States as a result of such taking.
- 28. <u>Federal Review.</u> LESSEE acknowledges this Lease may be subject to review or inspection by the Federal Aviation Administration to determine satisfactory compliance with Federal law or grant assurances and this Lease shall be in full force and effect and binding upon both parties pending such review or inspection by the Federal Aviation Administration, if applicable; provided, however, that upon such review or inspection all parties hereto agree to modify any of the terms of this Lease which shall be determined by the Federal Aviation Administration to be in violation of existing laws, regulations, grant assurances or other requirements.
- 29. <u>County Tax Assessment Right.</u> None of the terms, covenants and conditions of this Lease shall in any way be construed as a release or waiver on the part of the COUNTY, as a political subdivision of the State of Florida, or any of the public officials of the County of Palm Beach, of the rights to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the Premises, the business or property of LESSEE.

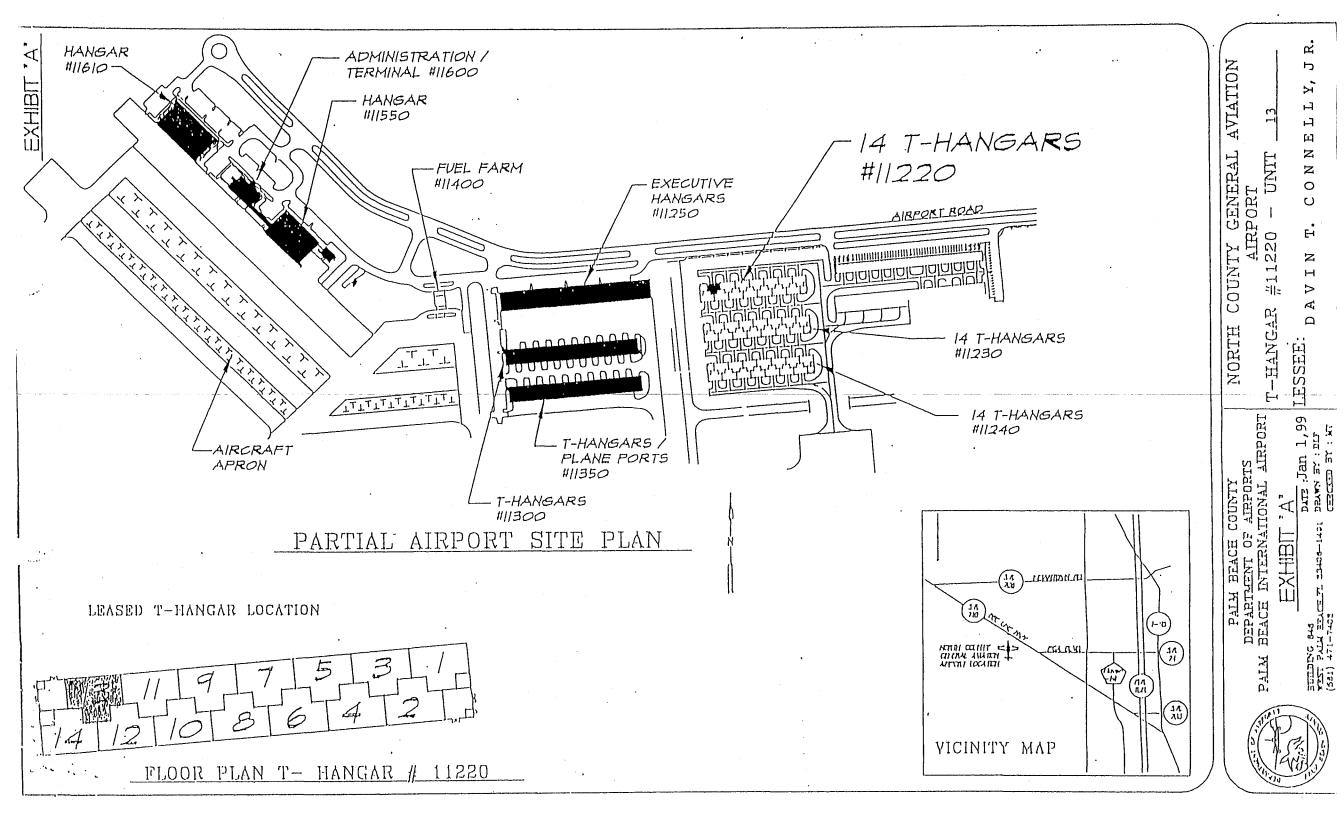
- 30. <u>Height Restriction.</u> LESSEE expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Title 14, Part 77 of the Code of Federal Regulations, as amended and as may be amended from time to time.
- 31. Right of Flight. COUNTY reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.
- 32. Operation of Airport. LESSEE expressly agrees for itself, its successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.
- 33. Release. LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases COUNTY from any and all liability relating to the same.
- Non-discrimination. LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Premises, (b) that in the construction of any improvements on, over, or under such Premises and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, COUNTY shall have the right to terminate this Lease and to reenter and repossess said Premises and the facilities hereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.
- 35. COUNTY not Liable. COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury whatsoever sustained by LESSEE including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Premises shall be at the sole risk of LESSEE. COUNTY shall not be liable for any damage or loss of said personal property.
- 36. <u>Compliance with Laws.</u> Notwithstanding anything to the contrary herein, LESSEE shall not use or permit the use of the Premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for COUNTY or LESSEE.
- 37. <u>Waiver.</u> The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, event of default, or nonperformance, and COUNTY's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.
- 38. <u>Subordination to Bond Resolution.</u> This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and Bond Resolution.
- 39. <u>Subordination to Federal Agreements.</u> This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which COUNTY acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between COUNTY and the United States of America, or any of its agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.
- 40. Exclusive Rights. Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that the rights granted under this Lease are nonexclusive, other than the

exclusive right of use of the Premises, and that COUNTY may grant similar privileges to another lessee or other lessees on other parts of the Airport.

- 41. <u>Public Entity Crimes.</u> As provided in sections 287.132-133, Florida Statutes, as may be amended from time to time, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date hereof. This notice is required by section 287.133(3)(a), Florida Statutes.
- 42. <u>Governmental Authority</u>. Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations.
- 43. Rights Reserved to the COUNTY. All rights not specifically granted LESSEE by this Lease are reserved to the COUNTY.
- 44. <u>Invalidity of Clauses.</u> The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no effect upon the validity of any other part or portion hereof.
- 45. <u>Paragraph Headings.</u> The heading of the various articles and sections of this Lease are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.
- 46. <u>No Recording.</u> Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.
- 47. <u>Binding Effect.</u> The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.
- 48. <u>Performance.</u> The parties expressly agree that time is of the essence in this Lease and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance without liability.
- 49. <u>No Broker.</u> LESSEE warrants to COUNTY that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease and agrees to indemnify and hold COUNTY harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by COUNTY as a result of any claim arising out of the acts of LESSEE (or others on its behalf) for a commission, finder's fee or similar compensation made by any broker or agent who claims to have dealt with LESSEE.
- 50. Excusable Delay. Any party in performing under this Lease shall use reasonable efforts to remedy the cause or causes of an excusable delay. Excusable delays are those delays due to force majeure, acts of God, fire, flood, earthquake, explosion, riot, sabotage, windstorm, or labor dispute, and shall toll the time to perform under this Lease.
- 51. <u>Incorporation by References.</u> Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by such reference.
- 52. <u>Venue and Governing Law.</u> To the extent allowed by law, the venue for any action arising from this Lease shall be in Palm Beach County, Florida. This Lease shall be governed by and in accordance with the laws of the State of Florida.
- 53. <u>Negotiated Agreement.</u> The parties agree that they have had meaningful discussion and/or negotiation of the provisions, terms and conditions contained in this Lease. Therefore, doubtful or ambiguous provisions, of any, contained in this Lease shall not be construed against the party who physically prepared this Lease.
- 54. <u>Entirety of Agreement.</u> The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.
- 55. Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed Federal and State guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from COUNTY's public health unit.

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

Witnesses:	
2. 7. Connella III	PALM BEACH COUNTY BY ITS DIRECTOR OF AIRPORTS
Signature	1
DAVIN THOMAS CONNELLY	By: Jelly
Print Name ()	Director
Helen D Connelly Signature	
Helen S. Connelly Print Name	
Witnesses:	LESSEE:
Course Stoffner	DAVIN T. CONNELLY VX.
Signature SHOFFN CE Print Name	DAVIN T. CONNELLY VE. Print Name
Genic C. Smith.	Title: AIRCRAFT OUNCE
APRIL C. SMITH Print Name	
APPROVED AS TO FORM AND	
APPROVED AS TO FORM AND LEGAL SUFFICIENCY:	
By: anne Delgant County Attorney	



GENERAL AERONAUTICAL SERVICES PERMIT

THIS GENERAL AERONAUTICAL SERVICES PERMIT (this "Permit") is made and entered into AUG 0 6 2010 by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and Airport Terminal Services, Inc., a Missouri corporation, having its office and principal place of business at 111 Westport Plaza Drive, Suite 400, St. Louis, MO 63146, ("Permittee").

WITNESSETH:

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

WHEREAS, Permittee desires to provide certain general aeronautical support services to air carriers operating at the Airport, or to other Airport tenants, on a non-exclusive basis, in common with others authorized to do so; and

WHEREAS, Permittee has filed a completed application with the Department and has requested to enter into this Permit; and

WHEREAS, Resolution No. R-2010-0708, adopted by the Board on May 4, 2010, authorizes the Department, on behalf of County, to enter into this Permit.

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

ARTICLE 1 RECITALS

The foregoing recitals are true and correct and are hereby incorporated herein by reference.

ARTICLE 2 DEFINITIONS

The following terms set forth below, when used in this Permit, shall be defined as follows:

- 2.01 <u>"Aircraft and Equipment Maintenance Service"</u> means repair and maintenance of aircraft, and the repair, fueling and maintenance of ramp equipment, which shall be limited to areas approved in advance in writing by the Department.
- 2.02 <u>"Aircraft Interior Cleaning and Waste Disposal Service"</u> means providing personnel, equipment and material to clean the interior of Aircraft.
- 2.03 <u>"Aircraft Ramp Service"</u> means guiding aircraft in and out of aircraft loading and unloading positions; placing in position and operating passenger, baggage and cargo loading and

unloading devices, as required for the safe and efficient loading and unloading of passengers, baggage and cargo to and from aircraft; performing loading and unloading of passengers, baggage and cargo to and from aircraft; providing utility services to aircraft; towing aircraft; delivering aircraft cargo, baggage and mail to and from aircraft to locations on the Airport; and fueling of aircraft.

- 2.04 <u>"Airline-Airport Use and Lease Agreement"</u> means the then current Airline-Airport Use and Lease Agreement approved by the Board. As of the date of this Permit, the most current version of the Airline-Airport Use and Lease Agreement was approved pursuant to Resolution No. R-2006-1906.
- 2.05 <u>"Airline Ticketing and Boarding Service"</u> means the processing of passengers, including ticketing, checking-in, boarding and unboarding of air passengers and their baggage.
- 2.06 <u>"Airport"</u> means the Palm Beach International Airport located in Palm Beach County, Florida.
- 2.07 <u>"Airport Rules and Regulations"</u> means the Palm Beach County Airport Rules and Regulations adopted by Resolution No. R-98-220, as now or hereafter amended, and any successor ordinance or resolution regulating activities or operations on the Airport.
 - 2.08 "Annual Permit Fee" has the meaning set forth in Section 5.01(B).
- 2.09 <u>"Authorized Aeronautical Services"</u> means those aeronautical support services set forth in Section 4.01.
- 2.10 <u>"Baggage Delivery Service"</u> means handling and transportation between the Airport and a passenger's location, of delayed, misplaced or misrouted baggage or other articles of the passengers of contracting air carriers or aircraft operators.
- 2.11 <u>"Board"</u> means the Board of County Commissioners of Palm Beach County, Florida.
- 2.12 <u>"Bond Resolution"</u> means the Palm Beach County Airport System Revenue Bond Resolution dated April 3, 1984 (R-84-427), as amended and supplemented, which is hereby incorporated herein by reference and made a part hereof.
 - 2.13 "Commencement Date" has the meaning set forth in Article 3.
- 2.14 <u>"Contract Year"</u> means the period of twelve (12) consecutive months ending with the last day of September of each year.
 - 2.15 "Contracted Flights" has the meaning set forth in Section 6.02(E).
 - 2.16 "Department" means the Palm Beach County Department of Airports.
- 2.17 <u>"Director"</u> means the Director or Acting Director of the Department of Airports.
- 2.18 <u>"Effective Date"</u> means the date that this Permit is approved by signed by the parties hereto.
 - 2.19 "Environmental Laws" has the meaning set forth in Section 14.04.
 - 2.20 <u>"FAA"</u> means the Federal Aviation Administration.
 - 2.21 <u>"Facility Usage Charges"</u> has the meaning set forth in the Section 5.03.
- 2.22 <u>"Federal Inspection Services (FIS) Facility"</u> means that portion of Building 1000 at the Airport designated for U.S. Customs facilities.

- 2.23 "Gross Revenues" means all revenues paid or payable to Permittee for the provision of services in, on, from or about the Airport pursuant to this Permit, including, without limitation, the Authorized Aeronautical Services. Notwithstanding the foregoing, Gross Revenues shall not include any revenues derived from providing Authorized Aeronautical Services to Signatory Airlines, or sales taxes or similar excise taxes, which are separately stated and collected from Permittee's customers.
 - 2.24 "Initial Term" has the meaning set forth in Article 3.
 - 2.25 <u>"Insurance Requirements"</u> has the meaning set forth in Article 7.
 - 2.26 "Monthly Report" has the meaning set forth in Section 5.04.
- 2.27 <u>"Non-Signatory Airline"</u> means any airline that is not considered a Signatory Airline for purposes of the Airline-Airport Use and Lease Agreement.
- 2.28 "Port of Entry Building" means Building 120 at the Airport, utilized for U.S. Customs facilities.
- 2.29 <u>"Porter Assistance Service"</u> means handling and transportation, through the use of porters, of baggage and other articles of the passengers of contracting air carriers or aircraft operators, upon request of the passenger, in public access areas of the Port of Entry Building and the Terminal, exclusive of the FIS Facility, as designated and approved by the Department.
 - 2.30 "Renewal Term" has the meaning set forth in Article 3.
- 2.31 <u>"Risk Management Department"</u> means the Palm Beach County Risk Management Department.
 - 2.32 "Service Fee" has the meaning set forth in Section 5.02.
- 2.33 <u>"Signatory Airline"</u> has the meaning set forth in the Airline-Airport Use and Lease Agreement.
 - 2.34 <u>"Term"</u> has the meaning set forth in Article 3.
- 2.35 <u>"Terminal"</u> means the commercial passenger terminal located in Building 1000 at the Airport.
- 2.36 <u>"TSA"</u> means the Transportation Security Administration or any successor agency responsible for airport security.
 - 2.37 "Use Agreement" has the meaning set forth in Section 5.03.

ARTICLE 3 COMMENCEMENT DATE AND TERM OF AGREEMENT

The term of this Permit shall commence on October 1, 2010, (the "Commencement Date") and expire on September 30, 2011, (the "Initial Term"). This Permit shall be automatically renewed on a year-to-year basis (October 1st through September 30th) thereafter upon the expiration of the then current term (the "Renewal Term"); provided that: (1) Permittee is not in violation of this Permit; and (2) neither party has provided a notice to the other party, with the Department acting on behalf of County, by at least thirty (30) days advance written notice, of its desire or intent to terminate or not renew this Permit. The Initial Term and each Renewal Term are collectively referred to as the "Term".

<u>ARTICLE 4</u> PRIVILEGES AND AUTHORIZED SERVICES

- 4.01 <u>Authorized Aeronautical Services</u>. County hereby authorizes Permittee to provide, on a non-exclusive basis, under written contract with Signatory Airlines, Non-Signatory Airlines, or Airport tenants serving the Airport and having validly executed agreements with County, the following aeronautical support services:
 - A. Aircraft Ramp Service
 - B. Aircraft and Equipment Maintenance Service
 - C. Aircraft Interior Cleaning and Waste Disposal Service
 - D. Porter Assistance Service
 - E. Baggage Delivery Service
 - F. Airline Ticketing and Boarding Service

Permittee shall not provide any other services whatsoever at the Airport, including, but not limited to, other aeronautical support services, without the prior written consent of County, which may be granted or withheld in County's sole and absolute discretion.

- 4.02 <u>Description of General Privileges</u>, <u>Uses and Rights</u>. County hereby grants to Permittee, the following non-exclusive general privileges, uses and rights, all of which shall be subject to the terms, conditions and covenants hereinafter set forth below:
 - A. The general use, in common with others, of all public Airport facilities and improvements in connection with its operations hereunder. For the purpose of this Permit, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, not specifically leased to or under the contractual control of others.
 - B. The right of ingress to and egress from the Terminal over and across public roadways serving the Airport for Permittee, its agents and employees, patrons and invitees, suppliers of service and furnishers of material, if any. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Nothing contained in this Section 4.02 shall be construed to grant to Permittee the right to use any space or area, improved or unimproved, which is leased to a third party.

ARTICLE 5 FEES, CHARGES AND REPORTS

5.01 Permit Fees.

A. Permittee shall pay a non-refundable application fee of Two Hundred Fifty Dollars (\$250.00) 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.

- B. Permittee shall pay an annual permit fee of Two Hundred Fifty Dollars (\$250.00) ("Annual Permit Fee"). The Annual Permit Fee shall be paid on or before October 1 of each year, without demand, deduction or setoff, throughout the Term of this Permit. Payment of the Annual Permit Fee shall be in addition to payment of the Service Fee as provided in Section 5.02 and Facility Usage Charges as provided in Section 5.03.
- 5.02 <u>Service Fee</u>. Permittee shall pay to County seven percent (7%) of monthly Gross Revenues, together with applicable sales taxes thereon ("Service Fee"). The Service Fee shall be paid to County on or before the fifteenth (15th) day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.
- 5.03 <u>Facility Usage Charges</u>. Permittee shall pay to County reasonable and non-discriminatory fees and charges ("Facility Usage Charges") as set forth in the then current Airline-Airport Use and Lease Agreement, for the use of any Airport facilities and/or equipment, including, but not limited to, baggage makeup areas and devices and passenger loading bridges. Notwithstanding the foregoing, County may require Permittee to enter into a separate agreement for the use of Airport facilities and equipment ("Use Agreement"). Except as otherwise provided in any Use Agreement with County, Facility Usage Charges shall be paid to County on or before the fifteenth (15th) day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.
- Monthly Report. On or before the fifteenth (15th) day of each month throughout the Term of this Permit, Permittee shall submit to County, in a form and in detail satisfactory to County, a written report that: (1) details Gross Revenues for the preceding month; (2) details Service Fees payable to County for the preceding month; (3) details any Facility Usage Charges payable to County in connection with services provided by Permittee pursuant to Section 4.01(F); (4) separately identifies any exclusions from Gross Revenues; and (5) identifies the airlines, aircraft operators and/or other tenants at the Airport that Permittee provided services for during the preceding month (the "Monthly Report"). The Monthly Report shall be signed by a responsible officer of Permittee, certifying the accuracy of the information contained in the Monthly Report. County may require reports required by this Article 5 to be submitted in an electronic format.
- 5.05 Payment of Taxes. Permittee shall pay any and all taxes and other costs as may be lawfully assessed against its operations under this Permit. Permittee shall have the right to contest the amount or validity of any tax or assessment payable by its appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending Permittee's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, Permittee shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

- 5.06 <u>Unpaid Fees and Charges</u>. In the event Permittee fails to make timely payment of any amounts due and payable in accordance with the terms of this Permit, then interest at the rate of one and one half percent (1.5%) per month shall accrue against the delinquent payment(s) from date due until the date payment is received by Department.
- 5.07 Audit Requirement. On or before December 31 of each year, Permittee shall provide to County an audit report in accordance with the requirements of this Section 5.07 for the preceding Contract Year. The first such audit report shall commence as of the Commencement Date and the last audit report shall cover through Permittee's last day of operation under to this Permit. In the event the Gross Revenues for the preceding Contract Year are Twenty-Five Thousand Dollars (\$25,000) or less, the audit report may be prepared by an employee of Permittee and shall be signed and certified under oath by the chief financial officer of Permittee as being true and correct. In the event the Gross Revenues for the preceding Contract Year are more than Twenty-Five Thousand Dollars (\$25,000), the audit report shall be prepared by an independent Certified Public Accountant, not a regular employee of Permittee, in accordance with Generally Accepted Auditing Standards prescribed by the American Institute of Certified Public Accountants or any successor agency thereto. The audit report shall be in a form acceptable to the Department. The audit report shall include the following:
 - A. Schedule of Gross Revenues by month.
 - B. Schedule of Service Fees by month.
 - C. Schedule of Facility Usage Charges by month (if any).
 - D. Schedule of payments made to County by month.
 - E. A calculation of the total amount of Service Fees payable to County for the preceding Contract Year.

In the event Permittee is required to submit an audit report prepared by an independent Certified Public Accountant, the audit report shall include an opinion on the required schedules. Failure to deliver an audit report, or delivery of an audit report containing a qualified opinion, an adverse opinion, or a disclaimer of opinion, as defined by the American Institute of Certified Public Accountants or any successor agency thereto, shall be deemed to be a material default of this Permit. If the audit report indicates that the amount due and owing for any Contract Year is greater than the amount paid by Permittee to County during such Contract Year, Permittee shall pay the difference to County with the audit report. If the amount actually paid by Permittee to County during any Contract Year exceeds the amount due and owing for such Contract Year, County shall credit the overpayment in the following order: (1) against any past due amounts owed to County by Permittee, including interest and late fees; (2) against currently outstanding, but not yet due, amounts owed to County by Permittee; (3) against future amounts that will become due during the succeeding Contract Year; and (4) against any other sums payable by Permittee to County. Notwithstanding the foregoing, in the event of an overpayment by Permittee during the last Contract Year, County shall credit the overpayment against any remaining amounts owed to County, including interest and late fees, and refund to Permittee any overpayment amount in excess of the credit.

- 5.08 Address for Payments. All payments required to be made by Permittee under this Permit shall be made payable to "Palm Beach County." All reports and payments shall be delivered to the following address: Finance Division, Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406-1470, or to such other office or address as may be substituted therefor.
- Accounting Records. Permittee shall maintain all books of account and records customarily used in this type of operation, in accordance with Generally Accepted Accounting Practices (GAAP). County, at all times, throughout the Term and for no less than three (3) years following termination of this Permit, shall have the right to audit and examine during normal working hours all such records and books of account relating to Permittee's operations hereunder, provided that Permittee shall not be required to retain such books of account and records for more than three (3) years after the end of each Contract Year of this Permit. Upon County's request for examination of such books of account and records and should the books of account and records be kept at locations other than the Airport, Permittee shall arrange for them to be brought to a location convenient to the auditors for County in order for County to conduct the audits and inspections as set forth in this Article 5. If, as a result of the audit, County determines that Permittee has understated the amounts due to County hereunder by five percent (5%) or more, the entire expense to County of the audit shall be assumed by and be the sole responsibility of Permittee. All amounts due County and reasonable expenses associated with said audit (if any) shall forthwith be paid by Permittee to County, with interest thereon calculated in accordance with Section 5.06 hereof.
- 5.10 <u>Service Contracts</u>. Upon County's request, Permittee shall provide to County legible, written copies of any and all contracts entered into between Permittee and any other person or entity for the provision of services under this Permit ("Service Contracts"), including, but not limited to, airlines serving the Airport. Permittee shall also provide to County copies of any and all renewals, modifications, amendments and cancellations to the Service Contracts.
- 5.11 Adjustment of Fees and Charges. 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.

ARTICLE 6 OBLIGATIONS OF PERMITTEE

6.01 Maintenance of Facilities and Equipment.

A. Permittee shall, at its sole cost and expense, maintain all facilities and equipment provided by County to Permittee for use at the Airport in carrying out the Authorized Aeronautical Services, in good and fit condition consistent with good business practice and in accordance with all applicable laws, regulations and rules of any government agency. Permittee shall repair any damage to the Airport caused by its employees, patrons, invitees, suppliers of service or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of Permittee's operations thereon. Permittee

hereby agrees that it shall abide by the decision of County with respect to any and all maintenance or repair requirements. County shall be the sole judge of Permittee's performance under this Section 6.01(A), as to the quality of maintenance or repair. Upon written notice by County to Permittee, Permittee shall perform the required maintenance or repair in accordance with County's decision. If Permittee has not made a good faith effort, as determined by County, to begin to perform the required maintenance or repair within ten (10) days of the date of the written notice, and to diligently pursue the same to completion, County shall have the right to perform the maintenance or repair, and Permittee hereby expressly agrees that it shall fully assume and be liable to County for payment of the costs therefor, plus a twenty-five percent (25%) administrative overhead. Permittee shall pay all costs incurred by County, plus the administrative overhead, within thirty (30) days of the date of County's invoice.

- B. Permittee shall maintain its equipment utilized at the Airport in good condition and repair. In addition, any equipment utilized within the public areas of the Terminal shall be in a safe, neat and clean condition at all times, including, but not limited to, carts used to transport passenger luggage and wheelchairs. County may require Permittee to remove, repair or replace any equipment from the Airport that is in an unsafe or unsightly condition upon written notice. In the event Permittee fails to remove, repair or replace the equipment as required by County's notice within three (3) business days of the date of the notice, Permittee shall pay County a penalty fee of Fifty Dollars (\$50.00) per day from the date of County's notice until the violation has been corrected. Permittee shall pay County within ten (10) days of the date of the violation.
- 6.02 <u>Service Standards</u>. Permittee shall only provide Authorized Aeronautical Services in a first class professional manner, consistent with good business practice and shall at all times observe and comply with the following service standards:
 - A. Permittee shall hire and assign a full-time manager or managers, qualified and experienced in the management and control of the services authorized to be performed herein. Manager(s) shall be delegated sufficient authority to ensure proper performance of the terms and conditions of this Permit. Permittee shall also provide at least two (2) twenty-four (24) hour telephone numbers to enable the Department to contact the manager or supervisory personnel whenever necessary. Permittee shall be responsible to inform the Department of any change in name(s) and/or number(s) of the managers and supervisory personnel.

- B. Permittee shall properly control the conduct, demeanor and appearance of its employees. Permittee shall cause its employees to discharge their duties in a professional, courteous and efficient manner, be suitably uniformed and wear appropriate identification. Permittee shall ensure that its employees' uniforms are at all times in good, neat and clean condition.
- C. Permittee's employees shall at all times be under the control and supervision of Permittee, including during slack periods, between job assignments, and during break periods and meals. Permittee shall not permit its employee to loiter in the public areas of the Terminal, including, but not limited to, the baggage claim level and public passenger lounge areas.
- D. Permittee shall not provide Porter Assistance Service within the U.S. Customs facilities located at the Port of Entry Building, or the FIS Facility at the Terminal, without the specific prior written approval of County.
- E. Permittee shall only be permitted to provide Porter Assistance Services in the baggage claim level of the Terminal for flights Permittee is servicing for a particular airline pursuant to Permittee's Service Contract with such airline ("Contracted Flights") upon the request of a passenger of such airline. Permittee shall not permit its employees to loiter or solicit passengers for Porter Assistance Services in the baggage claim level of the Terminal during periods between Contracted Flights. Permittee shall not permit its employees to block or prevent passengers from accessing self-service baggage carts. In the event Permittee or its employees is found to be in violation of the requirements of this paragraph, Permittee shall pay County a penalty fee of Fifty Dollars (\$50.00) per violation within ten (10) days of the date of the violation. County shall provide Permittee with a written notice of each such violation, which shall include the name of the employee, date and time of the violation and any other pertinent information related to the violation.
- F. Permittee shall not permit its employees to solicit or request tips or gratuities, directly or indirectly from Airport passengers.
- G. Permittee shall cause its employees to dispose of found property in accordance with Department approved procedures.
- H. Permittee shall not permit its employees to annoy, harass or disturb any Airport passengers, tenants or users of the Airport.
- I. Permittee shall be responsible, at Permittee's sole cost and expense, for providing appropriate break and meal areas for its employees and contractors.

- J. Permittee shall furnish good, prompt and efficient service adequate to meet all the demands for its service at the Airport, and furnish services on a fair, equal and non-discriminatory basis to all users thereof. Permittee shall charge fair, reasonable, and nondiscriminatory prices for its services at the Airport.
- 6.03. <u>Removal of Employees.</u> County shall have the right to require the removal of any employee of Permittee who fails to comply with the requirements of this Permit. County shall also have the right to revoke the security badge of any employee who fails to comply with the requirements of this Permit.

ARTICLE 7 INSURANCE

Permittee agrees to maintain, on a primary basis and at its sole expense, at all times during the Term, the insurance coverages and limits set forth in Exhibit "A" (the "Insurance Requirements"), attached hereto and incorporated herein.

ARTICLE 8 AIRPORT SECURITY

8.01 General. Permittee shall observe all security regulations and other requirements of County and any agency of the Federal government, including, but not limited to, the FAA and TSA, applicable to Permittee, as such regulations or requirements have been or may be amended, including without limitation, Title 14, Part 139 of the Code of Federal Regulations and Title 49, Part 1540, et seq., of the Code of Federal Regulations. Permittee agrees to comply with the Airport Security Program and the Air Operations Area (AOA) Vehicle Access Program, and amendments thereto, and to comply with such other rules and regulations as may be prescribed by County, and to take such steps as may be necessary or directed by County to insure that Permittee's employees, invitees and guests observe these requirements. County shall have the right to conduct background checks of Permittee's employees and contractors to the extent required by any federal, state or local law or as required by County. Permittee shall be responsible for the costs of all background checks. County shall have the right to require the removal or replacement of any employee of Permittee at the Airport that County has determined may present a risk to public safety or the security of the Airport. If as a result of the acts or omissions of Permittee or its employees, invitees or guests, County incurs any fines and/or penalties imposed by the FAA or TSA; any expense in enforcing the regulations of the FAA or TSA or the rules or regulations of County; or any expense in enforcing the Airport Security Program, then Permittee agrees to pay to County all such costs and expenses, including all costs of administrative proceeding, court costs, and attorneys fees and all costs incurred by County in enforcing this provision. Permittee further agrees to rectify any security deficiency or other deficiency as may be determined by County, the FAA or TSA. In the event Permittee fails to remedy any such deficiency, County may do so at the cost and expense of Permittee. Permittee acknowledges and agrees that County may take whatever action is necessary to rectify any security deficiency or any other deficiency identified by County, the FAA or TSA.

8.02 <u>Badges.</u> Permittee shall be responsible for requesting County to issue security badges to all employees who require access to restricted areas on the Airport as part of the employees regularly assigned duties. Permittee shall be responsible for reporting all lost or stolen security badges and the immediate return of security badges of all personnel transferred from the Airport or terminated from the employ of Permittee or upon the termination of this Permit. Permittee shall pay, or cause to be paid, to County charges that may be established from time to time, for issuance of security badges, fingerprinting fees, and lost or stolen security badges.

ARTICLE 9 RELATIONSHIP OF THE PARTIES

Permittee is and shall be deemed to be an independent contractor and operator, responsible to all parties for its respective acts or omissions, and County shall in no way be responsible therefor.

ARTICLE 10 INDEMNIFICATION

Permittee agrees to protect, defend, reimburse, indemnify and hold County, its agents, employees and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against or from County by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with Permittee's performance under this Permit, Permittee's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of Permittee or any breach of the terms of this Permit; provided, however, Permittee shall not be responsible to County for damages resulting out of bodily injury or damages to property which are judicially determined to be solely attributable to the sole negligence of County, its respective agents, servants, employees and officers. Permittee further agrees to hold harmless and indemnify County for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to Permittee's activities or operations on the Airport, whether or not Permittee was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. Said indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for or on behalf of, or at the request of Permittee. Permittee recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of ten dollars (\$10.00) and such other good and valuable consideration provided by County in support of this indemnification in accordance with laws of the State of Florida. This clause shall survive the termination of this Permit.

ARTICLE 11 TERMINATION OF PERMIT, PERMIT VIOLATIONS AND REMEDIES

- 11.01 <u>Termination</u>. This Permit shall terminate as provided for in Article 3.
- 11.02 <u>Permit Violations</u>. The occurrence of any one or more of the following events shall constitute a violation of this Permit by Permittee:
 - A. Permittee's failure to make payment of any fees or charges required to be made by Permittee under this Permit, as and when due.
 - B. The failure by Permittee to observe or perform any of the covenants, conditions or provisions of this Permit to be observed or performed by Permittee.
 - C. The discovery by County that any information given by Permittee to County relating to this Permit was materially false.
 - D. A default by Permittee of any other agreement, permit or lease between County and Permittee, which default has not been cured within the applicable cure period provided in such agreement, permit or lease.
- 11.03 <u>Remedies</u> In addition to any other remedy available under the law or this Permit, County may terminate this Permit upon written notice to Permittee. Upon such termination, Permittee shall immediately cease its operations on the Airport. Such termination shall be without prejudice to any of County's remedies for arrearages, payments due herein, or any other damages or remedies whatsoever.
- 11.04 <u>County's Right to Terminate</u>. This Permit is issued upon the terms and conditions required by County for all Permittees on the Airport that engage in the activities permitted herein. Upon ten (10) days' prior written notice, County may, at any time, terminate this Permit and at County's option issue a new Permit to Permittee upon such modified terms and conditions as County shall uniformly apply to all other similarly situated Permittees.

ARTICLE 12 ASSIGNMENT

Permittee shall not in any manner assign, transfer or otherwise convey an interest in this Permit. Any such attempt shall be null and void.

ARTICLE 13 SIGNS

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

ARTICLE 14 LAWS, REGULATIONS, PERMITS AND SAFETY REGULATIONS

14.01 <u>Compliance with Laws</u>. 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, FAA Advisory Circulars and Airport Rules and Regulations. 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.

14.02 <u>Permits and Licenses</u>. 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, 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 written request by Department, Permittee shall provide to Department certified copies of any and all permits and licenses that Department may request.

14.03 <u>Safety Regulations</u>. Permittee shall conduct its activities and operations under this Permit in a safe manner and in compliance with all safety regulations of the Department and with safety standards imposed by applicable Federal, State and local laws and regulations. Permittee shall also require the observance thereof by all employees, agents and invitees. Permittee shall procure and maintain such fire prevention and extinguishing devices as required by County and by law and shall at all times be familiar and comply with the fire regulations and orders of County and the fire control agency with jurisdiction over the Airport. Neither Permittee, nor employee, agent, or any person working for or on behalf of Permittee, shall require any personnel engaged in the performance of Permittee's operations to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to individual safety or health, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as same may be amended from time to time, as well as all State and local laws, regulations, and orders relative to occupational safety and health.

14.04 <u>Compliance with Environmental Laws</u>. Permittee shall, at its sole cost and expense, comply with all applicable Environmental Laws. For purposes of this Permit, "Environmental Laws" means all applicable Federal, State and local laws, rules, orders and regulations protecting human health, the environment and/or natural resources, as such laws, rules, orders and regulations are now or hereafter amended, including, without limitation, the Federal Clean Water Act, Federal Safe Drinking Water Act, Federal Clean Air Act, Federal Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation and Liability Act of 1980. Permittee shall indemnify, defend and hold 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 14.04. The foregoing indemnification agreement shall survive the expiration or earlier termination of this Permit.

ARTICLE 15 DISCLAIMER OF LIABILITY

COUNTY HEREBY DISCLAIMS, AND PERMITTEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE, OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY PERMITTEE, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS PERMIT INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE, OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF PERMITTEE OR PERMITTEE'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED ON THE AIRPORT, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS JUDICIALLY DETERMINED TO HAVE BEEN CAUSED BY COUNTY'S SOLE NEGLIGENCE OR BY COUNTY'S BREACH OF ITS OBLIGATIONS UNDER THIS PERMIT. THE PARTIES EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE ASSIGNMENT OF THE AIRPORT TO PERMITTEE PURSUANT TO THIS PERMIT. PERMITTEE ACKNOWLEDGES AND AGREES THAT COUNTY SHALL HAVE NO LIABILITY WHATSOEVER AND PERMITTEE COVENANTS AND AGREES TO HOLD HARMLESS COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS PERMIT. FURTHERMORE, PERMITTEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS PERMIT, WAS AT ITS SOLE RISK.

ARTICLE 16 GOVERNMENTAL RESTRICTIONS

- 16.01 <u>Federal Right to Reclaim</u>. In the event a United States governmental agency shall demand and take over either the entire facilities of the Airport or the portion wherein Permittee is authorized to operate pursuant to this Permit, for public purposes, then this Permit shall thereupon terminate and County shall be released and fully discharged from any and all liability hereunder.
- 16.02 <u>Federal Review</u>. This Permit is subject to any applicable review by the Federal Aviation Administration to determine satisfactory compliance with federal law. This Permit shall be in full force and effect and binding upon both parties pending review and approval by said Federal Aviation Administration.
- 16.03 <u>County Tax Assessment Right</u>. None of the terms, covenants and conditions of this Permit shall in any way be construed as a release or waiver on the part of County, as a political subdivision of the State of Florida, or any of the public officials of Palm Beach County,

of the right to assess, levy and collect any license, personal, intangible, occupation or any other tax which shall be lawfully imposed on the business or property of Permittee.

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

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

ARTICLE 17 NON-DISCRIMINATION

17.01 Non-Discrimination. Permittee for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree: (1) that in the furnishing of services permitted herein, no person on the grounds of race, color, age, religion, sex, gender identity or expression, familial status, or natural origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (2) that Permittee shall operate 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 Department Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. In the event of the breach of any of the foregoing non-discrimination covenants, County shall have the right to terminate this Permit and all privileges and rights granted to Permittee hereunder. 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.

Disadvantaged Business Enterprise/Affirmative Action. Permittee acknowledges that the provisions of 49 CFR Part 26, Disadvantaged Business Enterprise (DBE), and 14 CFR Part 152, Affirmative Action Employment Programs, may become applicable to the activities of Permittee under the terms of this Permit, unless exempted by said regulations, and Permittee hereby agrees to comply with all requirements of the Department, the Federal Aviation Administration and the U.S. Department of Transportation, in reference thereto. requirements may include, but not be limited to, the compliance with DBE and/or Employment Affirmative Action participation goals, the keeping of certain records of good faith compliance efforts, which would be subject to review by the various agencies, and the submission of various reports, and including, if directed by the Department, the contracting of specified percentages of goods and services contracts to Disadvantaged Business Enterprises. Failure to comply with these requirements shall be grounds for default and cancellation of this Permit. cancellations pursuant to this Section 17.02 shall not be effective until the procedures specified in said Federal regulations or established by County are completed, including exercise or expiration of appeal rights.

ARTICLE 18 MISCELLANEOUS

- 18.01 <u>Non-Exclusive Agreement</u>. Permittee expressly understands and agrees that the rights and privileges granted under this Permit are non-exclusive, and County herein reserves the right to grant similar rights and privileges to others at the Airport.
- claims for compensation or any losses, damages or injury sustained by Permittee resulting from (1) cessation for any reason of air carrier operations at the Terminal, or (2) diversion of passenger traffic to any other facility. County shall not be responsible nor liable to Permittee for any claims for compensation or any losses, damages, or injury sustained by Permittee resulting from failure of any water supply, electrical current, sewerage or drainage facility, or caused by natural physical conditions on the Airport, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of County. All personal property placed on or moved onto the Airport shall be at the sole risk of Permittee or owner thereof and Permittee expressly acknowledges and agrees that County shall not be liable for any damage to or loss of said personal property.
- 18.03 <u>Authorized Uses Only</u>. Notwithstanding anything to the contrary herein, Permittee will not use or permit the use of the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on Airport for County or Permittee.
- 18.04 <u>Waivers</u>. The failure of either party to insist on strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that such party may have for any subsequent breach, default, or non-performance, and such party's right to insist on strict performance of this Permit shall not be affected by any previous waiver or course of dealing.

18.05 Subordination

- A. <u>Subordination to Bond Resolution</u>. This Permit and all rights granted to Permittee hereunder are expressly subordinated and subject to the lien and provisions of the pledges, transfer, hypothecation or assignment made by County in 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 may exercise any and all rights of County hereunder to the extent such possession, enjoyment and exercise are necessary to ensure compliance by Permittee and County with the terms and provisions of this Permit and the Bond Resolution.
- B. <u>Subordination to Federal/State Agreements</u>. This Permit shall be subject and subordinate to all the terms and conditions of any instruments and documents under which County acquired the land or improvements thereon 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 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.

18.06 <u>Consent, Approval and Governmental Authority</u>. Nothing in this Permit shall be construed to waive or limit County's governmental authority as a political subdivision of the State of Florida to regulate Permittee or its operations.

18.07 <u>Rights Reserved to County</u>. All rights not specifically granted Permittee by this Permit are reserved to County.

18.08 <u>Invalidity of Clauses</u>. The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Permit shall have no affect upon the validity of any other part or portion hereof.

18.09 <u>Venue</u>. To the extent allowed by law the venue for any action arising from this Permit shall be in Palm Beach County, Florida.

18.10 <u>Governing Law.</u> This Permit shall be governed by and in accordance with the laws of the State of Florida.

18.11 Notice. 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 designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

County:

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

Fax: 561-471-7427

With a copy to: Attn: Airport Attorney Palm Beach County Attorney's Office 301 North Olive Ave, Suite 601 West Palm Beach, FL 33401 Fax: 561-355-4398

Permittee:

Airport Terminal Services, Inc. Attn: President 111 Westport Plaza Dr., Suite 400 St. Louis, MO 63146 Fax: 314-739-7070 With a Copy to:

Airport Terminal Services Inc. Attn: Contracts Adminitrator 111 Westport Plaza Dr., Suite 400 St. Louis, MO 63146 Fax: 314-739-7070 Any 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.

- 18.12 <u>Paragraph Headings</u>. The headings of the various articles and sections of this Permit are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Permit or any part or parts of this Permit.
- 18.13 <u>Binding Effect</u>. The terms, conditions and covenants of this Permit shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any prohibitions against or limitations regarding assignment or transfer.
- 18.14 <u>Performance</u>. The parties expressly agree that time is of the essence in this Permit and the failure by Permittee to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of County without liability, in addition to any other of County's rights or remedies, relieve County of any obligation to accept such performance.
- 18.15 <u>Public Entity Crimes</u>. As provided in Section 287.132-133, Florida Statutes, by entering into this Permit or performing any work in furtherance hereof, Permittee certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date hereof. This notice is required by Section 287.133(3)(a), Florida Statutes.
- 18.16 <u>Consent or Action</u>. In the event this Permit is silent as to the standard for any consent, approval, determination, or similar discretionary action, the standard shall be at the sole, absolute and unfettered discretion of County or Department, rather than any implied standard of good faith, fairness or reasonableness. Wherever this Permit requires County or Department's consent or approval or permits County or Department to act, such consent, approval or action may be given or performed by the Airport Director. If Permittee requests County or Department's consent or approval pursuant to any provision of this Permit and County or Department fails or refuses to give such consent, Permittee shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.
- 18.17 <u>Remedies Cumulative</u>. The rights and remedies of parties hereto with respect to any of the terms and conditions of this Permit shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.
- 18.18 Entirety of Agreement. The parties agree that this Permit sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Permit may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.
- 18.19 <u>Survival.</u> Notwithstanding any early termination of this Permit, Permittee shall remain obligated hereunder to perform any duty, covenant or obligation imposed upon Permittee hereunder arising prior to the date of such termination.

18.20 <u>Termination of Prior Agreement</u>. Upon the Commencement Date of this Permit, that certain General Aeronautical Services Agreement between Permittee and County, dated October 31, 2005 (R-2005-2328) ("Agreement"), shall be terminated in its entirety; provided, however, that any claim, cause of action, or other obligation to Permittee or to County then accrued, shall survive said termination. Notwithstanding the provisions of Section 5.01(A) of this Permit, Permittee shall not be required to pay an initial application fee for this Permit. Notwithstanding any provision of the Agreement to the contrary, the parties acknowledge and agree that Permittee shall be authorized to comply with the audit provisions set forth in Section 5.07 of this Permit in lieu of the audit provisions set forth in the Agreement.

18.21 <u>Inspector General.</u> County has established the Office of the Inspector General in Ordinance 2009-049, as may be amended, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General has the power to subpoena witnesses, administer oaths and require the production of records, and audit, investigate, monitor, and inspect the activities of Aircraft Service International Group, Inc. and its officers, agents, employees and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with the Inspector General or interference or impeding any investigation shall be in violation of Ordinance 2009-049, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

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IN WITNESS WHEREOF, County has caused this Permit to be signed by the Director of the Department of Airports pursuant to the authority granted by the Board, and Permittee has caused these presents to be signed in its corporate name by its duly authorized officer, and the seal of said Permittee to be affixed hereto, the day and year first written above.

WITNESSES: Witness Signature CONNIE SHOFFNER (typed or printed) Witness Signature	PALM BEACH COUNTY, a political subdivision of the State of Florida By: Director, Department of Airports
Jeffrey S. Bolton	
APPROVED AS TO FORM AND LEGAL SUFFICIENCY By: County Attorney	
ATTEST:	PERMITTEE:
By: Margaret Zohl. Sebretary (Corporate Seal)	Airport Terminal Services, Inc. By:
(Corporate Sour)	
Signed, sealed and delivered in the presence of two witnesses for Permittee:	
Witness Signature January	
(typed or printed name) (typed or printed name) Mathum Dhap	
Witness Signature	

EXHIBIT "A" INSURANCE REQUIREMENTS

- A. <u>Commercial General Liability.</u> Permittee shall maintain Commercial General Liability Insurance at a limit of liability of not less than One Million Dollars (\$1,000,000) 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.
- B. <u>Business Automobile Liability</u>. Permittee shall maintain Business Automobile Liability Insurance at a limit of liability of not less than One Million Dollars (\$1,000,000) each occurrence. Coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event the Permittee does not own automobiles, Permittee shall 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.
- C. <u>Worker's Compensation Insurance & Employers Liability.</u> Permittee shall maintain Worker's Compensation Insurance & Employers Liability in accordance with Florida Statute Chapter 440. Coverage shall be provided on a primary basis.
- D. Additional Insured. Permittee shall provide the Department with a certificate, or certificates, of insurance, evidencing limits, coverages and endorsements as required herein. Permittee shall endorse 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, c/o Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, FL 33406." Coverage shall be provided on a primary basis. All certificates of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. In the event coverage is cancelled or is not renewed during the Term, Permittee shall provide County a new certificate of insurance or certificates of insurance evidencing replacement coverage no later than thirty (30) days prior to the expiration or cancellation of the coverage. The certificate holder's name and 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."
- E. <u>Deductibles, Coinsurance & Self-Insured Retention.</u> Permittee shall be fully and solely responsible for any deductible, coinsurance penalty, or self-insured retention; including any losses, damages, or expenses not covered due to an exhaustion of limits or failure to comply with the policy.
- F. <u>Waiver of Subrogation</u>. By entering into this Permit, Permittee agrees to a Waiver of Subrogation for each policy required herein. When required by the insurer, or should a policy condition not permit Permittee to enter into any pre-loss agreement to waive subrogation without an endorsement, then Permittee agrees to notify the insurer.
- G. Right to Review or Adjust Insurance. The County's Risk Management Department may review, modify, reject or accept any required policies of insurance, including, but not limited to, limits, coverages or endorsements, required by herein from time to time throughout the Term. County may also reject any insurer or self-insurance plan providing coverage because of poor financial condition or failure to operate legally. In such event, County shall provide Permittee a written notice of rejection, and Permittee shall comply within thirty (30) days of receipt of the notice.
- H. <u>No Representation of Coverage Adequacy.</u> Permittee acknowledges the limits, coverages and endorsements required herein are intended to minimize liability for County. Permittee agrees that it will not rely upon the requirements herein when assessing the extent or determining appropriate types or limits of insurance coverage to protect Permittee against any loss exposures, whether as a result of this Permit or otherwise.

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 Lease Agreement with Galaxy Aviation of Palm Beach, Inc. (the "LESSEE"), dated October 18, 2000 (R-2000-1067), as amended (the "Lease Agreement"), hereby consents to LESSEE entering into a Sublease Agreement dated <u>July 1, 2010</u>, and commencing on <u>July 1, 2010</u>, (the "Sublease") with <u>Mountain Eagle Aviation, LLC</u>, (the "SUBLESSEE") for the sublease of certain premises contained within the leasehold of LESSEE under the Lease Agreement.

Notwithstanding any provision of the Sublease to the contrary, the COUNTY hereby rejects any such provision in the Sublease, 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 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 or alter the terms of the Sublease.

It is the COUNTY's intent that the LESSEE shall remain liable to COUNTY for all rights and obligations contained in its Lease Agreement with the COUNTY.

	AUG 0 2 2010					
APPROVED this day o	f	20,	by the County	Administrator of	or the Director	of
the Department of Airports on bel	half of and purs	uant to t	the authority g	ranted by the I	Board of Cou	nty
Commissioners.						
Du Drum Sell	2					
By: Director of Airpo	7		•			
Title. Director of Airpo	orts					
Approved as to Form and Legal Sufficiency:						
By: anne Delgant		:				
County Attorney	7					

COMMUNITY HANGAR LEASE AGREEMENT

	THIS LEASE	is made or	n the 1	_day of		Toda	20	010,	by	and	betv	veen
GALA	XY AVIATION	OF PALM	BEACH,	INC. wh	ose a	addreśs i	s 3800	South	nern l	Boulev	ard, ۱	Vest
Palm l	Beach, Florida	33406 ("L	andlord")	and the	belo	w named	l Tenar	nt ("Te	nant"	') .		

1. GENERAL INFORMATION

.01	Tenant's Full Legal Name and Mailing Addres
	Mountain Eagle Aviation, LLC
	c/o Arazoza & Fernandez-Fraga P.A.
	2100 Salzedo Street, Suite 300
	Coral Gables, Florida 33134
.02	Type(s) of Aircraft (Make/Model/Color):
	Challenger 600
	:
	Desired than Market 1
	Registration No.: N249AJ

TENANT shall be required to get the prior written approval of LANDLORD to store substitute aircraft(s) in the PREMISES. In the event LANDLORD approves such substitution, the rent for the PREMISES will be adjusted by LANDLORD based on the difference in space occupied by such substitute aircraft, if any.

1.03 Premises:

That portion of Hangar Space in LANDLORD's hangar at the Palm Beach International Airport ("Airport") in Palm Beach County, Florida, which Hangar Space shall be adequate to store the Aircraft listed in Paragraph 1.02 ("Premises").

- 1.04 <u>Initial Term (Subject to Par. 3):</u> The term of this Agreement shall commence on <u>July 1, 2010</u> and end on <u>June 30, 2011</u>.
- 1.05 Rent During Initial Term: The monthly rent to LANDLORD is to be paid by TENANT in accordance with a separate, unrecorded Memorandum of Lease to be executed simultaneously herewith.

<u>Late Charge and Returned Check Charge:</u> A late charge of five percent (5.0%) of Rent will be assessed on all Rent not received by the 5th of each month. If funds are insufficient for any payments made by check, note or similar instrument, payment will be subject to a \$35.00 reprocessing fee. All sums of money required to be paid by the TENANT to the LANDLORD under this Lease shall bear interest at the highest rate permitted by law from the date same was due until the date same is paid in full.

ALL LATE CHARGES SHALL BE DEEMED ADDITIONAL RENT.

- 1.06 Security Deposit (Subject to Par. 5): The security deposit to be remitted to LANDLORD by TENANT shall be in the amount stated in a separate, unrecorded Memorandum of Lease to be executed simultaneously herewith.
- 1.07 Renewal Terms: This Lease shall automatically be renewed at the end of the Initial Term for another one year (1) term ("Renewal Term") and thereafter this Lease shall continue to be automatically renewed for subsequent Renewal Terms of one (1) year each ("Subsequent Renewal Terms") unless otherwise terminated in accordance with Paragraph 40 of this Lease.
- 1.08 Operating Expenses (Subject to Par. 17): LANDLORD shall pay the operating expenses associated with the PREMISES.
- 1.09 Permitted Uses (Subject to Par. 21-25): TENANT shall occupy the PREMISES solely for the storage of TENANT'S Aircraft. No other vehicles shall be stored in the PREMISES.
- 2. LEASE. LANDLORD hereby leases to TENANT, and TENANT hereby leases from LANDLORD the PREMISES described in Paragraph 1.03 in an "AS IS/WHERE IS" condition. BY TENANT'S EXECUTION OF THIS LEASE AGREEMENT, TENANT IS WAIVING ANY AND ALL CLAIMS ARISING FROM THE CONDITION OF THE HANGAR.

The parties to this Lease recognize and agree that the approval of this Lease by the Department of Airports for Palm Beach County is conditioned on the representations by Galaxy Aviation of Palm Beach, Inc. that this Lease, to include the Memorandum of Lease that was not disclosed to the Department of Airports, is subordinate to the lease between the County and Galaxy Aviation and that this Lease is consistent with, and not in conflict with, any of the terms of the lease between the County and Galaxy Aviation.

- 3. <u>TERM</u>. The term of this Agreement shall be defined in a separate, unrecorded Memorandum of Lease to be executed simultaneously herewith.
- 4. <u>RENT CHARGES</u>. The monthly rent to LANDLORD is to be paid by TENANT in accordance with a separate, unrecorded Memorandum of Lease to be executed simultaneously herewith.
- 5. SECURITY DEPOSIT. TENANT has deposited with LANDLORD the security deposit set forth in Paragraph 1.06. The security deposit will be held by LANDLORD without interest as security for the full and faithful performance by TENANT of its obligations hereunder, which may be co-mingled with other monies of LANDLORD. In the event of default by TENANT, LANDLORD may use all or any part of the security deposit for the payment of any unpaid rent or for any other monies owed by TENANT to LANDLORD. Upon the termination of this Lease, any portion of the security deposit not so used or applied shall be returned to

TENANT, provided TENANT faithfully performs its obligations hereunder, by mail within a reasonable time after the termination of this Lease. The security deposits shall not be applied by TENANT toward the last month's rent.

6. **INSURANCE**.

- During the term of this lease TENANT shall keep in force at its expense the following policies: (i) Worker's Compensation Insurance — per statutory coverage as prescribed by the State where the PREMISES is located; (ii) Employer's Liability Insurance - to a limit of \$1,000,000; (iii) All Risk Hull Insurance on the Aircraft in an amount of the full replacement cost of the Aircraft; (iv) All-Risk Property Insurance coverage commensurate with the value of TENANT's property located on LANDLORD's PREMISES; (v) Comprehensive Aircraft Hull and General Liability Insurance with a combined single limit of not less than \$5,000,000, or as otherwise agreed to by LANDLORD in writing, insuring TENANT's liability against bodily injury to persons, guests, including passengers, or damage to property; and (vi) Automobile Liability Insurance, to a minimum limit of \$1,000,000 per occurrence for all TENANT's owned, nonowned and for-hire vehicles. If TENANT's activities in conjunction with the use of the Hangar Space require vehicle and/or support equipment access to the Airport's Aircraft Operations Area (AOA), TENANT shall further be required to obtain Comprehensive Automobile Liability coverage in an amount not less than \$5,000,000. Such determination shall be made by LANDLORD. LANDLORD and PRIME LESSOR shall be named as an additional insured on all such insurance, excepting only the Worker's Compensation policy, and such insurance shall provide that same may not be canceled or the coverage reduced without at least thirty (30) days written notice to LANDLORD. TENANT shall provide certificates of such insurance prior to the commencement date of this Lease, and subsequently prior to the expiration of the succeeding certificate and at any time upon request by LANDLORD. TENANT shall be required to obtain Workmen's Compensation Insurance as required by law. All policies shall contain waivers of subrogation against the Landlord, its agents or employees.
- 6.02 Primary Insurance: Consistent with the indemnification provisions of this Lease, TENANT'S insurance policies will respond on a primary basis, with any insurance carried by LANDLORD to be construed as secondary or excess insurance.
- 7. TENANT'S LIABILITY NOT LIMITED. NOTWITHSTANDING THE PROVISIONS OF THE SECTION ABOVE, FOR PURPOSES OF THIS LEASE, TENANT ACKNOWLEDGES THAT ITS POTENTIAL LIABILITY IS NOT LIMITED TO THE AMOUNT OF LIABILITY INSURANCE COVERAGE IT MAINTAINS NOR TO THE LIMITS REQUIRED HEREIN.
- B. DISCLAIMER OF LIABILITY. LANDLORD HEREBY DISCLAIMS, AND TENANT HEREBY RELEASES LANDLORD FROM, ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY TENANTS, ITS EMPLOYEES, AGENTS OR INVITEES OR ITS INVITEES' INVITEES DURING THE TERM OF THIS LEASE, INCLUDING BUT NOT LIMITED TO LOSS, DAMAGE OR INJURY TO AIRCRAFT OR OTHER PROPERTY OF TENANT THAT MAY BE LOCATED OR STORED IN THE PREMISES, UNLESS SUCH LOSS, DAMAGE OR INJURY TO AIRCRAFT, OR OTHER PROPERTY OF TENANT THAT MAY BE LOCATED OR STORED IN THE PREMISES, IS CAUSED SOLELY BY LANDLORD'S GROSS NEGLIGENCE. THE PARTIES HEREBY AGREE THAT UNDER NO CIRCUMSTANCES SHALL LANDLORD BE LIABLE FOR

INDIRECT, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR OTHER DAMAGE RELATED TO THE LEASING OF PREMISES AND/OR OTHER SERVICES PROVIDED UNDER THIS LEASE. THE PARTIES FURTHER AGREE THAT UNDER NO CIRCUMSTANCES SHALL LANDLORD BE LIABLE FOR DAMAGE TO AIRCRAFT, OR OTHER PROPERTY, OR FOR INJURY AS A RESULT OF A STORM OR HURRICANE, OR PRECAUTIONARY MEASURES ESTABLISHED BY THE LANDLORD. IN THE EVENT OF A BREACH OR DEFAULT BY LANDLORD OF ANY OF ITS OBLIGATIONS UNDER THIS LEASE, TENANT SHALL LOOK SOLELY TO THE EQUITY OF LANDLORD IN LANDLORD'S LEASEHOLD INTEREST IN THE PREMISES FOR THE SATISFACTION OF TENANT'S REMEDIES. NO OTHER PROPERTY OR ASSETS OF LANDLORD OR ANY PARTNER, MEMBER, SHAREHOLDER, OFFICER OR DIRECTOR THEREOF, SHALL BE SUBJECT TO LEVY, EXECUTION OR OTHER ENFORCEMENT PROCEDURE FOR THE SATISFACTION OF TENANT'S REMEDIES UNDER OR WITH RESPECT TO THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT HEREUNDER OR TENANT'S USE OR OCCUPANCY OF THE PREMISES.

- 9. <u>INDEMNITY-FORCE MAJEURE</u>. TENANT agrees to release, indemnify, and hold LANDLORD, its officers and employees, harmless from and against any and all liabilities, damages, business interruptions, delays, losses, claims, judgments or any kind whatsoever, including all costs, attorneys' fees, and expenses incidental thereto, which may be suffered by, or charged to LANDLORD, arising from: (i) TENANT'S use of the PREMISES; (ii) by reason of any loss of or damage to any property or injury to or death of any person arising out of or related to this Lease; (iii) or by reason of any breach, violation or non-performance by TENANT or its servants, employees, agents or invitees, or invitees' invitees of any covenant or condition of the Lease or by any act or failure to act of those persons. LANDLORD shall not be liable for its failure to perform this Lease or for any loss, injury, damage or delay of any nature whatsoever resulting there from caused by any Act of God, fire, flood, accident, strike, labor dispute, riot insurrection, war or any other cause beyond LANDLORD'S control, including without limitation acts or omissions to act by TENANT.
- 9.01. Hurricane Procedures/Act of God: It is the express sole obligation and responsibility of TENANT to provide for the safety, security and evacuation of its AIRCRAFT during any approaching storm, hurricane or other weather event. TENANT agrees to comply with and abide by any provisions for storm or hurricane preparedness required by LANDLORD, in LANDLORD's sole discretion, necessary for the safety and security of the Aircraft and/or Airport and/or PREMISES and/or neighboring aircraft and property, if any. TENANT hereby explicitly approves in advance and waives any and all objections to any and all such plans, if any, and further grants LANDLORD the authority to move TENANT's Aircraft within the PREMISES and/or other property under LANDLORD's control at the Airport as LANDLORD deems necessary. LANDLORD shall make a reasonable effort to notify TENANT of LANDLORD's plans prior to taking any action; however, TENANT's approval shall not be required. Notwithstanding the foregoing, LANDLORD shall not be liable for any damages, including without limitation, to TENANT's property or Aircraft as a result of this section.
- 9.02. <u>Vendor/Invitee or Invitees' Invitees Indemnification:</u> As set forth in this Lease, TENANT agrees to fully indemnify and hold LANDLORD harmless from and against any and all liabilities, expenses, damages, claims and losses incurred by LANDLORD, including attorneys'

fees and costs, as a result of: (i) the failure by TENANT to perform any covenant required to be performed hereunder; or (ii) any accident, injury or damage that shall happen in or about the PREMISES resulting from any act or omission of TENANT of TENANT'S agents, employees, invitees or invitees' invitees, servants, consultants, contractors, subcontractors or licensees; or (iii) any accident, injury or damage that shall happen in or about the PREMISES to TENANT or TENANT'S agents, employees, invitees or invitees' invitees, servants, consultants, contractors, subcontractors or licensees. TENANT further shall be solely responsible for notifying all such vendors, invitees, and third parties that LANDLORD has disclaimed such liability and that TENANT shall be solely liable to same for any such damages.

- 9.03. In the event that a third party makes a claim alleging facts that, if true, would require TENANT to indemnify under this Section, TENANT shall indemnify against all damages incurred in connection with defending that claim, including amounts paid in settlement, even though the claim is successfully defended in whole or in part and even though the claim is settled prior to a final determination as to the truth of such allegations: provided that LANDLORD may not settle a claim that would result in a claim for indemnification by the TENANT hereunder without the TENANT's prior written consent.
- 10. ASSIGNMENT AND SUBLETTING. TENANT may not assign this Lease or let or sublet the whole or any part of the PREMISES without the prior written consent of LANDLORD which may be withheld in LANDLORD'S sole discretion.
- 11. <u>CONDEMNATION</u>. The parties agree that should the entire PREMISES be taken or condemned by any competent authority for any public or quasi-public use or purpose during the term of this Lease, then this Lease shall terminate as of the date when possession is required for public use, unless LANDLORD, at his option, provides equal suitable space which shall be substituted for the PREMISES. In the event of a partial condemnation which renders the remainder of the PREMISES usable for the use stated herein in the sole discretion of the LANDLORD, the Rent shall be pro-rated diminished according to the square footage of PREMISES so taken. All such calculations shall be performed by LANDLORD.
- All damages or compensation awarded or paid for any such taking shall belong to and be the property of LANDLORD without any participation by TENANT, whether such damages or compensation shall be awarded or paid for diminution in value of the leasehold or any interest of LANDLORD in the land, buildings and other improvements, or in the leasehold estate created hereby or under the PRIME LEASE, and TENANT hereby expressly waives and relinquishes all claims to such award or compensation or any part thereof and of the right to participate in any such condemnation or eminent domain proceedings against the owners of any interest in same.
- 12. **DAMAGE OR DESTRUCTION**. If the PREMISES should be damaged or destroyed by fire or other casualty, TENANT will promptly notify LANDLORD of such casualty. LANDLORD will repair and restore the buildings and improvements (exclusive of improvements installed by TENANT) so damaged or destroyed as nearly as possible to their condition prior to such casualty, limited, however, to the amount of insurance proceeds actually received by LANDLORD. In the meantime, if the PREMISES should be rendered totally unusable due to such casualty, there will be an abatement of rent until the PREMISES are again tenantable, unless such fire or casualty results from the acts or negligence of TENANT, TENANT'S agents or employees, in which event there will be no abatement of rent. The length of the abatement

period shall be added to the term of the Lease. In the event LANDLORD does not make the PREMISES useable within ninety (90) days after LANDLORD receives the insurance proceeds in connection with the casualty, or in any event within one hundred eighty (180) days after the date of the casualty, TENANT may terminate this Lease but shall have no other remedies. In the event the damage is partial, and the remaining PREMISES are usable for the use stated herein in the sole discretion of the LANDLORD, the Rent shall be pro-rated diminished according to the square footage of PREMISES so taken. All such calculations shall be performed by LANDLORD.

SURRENDER OF PREMISES. Upon the expiration or termination of this Lease, TENANT shall surrender the PREMISES to LANDLORD in substantially the same condition as the PREMISES were in at the beginning of this Lease and in good and clean condition, reasonable wear and tear excepted. LANDLORD must be advised at least sixty (60) days in advance of non-renewal of Lease by TENANT or TENANT will be liable for an additional month's rent. Should TENANT remain in possession of the PREMISES after the expiration of the term or earlier termination of this Lease, with or without the consent of LANDLORD, express or implied, such holding over shall, in the absence of a written agreement to the contrary, be deemed to have created and be construed to be a tenancy at sufferance terminable on written notice by either party to the other, at double the rent installments (prorated on a monthly basis) in effect during the lease year immediately preceding the expiration of the term of this Lease, and otherwise subject to all of the other terms, covenants and conditions of this Lease insofar as the same may be applicable to a tenancy at sufferance, without prejudice to any remedy which LANDLORD may have against TENANT for holding over unlawfully, provided, however, that if TENANT holds over with the prior written consent of LANDLORD, the rent installments will not be doubled as hereinabove provided.

14. **ALTERATIONS**.

14.01 TENANT shall not make any alterations, additions or improvements to the exterior or interior of the PREMISES or to any other property of LANDLORD without LANDLORD'S prior written consent, or erect or install any additional improvements, signs and equipment without LANDLORD'S prior written consent, which may be withheld for any reason. It is expressly understood that no signs are to be installed anywhere on the PREMISES without LANDLORD's written prior and explicit consent.

If any mechanic's or construction lien is recorded against the PREMISES or against TENANT'S leasehold interest in the PREMISES by reason of work, labor, services or materials supplied or claimed to have been supplied to TENANT, TENANT shall, within thirty (30) days after the recording thereof, cause such lien to be discharged or bonded off of record. In any event, neither the PRIME LESSOR'S nor the LANDLORD'S interest in the PREMISES shall be subject to any lien arising out of any work, labor, services or materials supplied or claimed to have been supplied to or for TENANT. TENANT shall never, under any circumstances, have the power to subject the interest of LANDLORD or the PRIME LESSOR in the PREMISES to any mechanics', construction or materialmen's liens or liens of any kind, nor shall any provision contained in this Lease ever be construed as empowering the TENANT to encumber or cause the LANDLORD to encumber the title or interest of LANDLORD in the PREMISES. Any lien filed against the PREMISES in violation of this paragraph shall be null and void and of no force or effect.

- 15. MAINTENANCE. LANDLORD will maintain the structural components of the Hangar, including doors and door mechanisms. No hazardous or flammable materials will be stored within or about the PREMISES. No boxes, crates, rubbish, paper or other litter that could cause or support combustion shall be permitted to accumulate within or about the Hangar. This Lease, at LANDLORD's option, shall be terminated if TENANT willfully or negligently causes damage to LANDLORD'S property, including specifically, but not limited to, any of the following:
- 15.01 Dumps oil, gas or any harmful liquids or solids anywhere on LANDLORD's property other than in appropriate disposal containers. In connection therewith, in the event any asphalt is damaged due to the dumping or leaking of any gasoline or oil, then TENANT shall immediately repair same at TENANT's expense within five (5) days after written notice from LANDLORD, or, at LANDLORD's option, LANDLORD shall repair same, in which event TENANT shall reimburse LANDLORD for all of LANDLORD's costs and expenses relating to such repair within five (5) days written demand by LANDLORD.
- 15.02 Parks cars, trucks, campers, trailers or airplanes on any of the grass areas of LANDLORD'S property or anywhere except designated parking areas for such vehicles.
- 15.03 It is further expressly understood that no tie-down or parking, or storage of any aircraft is permitted outside of the Hangar overnight unless authorized by LANDLORD. At no time shall TENANT representative leave an aircraft outside of the Hangar or leased PREMISES unattended unless authorized by LANDLORD. Further, no storage of boats, trucks, trailers or mobile homes is permitted in the PREMISES or outside of the Hangar or anywhere on LANDLORD's property. No pets or other animals are allowed on the PREMISES, except for handicap assistance animals and except for the transportation of pets or other animals.
- 16. <u>TENANT'S LOSSES</u>. All personal property of TENANT shall be kept in the PREMISES at TENANT'S sole risk. LANDLORD shall not be liable to TENANT for any damage or injury to TENANT, its employees, agents, guests or invitees, or to any property of TENANT, for any reason whatsoever, including but not limited to the acts, omissions or negligence of LANDLORD or any other TENANT or their employees, agents, guests or invitees, or due to theft, vandalism, or water damage, and TENANT shall hold LANDLORD harmless from any such damage or injury.
- 17. **OPERATING EXPENSES**. LANDLORD shall pay all operating expenses, including without limitation charges for electricity, water and sewer, and common area maintenance, excluding real estate taxes, consumed on the PREMISES. TENANT shall not install or use any special equipment, which uses extraordinary amounts of electricity without the prior written consent of LANDLORD, which may be withheld in LANDLORD's sole discretion, and the only electricity consumed on the PREMISES shall be for purposes compatible with the existing electrical services and wiring. LANDLORD shall not be liable for any disruption of any of the above-referenced utility or other services, nor shall TENANT be entitled to any reduction or abatement of any RENT or other TENANT payments as a result of any such disruption.
- 18. <u>NOTICES</u>. All notices to be given hereunder shall be in writing and shall be sent by mail to the addresses shown on the front page of this Lease, or to such other address as either party may have furnished by prior written notice sent pursuant hereto. Any notices permitted or required to be given by the terms of this Lease shall be effective upon mailing and

shall be deemed sufficient if mailed by United States mail, with proper postage and address affixed thereto.

- 19. **DEFAULT**. Failure to pay the rent by the fifth (5th) of the month or to cure any other default as soon as reasonably practical and in any event within ten (10) days after written notice by LANDLORD, or commencement of bankruptcy or insolvency proceedings against the TENANT, or if TENANT makes an assignment for the benefit of creditors, or suffers this Lease to be taken under any writ of execution or attachment, or if TENANT vacates or abandons the PREMISES, then any of such events shall constitute a default hereunder and the LANDLORD shall have the right at its option to terminate TENANT'S possession and to enter the PREMISES and remove all persons and property therefrom forcibly or otherwise, and the TENANT hereby waives any and all notices required by law to terminate TENANT'S tenancy, and waives all legal proceedings to recover possession of the PREMISES and specifically agrees that LANDLORD may dispossess TENANT without institution of any legal proceedings whatsoever. LANDLORD shall in that event post a notice to TENANT at the PREMISES with a three (3) day warning that if the default is not cured the TENANT shall be dispossessed without any further notice or legal action by LANDLORD. In the event of default hereunder, the LANDLORD may, at its option, enter the PREMISES as the agent of the TENANT and relet the PREMISES as the agent of the TENANT at such price and upon such terms, and for such duration of time, as LANDLORD may determine, and receive the rent and apply the same to the payment of the rent due from TENANT, and the TENANT shall pay any deficiency, but any excess monies shall be the sole property of LANDLORD. TENANT agrees to pay all costs of eviction, collection, and reasonable attorneys' fees, in the event LANDLORD engages the services of an attorney or commences proceedings, in pre-trial, trial, appeal and/or bankruptcy against TENANT. LANDLORD'S remedies hereunder are cumulative and shall be in addition to all legal remedies. Failure to promptly exercise any right in this Lease shall not be deemed a waiver of said right. All personal property of the TENANT on the PREMISES is hereby pledged and assigned to the LANDLORD as security for the payment of the rent, and the LANDLORD'S lien may be enforced by distress foreclosure or otherwise at LANDLORD'S election. TENANT agrees that LANDLORD may enforce this lien when default has occurred by denying TENANT access to the leased PREMISES and/or by seizure of the TENANT'S personal property, and TENANT hereby waives any claims of trespass, damage or loss occasioned by LANDLORD exercising any of the rights set forth herein.
- 20. HABITUAL DEFAULT. Notwithstanding the foregoing, in the event that the TENANT has frequently, regularly or repetitively defaulted in the performance of or breached any of the terms, covenants and conditions required herein to be kept and performed by the TENANT of the same type and kind, in the sole opinion of the LANDLORD and regardless of whether the TENANT has cured each such individual condition of breach or default as provided in this lease hereinabove, the TENANT shall be determined by the LANDLORD to be an "habitual violator." At the time that such determination is made, LANDLORD shall issue to TENANT a written notice advising of such determination and citing the circumstances therefor. Three (3) such notices to TENANT by LANDLORD shall automatically negate any renewal options offered to TENANT pursuant to paragraph 1.07 at the sole discretion of LANDLORD.
- 21. <u>USE</u>. The PREMISES shall be used and occupied by TENANT solely for the purposes set forth in Paragraph 1.09 above and for no other purposes whatsoever without limiting the foregoing. TENANT agrees that LANDLORD may establish and amend from time to time reasonable Rules and Regulations regarding the use, operation and maintenance of the

PREMISES and the complex housing same, and TENANT covenants to abide by all such Rules and Regulations that shall be now or hereafter in effect from time to time.

- 21.01 <u>Substitution of Hangar Space</u>: TENANT acknowledges that LANDLORD cannot guarantee that TENANT will have the same Hangar Space as its PREMISES every day. LANDLORD agrees that although it cannot guarantee the same Hangar Space, it shall make reasonable efforts to ensure that the Aircraft(s) are stored in a hangar. LANDLORD, however, shall retain the right to move, park and/or relocate the Aircraft to a new space within a hangar in the event that LANDLORD, in its sole discretion, determines that such a move is necessary or appropriate.
- 21.02 <u>Services Provided</u>: LANDLORD will provide the service of moving the Aircraft from the PREMISES onto the ramp area, and from the ramp area into the PREMISES. It is expressly agreed that TENANT shall have no right to perform the above services unless TENANT receives written permission from LANDLORD.
- 22. COMPLIANCE WITH GOVERNMENTAL AND AIRPORT REGULATIONS. TENANT shall comply with all statutes, ordinances, rules, regulations and requirements of the federal, state, county or city government departments or bureaus exercising jurisdiction over the leased PREMISES, including FAA regulations and rules and regulations of the applicable airport, and shall comply with all rules and regulations promulgated by LANDLORD of which TENANT is notified; including without limitation rules and procedures established for the safety and security of aircraft, crew and passengers in the event of an approaching storm, whether or not such storm is forecast to or actually reaches hurricane status. The TENANT acknowledges that pursuant to the terms of the PRIME LEASE, the PRIME LANDLORD reserves the right to itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the PREMISES, together with the right to cause in the airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for the navigation of or flight in the airspace, and for the use of the airspace for landing on, taking off from or operating within the AIRPORT.
- 23. <u>SAFE USE OF PREMISES</u>. TENANT agrees to make no unlawful, offensive or noxious use of the leased PREMISES. In addition, no explosives, firearms, volatile or flammable chemicals, or any other property which would materially increase the hazard of fire shall be stored on the leased PREMISES.
- 24. **EXCESS REFUSE**. TENANT shall reimburse LANDLORD for any charges incurred by LANDLORD in removing any excess refuse of TENANT or its guests or invitees, within ten (10) days after written notice by LANDLORD or, at LANDLORD'S option, to be exercised by written notice from LANDLORD to TENANT, TENANT shall procure at TENANT'S expense its own trash or refuse removal services.

25. SUBORDINATION/ATTORNMENT TO PRIME LEASE AND TO MORTGAGES.

25.01 PRIME LEASE. It is acknowledged that this is a sublease, and that LANDLORD has leased certain property ("PRIME LEASE"), which includes the PREMISES from the governmental authority ("PRIME LESSOR") which owns the Airport in which the PREMISES are located. This Lease shall be subordinate to LANDLORD'S PRIME LEASE and any amendments thereto. TENANT shall be bound by the terms and conditions of LANDLORD'S

PRIME LEASE, and shall not do anything which will result in a default by LANDLORD under LANDLORD'S PRIME LEASE, and shall comply with all applicable provisions of LANDLORD'S PRIME LEASE and this lease shall be subject to the approval of the PRIME LESSOR.

- 25.02 <u>Mortgages.</u> This Lease is subject and subordinate to any and all mortgages which may now or hereafter affect the real property of which the PREMISES are located and to all renewals, modifications and extensions thereof. TENANT shall, upon request of LANDLORD, execute within five (5) business days, any subordination documents which LANDLORD or any mortgagee of the PREMISES may reasonably request, but no such documents shall be required to effectuate said subordination.
- 25.03 **ATTORNMENT**. TENANT agrees that in the event of a sale, transfer or assignment of LANDLORD'S interest in the PREMISES, or in the event any proceedings are brought for the foreclosure of or for the exercise of any power of sale under any mortgage made by LANDLORD encumbering the PREMISES, to attorn to and to recognize such transferee, purchaser or mortgagee as the LANDLORD under this LEASE.
- 26. CONSTRUCTION OF LEASE. All the provisions contained herein shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns. In the event, at any future time, one or more of the provisions of this Lease shall be held to be void by any court of competent jurisdiction for any reason, such provision shall be deemed to be separable, and the remainder of this Lease shall be valid and in full force and effect.
 - 27. & 28. OMITTED.
- 29. **TIME OF THE ESSENCE**. Time shall be of the essence in connection with all terms and conditions set forth herein.
- 30. **FINAL AGREEMENT**. This Lease represents the entire agreement between the parties, and any other statements, conditions, representations or commitments are considered to be merged herein.
- 31. <u>SURVIVAL OF COVENANTS</u>. All portions of this Lease which may by necessity be required to be enforced by either party are enforceable beyond the date of the termination of this Lease.
- 32. <u>WAIVER</u>. The failure of either party to enforce any covenant or other provision of this Lease shall not constitute a waiver of the right to do so thereafter, nor shall the same give rise to any cause of action or defense on the part of the TENANT.
- 33. <u>MODIFICATION</u>. No modification of this Lease will be effective to vary any of the terms or provisions thereof unless the modification is in writing, referencing this Lease, and signed by both parties. A copy of any modification will be given to both parties.
- 34. <u>FAA REQUIREMENTS</u>. TENANT is aware that the Federal Aviation Administration regulates the use of airports. TENANT, in exercising any of the rights or privileges herein granted to it, shall not on the grounds of race, color or natural origin discriminate or permit discrimination against any person or group of persons in any manner

prohibited by Part 21 of the Regulations of the Secretary of Transportation. LANDLORD is hereby granted the right to take such action, anything to the contrary herein notwithstanding, as the United States may direct in enforcing this non-discrimination covenant. TENANT understands and agrees that the governmental authority owning the airport in which the PREMISES is located has reserved unto itself, its successors and assigns, for the use and benefit of the public, the right of flight for the passage of aircraft in the airspace above the surface of the PREMISES, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the airspace, and for the use of the airspace for landing on, taking off from, or operation of the airport. TENANT expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the PREMISES encompassed by this Lease to such a height so as to comply with Federal Aviation Regulations, Part 77. TENANT agrees for itself, its successors and assigns, to prevent

any use of the PREMISES which would interfere with or adversely affect the operation or maintenance of the airport or otherwise constitute an airport hazard.

35. **HAZARDOUS WASTE**.

35.01 TENANT agrees that it will comply with all environmental laws, whether local, state or federal, as same may be amended from time to time. Without limiting the foregoing, TENANT agrees that it will (i) give written notice to LANDLORD at least seven (7) days in advance of any production, generation, handling, storage, treatment, transportation, disposal, release or removal of "Hazardous Waste" (as defined below) from or on the PREMISES; (ii) not use or employ the PREMISES or any portion of the Land to handle, transport, store, treat or dispose of any Hazardous Waste, whether or not it was generated or produced on the PREMISES; (iii) defend, indemnify and hold LANDLORD harmless from and against any and all claim, damage, liability, expense or cost of any kind whatsoever, including, but not limited to, attorneys' fees and costs at all tribunal levels, which LANDLORD may suffer, incur or pay resulting from or arising out of any act or omission of TENANT, or TENANT'S Agents, or any other person on the PREMISES under color of authority of TENANT, effecting the handling, storage, treatment, transportation, disposal, release or threat of release, or removal of Hazardous Waste from or on the PREMISES or any portion of the Land. Prior to TENANT producing, storing, and/or generating any Hazardous Waste from or on the PREMISES, TENANT shall obtain (and provide LANDLORD with evidence that it has obtained) environmental liability insurance naming LANDLORD and any mortgagee as additional insured. Such insurance shall be issued by a company with minimum limits of coverage satisfactory to LANDLORD.

35.02 The term "Hazardous Waste" shall include, without limitation, any toxic waste, chemical pollutant, solid waste, combination of solid waste, or similar environmental hazard, which, because of its quantity, concentration, or physical, chemical or infectious characteristics may cause or significantly contribute to (i) an increase in mortality, (ii) an irreversible or incapacitating illness, or (iii) a substantial, present, or potential hazard to human health or the environment, when improperly treated, stored, transported or disposed, or otherwise managed, whether at such time of occurrence, it shall be deemed a violation of any Law.

35.03 It is expressly understood and agreed by TENANT that TENANT shall be fully responsible for the disposal of any and all waste oil consumed, produced and expended by TENANT. TENANT shall contract with an authorized oil disposal company and shall not utilize

LANDLORD'S property, tanks or equipment for disposing of any waste oil.

- 35.04 The obligations of TENANT, as well as the foregoing indemnity in connection with this Paragraph, shall survive the expiration or earlier termination of this Lease, anything herein to the contrary notwithstanding.
- 36. **EXCLUSIVE FUELING RIGHTS.** LANDLORD has the exclusive fueling rights for the PREMISES. TENANT agrees to purchase all of its aviation fuel for the aircraft listed in Paragraph 1.02 from LANDLORD, and from no other source, while operating at the Airport. Under no conditions can any fuel truck(s) other than LANDLORD's be invited or permitted on the PREMISES.

37. OMITTED.

- 38. RADON GAS. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of Radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding Radon and Radon testing may be obtained from the county public health unit.
- 39. <u>LITIGATION VENUE/APPLICABLE LAW</u>. This LEASE shall be governed and construed only in accordance with the laws of the State of Florida. The parties agree that sole and exclusive venue for purposes of any litigation arising out of or related to this LEASE shall be only in Palm Beach County, Florida. The prevailing party in any litigation arising out of or related to this Lease shall be entitled to its reasonably incurred attorneys' fees and costs. In the event of a counter-claim, the prevailing party shall be the party receiving the higher monetary award. TENANT HEREBY VOLUNTARILY WAIVES ITS RIGHT TO TRIAL BY JURY.

40. RIGHTS OF AND ON TERMINATION.

40.01 LANDLORD shall have the right to terminate this Lease as follows:

- (1) Upon ten (10) days' prior written notice to TENANT in the event of the breach by TENANT of any provision of this Lease, including non-payment of rent, when TENANT shall have failed to comply within twenty (20) days after the giving by LANDLORD to TENANT of a written demand for rent or correction of any other breach by TENANT of one or more provisions of this Lease.
- (2) Forthwith by written notice to TENANT in the event of termination for any cause of LANDLORD's PRIME LEASE of the tract upon which PREMISES are situated.
- (3) Forthwith by written notice in the event TENANT shall become insolvent, or if bankruptcy proceedings shall be commenced by or against the TENANT, or if a Receiver or Trustee shall be appointed for the TENANT.
- (4) Without cause at any time during the initial term or any Renewal Term by giving the TENANT sixty (60) days prior written notice.

40.02 TENANT shall have the right to terminate this Agreement as follows:

- (1) By giving thirty (30) days' prior written notice of termination to LANDLORD in the event that the use of the Airport for the operations of any aircraft owned by or leased to TENANT and based at the PREMISES or employed by TENANT, shall be prohibited by any competent governmental authority.
- (2) By giving ten (10) days' prior written notice of termination to LANDLORD in the event that the whole or any material part of the PREMISES shall be condemned, seized, or appropriated for any reason by any competent governmental authority.
- (3) By giving thirty (30) days' prior written notice of termination to LANDLORD in the event that TENANT shall effect a bona fide sale of all of its Aircraft based at the Airport and for the servicing or storage of which the PREMISES are employed by TENANT; without option to repurchase; shall lease all of its said aircraft to third parties other than subsidiaries and/or affiliates of TENANT and for a term or terms of one (1) year or more; or shall effect such other disposition as shall constitute a complete alienation of its title to such aircraft, or, in the event that all of TENANT'S aircraft shall be destroyed or damaged to an extent making the repair thereof economically impracticable.
- (4) By the giving of sixty (60) days' prior written notice to LANDLORD not later than thirty (30) days after the giving by LANDLORD to TENANT of any notice of an increase, decrease, or change of LANDLORD'S storage rates.
- (5) Without cause at the end of the Initial Term or any Renewal Term, if any, by giving LANDLORD written notice sixty (60) days prior to the end of such Term.
- 40.03 If the TENANT shall fail to remove all of its effects from said PREMISES upon the termination of this Agreement for any cause herein provided, LANDLORD may, at its option, remove the same in any reasonable manner that LANDLORD shall choose, and store said effects without liability to the TENANT for loss or damage thereof, and the TENANT agrees to pay LANDLORD on demand any and all expenses incurred in such removal, including court costs and attorney's fees, and storage charges on such effects for any length of time the same shall be in LANDLORD's possession as determined by a Court of competent jurisdiction, or LANDLORD may, at its option, without notice, sell said effects, or any of the same, at private sale and without legal process, for such price as LANDLORD may obtain and apply the proceeds of such sale to any amount due under this Agreement, from the TENANT to LANDLORD and to the expense incident to the removal and sale of said effects. Any excess proceeds from such sale shall be held by LANDLORD in trust for TENANT for a period of six months, after which, if unclaimed by TENANT any such excess funds, and any interest thereon, shall become the sole and exclusive property of LANDLORD.

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[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year above written.

WITNESSES:	LANDLORD:
m00	GALAXY AVIATION OF PALM BEACH, INC.
(Name) Tony Sharbert	M. Committee of the com
Atta	Ву:
(Name) Sparkle Allivar	
•	
	TENANT: MOUNTAIN EAGLE AVIATION, LLC
(Name)	1
	By: Un Africa
(Name)	

FOURTH AMENDMENT TO AIRLINE-AIRPORT USE AND LEASE AGREEMENT BETWEEN PALM BEACH COUNTY AND DELTA AIR LINES, INC.

THIS FOURTH AMENDMENT TO THE AIRLINE—AIRPORT USE AND LEASE AGREEMENT (this "Amendment") is made and entered into this ____ day of _AUG 0 2 2010, 2010, by and between Palm Beach County, a political subdivision of the State of Florida ("COUNTY"), and Delta Air Lines, Inc., a Delaware Corporation, having its offices and principal place of business at Hartsfield-Jackson International Airport, Atlanta, GA 30320 ("AIRLINE").

WITNESSETH:

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

WHEREAS, pursuant to the Airline-Airport Use and Lease Agreement between COUNTY and AIRLINE dated January 30, 2007 (R2007-0386), as amended (the "Agreement"), AIRLINE leases various Airport Terminal facilities and equipment in connection with its operations as a commercial air carrier; and

WHEREAS, the Department intends to relocate an existing Starbucks Coffee ("Starbucks") within the AIRLINE'S holdroom area as defined in Exhibit "B" of the Agreement; and

WHEREAS, the AIRLINE has installed a Service Recovery Center ("Service Center") in its designated holdroom area, consisting of approximately 600 square feet of Type 1 Space; and

WHEREAS, the Director of the Department has been delegated the authority to execute certain amendments to the Agreement pursuant to County Resolution No. 2006-1906; and

WHEREAS, the parties desire to amend the Agreement as provided for herein.

- NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:
- 1. The foregoing recitals are true and correct and are hereby incorporated herein by reference and made a part hereof. Terms not defined herein shall have the meaning ascribed to them in the Agreement.
- 2. The parties agree that effective June 1, 2010, Exhibit "B" to the Agreement shall be replaced with the Exhibit "B" to this Amendment, which provides for the removal of 1412.13 square feet of holdroom area to allow for the construction of the new Starbucks and the reclassification of 600 square feet of hold room to Type 1 Space to accommodate the Service Center.
- 3. Upon thirty (30) days prior written notification from COUNTY that the existing Starbucks has been restored to hold room area, AIRLINE's hold room shall be automatically increased by 742 square feet for a total of 8,654.60 square feet of holdroom, without further formal amendment to the Agreement.
- 4. AIRLINE acknowledges that COUNTY established an Office of the Inspector General in Ordinance 2009-049, as may be amended, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General has the power to subpoena witnesses, administer oaths and require the production of records, and audit, investigate, monitor, and inspect the activities of AIRLINE and its officers,

agents, employees and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with the Inspector General or interference or impeding any investigation shall be in violation of Ordinance 2009-049, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

- 5. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Amendment by such reference.
- 6. Except as specifically modified herein, all of the terms and conditions of the Agreement shall remain unmodified and in full force and effect and are hereby ratified and confirmed by the parties hereto.
- 7. This Amendment shall become effective when signed by both the parties hereto.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the day and year first above written

Signed, sealed and delivered in the presence of two (2) witnesses for COUNTY: Signature Signature Signature Jeffrey S. Bolton Print Name APPROVED AS TO FORM & LEGAL SUFFICIENCY:	PALM BEACH COUNTY, a political subdivision of the State of Florida BY: Director, Department of Airports
SUFFICIENCY:	
anne Idelyand	
County Attorney	
Signed, sealed and delivered in the presence of two (2) witnesses for AIRLINE: Signature Signature	By: David Hamm Director- Corporate Real Estate Typed or printed name of Corporate Officer
Print Name	Title:
	i iuo.
Sx Fel	(Seal)
SIMMA LAVIGNE	
Print	Name

EXHIBIT "B"

EXHIBIT "B" to Airline Operating and Lease Agreement **Delta Air Lines, Inc.**

EXCLUSIVE & PREFERENTIAL USE PREMISES (Terminal Areas) <u>First Level Plan – Palm Beach International Airport</u>

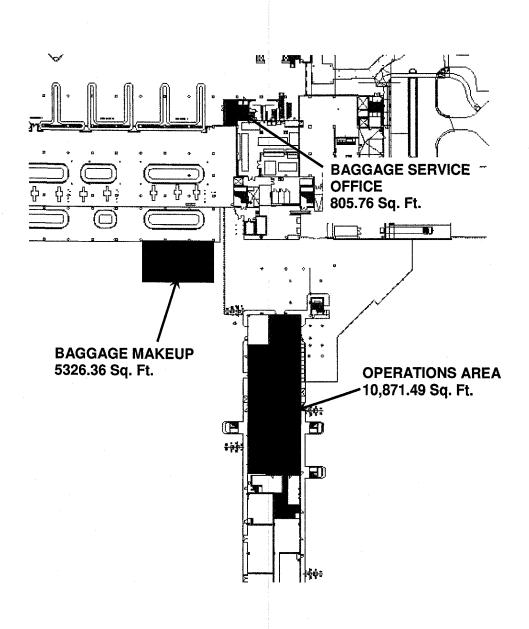


EXHIBIT "B" to Airline Operating and Lease Agreement **Delta Air Lines, Inc.**

EXCLUSIVE & PREFERENTIAL USE PREMISES (Terminal Areas)

<u>Second Level Plan - Palm Beach International Airport</u>

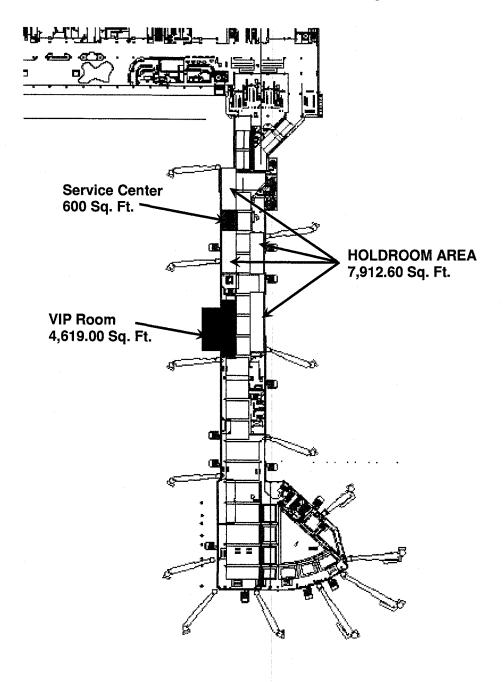
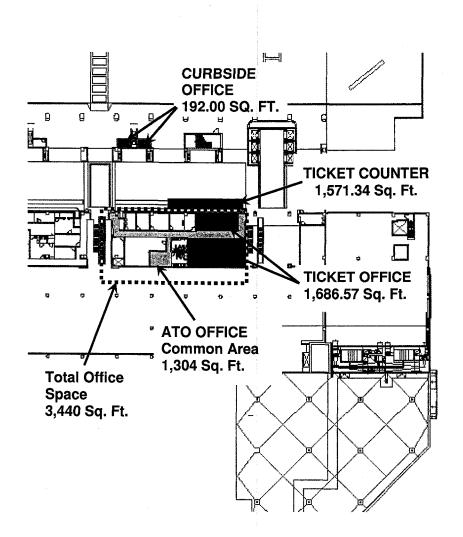


EXHIBIT "B" to Airline Operating and Lease Agreement **Delta Airways**

EXCLUSIVE & PREFERENTIAL USE PREMISES (Terminal Areas)

Third Level Plan - Palm Beach International Airport



PALM BEACH INTERNATIONAL AIRPORT NONCONCESSIONAIRE RENTAL CAR AND PARKING LOT OPERATOR GROUND TRANSPORTATION PERMIT

THIS NONCONCESSIONAIRE RENTAL CAR AND PARKING LOT OPERATOR GROUND TRANSPORTATION PERMIT (this "Permit") is made and entered into this /2 day of _AUGUST _, 2010, by and between Palm Beach County ("County"), a political subdivision of the State of Florida, and Rent Max Miami, Inc. ("Permittee"), having its office and principal place of business at 4120 NW 28th Street, Miami, FL 33142.

WITNESSETH:

WHEREAS, County, by and through its Department of Airports ("Department"), owns and operates Palm Beach International Airport ("Airport"), located in Palm Beach County, Florida; and

WHEREAS, Resolution No. 2009-1267, adopted by the Palm Beach County Board of County Commissioners on August 18, 2009, authorizes Department to issue this Permit; and

WHEREAS, County, as the owner and operator of the Airport, has the power and authority to regulate the use of the Airport roadways to ensure the traveling public has access to an orderly ground transportation system and to ensure efficient use of the limited capacity of the Airport roadways; and

WHEREAS, Permittee has applied for a permit to engage in ground transportation on the Airport; and

WHEREAS, Permittee provides vehicle rental and/or parking services to Airport customers and derives substantial commercial benefit from the Airport's operations.

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

ARTICLE 1 RECITALS

The foregoing recitals are true and correct and are hereby incorporated herein by reference.

ARTICLE 2 DEFINITIONS

- 2.01 "Airport" means the Palm Beach International Airport.
- 2.02 "Annual Report" has the meaning ascribed to it in Section 5.08.
- 2.03 "Bond Resolution" means the Palm Beach County Airport System Revenue Bond Resolution (dated April 3, 1984 R-84-427), as amended and supplemented, which is hereby incorporated herein by reference and made a part hereof.
- 2.04 "Department" means the Palm Beach County Department of Airports.
- 2.05 "FAA" means the Federal Aviation Administration or any successor agency.
- 2.06 "Gross Revenues" means all amounts paid or payable (whether received or receivable, whether cash or credit and regardless of where or by whom the payment is made) to Permittee arising out of its operations conducted at, to or from the Airport. Unless revenues are expressly and specifically excluded from Gross Revenues, all revenues that derive from, arise out of or become payable on account of this Permit, whether directly or indirectly, shall be included in Gross Revenues, including, but not limited to, amounts paid or payable for:
 - A. The use, rental or lease of vehicles. Gross Revenues for vehicle rental operations shall include, but shall not be limited to:
 - 1. Fees or charges for any additional services or accessories;
 - 2. The time and/or mileage charges, after discounts, assessed by Permittee on its customers;
 - 3. The premiums on any and all insurance sold, including personal accident insurance, personal effects and cargo insurance, life insurance and any other insurance sold in connection with a vehicle rental;
 - 4. Any and all add-on fees and charges including extra driver coverage, underage driver coverage and vehicle upgrade charges;
 - 5. Any and all fees and charges for equipment, supplies and incidental items that are made available and charged for separate from the vehicle including, but not limited to, sporting equipment, cellular telephones, pagers, child restraint seats, video equipment, and any other incidental items and services; and
 - 6. Charges commonly referred to as "drop charges" or "intercity fees".

Gross Revenues for vehicle rental operations shall not include:

- 1. The amount of any sales taxes or other similar excise taxes, now or hereafter levied or imposed, which are separately stated and collected from customers;
- 2. Sums received from customers for Collision Damage Wavier (CDW) protection and Loss Damage Waiver (LDW) protection;
- 3. Any sums received as insurance proceeds, or payments from Permittee's customers or insurers for damage to vehicles or other property of Permittee;
- 4. Sums received as the result of the loss, conversion or abandonment of Permittee's vehicles;
- 5. Sums received from the sale of vehicles or other equipment the use of which Permittee wishes to discontinue; or
- 6. Amounts charged to customers for fueling rental vehicles.
- B. Parking or storage of vehicles.
- C. Use of a Shuttle Vehicle transporting customers to or from the Airport.
- D. Recovery of the Permit Fees payable hereunder, including, but not limited to, the fees referred to in Section 5.11.
- 2.07 "Payment Security" has the meaning ascribed to it in Section 5.12.
- 2.08 "Permit" means this Permit and all exhibits attached hereto, which are incorporated herein by this reference. Words such as "herein," "hereafter," "hereof," "hereby" and "hereunder" when used with reference to this Permit, refer to this Permit as a whole, unless context otherwise requires.
- 2.09 "Permit Fees" has the meaning ascribed to it in Section 5.02.
- 2.10 "Permit Year" means the twelve (12) month period, beginning on October 1 and ending on September 30 and each twelve (12) month period thereafter, until the termination of this Permit.
- 2.11 "Shuttle Vehicle" means any vehicle used to transport customers between the Airport and Permittee's off-airport business location(s), including, but not limited to, vans, shuttle buses, limousines, automobiles and rental vehicles.
- 2.12 "Statement of Gross Revenues" has the meaning ascribed to it in Section 5.03.
- 2.13 "Terminal" means the passenger terminal building located at the Airport.
- 2.14 "TSA" means the Transportation Security Administration or any successor agency.

2.15 "Vehicle Rental Agreement" means the sequentially numbered document opened at the start of a vehicle rental transaction between Permittee and its customer.

ARTICLE 3 TERM

This Permit shall be effective on the 7th day of June, 2010, and shall terminate on September 30th, 2010, except as otherwise provided for herein. Provided that Permittee is not in violation of the terms and conditions of this Permit and has paid all applicable fees, this Permit shall automatically renew on a yearly basis (October 1st through September 30th), unless either party hereto, with Department acting on behalf of County, shall advise the other party at any time by at least thirty (30) days' advance written notice of its intent to terminate this Permit.

ARTICLE 4 PRIVILEGES AND OBLIGATIONS

4.01 <u>Privileges.</u> Subject to the terms and conditions of this Permit, Permittee is authorized by this non-exclusive Permit to operate its Shuttle Vehicles on the Airport's Terminal access roadways by the most direct authorized route in the transportation of only those customers with bona fide reservations, between the Airport and Permittee's off-airport business location(s). This shall include customers who made reservations prior to enplaning and customers who made reservations by telephoning Permittee from the Airport after deplaning.

4.02 Operational Standards.

- A. Permittee shall operate on the Airport in a clean, orderly and safe fashion. Permittee shall keep its Shuttle Vehicles clean and well maintained.
- B. Permittee shall load and unload its passengers on its Shuttle Vehicles only in those areas designated by Department. Permittee shall load and unload its passengers on its Shuttle Vehicles as quickly and efficiently as possible under the circumstances to ensure the availability of the designated areas for use by other Airport users. Shuttle Vehicles shall not be permitted to park or loiter on the Airport. Drivers shall remain in the Shuttle Vehicle except to assist Permittee's customers in the loading or unloading of their baggage.
- C. Permittee shall cause its drivers, agents, and other employees to conduct themselves at all times in a courteous manner towards the public and to provide prompt, efficient, and safe service. Permittee shall not allow its drivers, agents, or other employees to engage in open or pubic disputes or conflicts tending to be incompatible with the best interests of the public at the Airport. Department shall have the right to resolve all such disputes or conflicts, and its determinations shall be binding upon Permittee.
- 4.03 <u>Solicitation.</u> Permittee shall not allow its drivers, agents, or other employees to solicit business in any manner whatsoever on the Airport, including, but not limited to, solicitation of passengers or customers and solicitation of employees on the Airport for vehicle rental, parking or shuttle transportation services. All services shall be provided on a pre-arranged basis only.

- 4.04 <u>Business Operations</u>. Permittee shall not conduct any vehicle rental, vehicle parking or Shuttle Vehicle operations, or any other business on the Airport, except as expressly authorized by this Permit, without first entering into an agreement with County. Permittee shall not maintain an office on the Airport as a subtenant or subcontractor of any Airport tenant, unless otherwise approved by Department.
- 4.05 <u>Advertising.</u> Permittee shall not solicit business on the Airport other than indirectly by advertising through the Airport's Advertising Concessionaire. Permittee may lease, at its sole cost and expense, advertising space from the Airport's Advertising Concessionaire. Advertising fees and charges remitted to the Airport's Advertising Concessionaire shall be in addition to the Permit Fees payable hereunder.
- 4.06 <u>Customer Identification</u>. Upon request by an authorized representative of Department, Permittee's drivers, agents or other employees shall provide said representative with the names of its pre-reserved customers and other information applicable to the reservation(s).
- 4.07 <u>Airport Decal.</u> Upon issuance of this Permit, and upon annual renewal of this Permit as provided in Article 3 above, Department may issue to Permittee one (1) windshield decal per Shuttle Vehicle intended to be used by Permittee on the Airport. Permittee shall affix one (1) decal to the windshield of each of its Shuttle Vehicles as demonstrable proof that Permittee is afforded the privileges of this Permit. Permittee shall pay a non-refundable decal issuance fee of Ten Dollars (\$10.00) to Department for each decal issued. Permittee shall not operate any Shuttle Vehicle on the Airport without properly displaying the required decal and may be required to remove any Shuttle Vehicle that is not in compliance with the requirements of this Permit. Department may limit the number of Shuttle Vehicles operating on the Airport.
- 4.08 <u>Vehicle Identification</u>. Permittee shall not use marks, logos or symbols similar to those used to identify the Airport on any Shuttle Vehicles. Permittee shall not use the name "Palm Beach International Airport" or "Palm Beach Airport" or any variation thereof that will likely cause confusion with the name of the Airport on any Shuttle Vehicles. Permittee must include the following statement on all Shuttle Vehicles: "Privately Owned and Operated by [Insert name of Permittee]" with lettering that is two inches (2") or higher. All Shuttle Vehicle markings shall be professionally painted or affixed as a decal.
- 4.09 <u>Vehicle Inspection.</u> By accepting this Permit, Permittee hereby consents to the inspection of its Shuttle Vehicles operating under this Permit by County and its authorized representatives as to size, engine exhaust, radio communication, passenger access, registration, driver's license, license tag and Permit, and other matters pertaining to the efficient and safe operation of the vehicles at the Airport.
- 4.10 <u>Non-Exclusive Rights.</u> The privileges granted under this Permit are non-exclusive, and the County reserves the right to grant similar privileges to other Permittees or users of Airport facilities. No greater privileges with respect to the use of the Airport or any part thereon are granted or intended to be granted to the Permittee by this Permit, other than the privileges expressly and specifically granted herein.
- 4.11 <u>Access.</u> For security reasons or as required by the TSA or the Palm Beach County Sheriff's Department, Department may at any time deny Permittee access on the Airport, or direct Permittee's Shuttle Vehicles to take alternate routes on the Airport.

ARTICLE 5 PERMIT FEES AND AUDITS

- 5.01 Application Fee. Permittee shall pay a non-refundable application fee of Two Hundred Fifty Dollars (\$250.00) 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.
- 5.02 <u>Permit Fees.</u> For the privileges granted herein, Permittee shall pay to Department monthly permit fees equal to eight percent (8%) of monthly Gross Revenues ("Permit Fees"). Permit Fees shall be paid without demand, deduction, holdback or setoff.
- Monthly Statements. Permittee shall submit to Department by the fifteenth (15th) day of each month throughout the term of this Permit, and for that month immediately following the expiration or termination of this Permit, a statement certified by an authorized officer of Permittee, in a form and detail satisfactory to Department, detailing Permittee's Gross Revenues, and any exclusion(s) from Gross Revenues, for the preceding month ("Statement of Gross Revenues"). Permittee shall remit to Department the Permit Fees for the preceding month with the Statement of Gross Revenues. This Section 5.03 shall survive the termination of this Permit until all fees payable to County prior to the termination of this Permit have been paid. The Department may require the Statement of Gross Revenues to be submitted electronically.
- 5.04 <u>Interest.</u> If Permittee fails to pay any fees required herein when due and payable in accordance with the terms of this Permit, interest at the rate of one and one-half percent (1.5%) per month shall accrue against the delinquent payment(s) from the date due until the date payment is received by Department. Notwithstanding the foregoing, Department shall not be prevented from terminating this Permit for failure to make payment(s) when due to Department pursuant to this Permit, or from exercising any other remedies contained herein or implied by law.
- 5.05 <u>Place of Payment.</u> All payments due under this Permit shall be made payable to "Palm Beach County" and delivered to the Finance Division, Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406-1470, or to such other office or address as may be designated by the Department.
- 5.06 Company Records. Permittee shall keep all books of accounts and records customarily used in this type of operation in accordance with Generally Accepted Accounting Principles prescribed by the American Institute of Certified Public Accountants or any successor agency thereto. Said books of accounts and records shall be retained and be available to Department for three (3) years from the end of each Permit Year, including three (3) years following the expiration or termination of this Permit. Department shall have the right to audit and examine during normal business hours all such books of accounts and records relating to Permittee's operations herein. Permittee shall maintain a numerical sequence of contracts, both issued and non-issued. Permittee shall store its books of accounts and records sequentially, or in such other manner approved by the Department to provide reasonable and

expeditious access for audit purposes herein. If Permittee keeps its books of accounts and records at locations outside Palm Beach County, Permittee shall, at its sole cost and expense, arrange for them to be brought to a location convenient to Department's auditors for Department to conduct the audits and inspections as set forth in this Article 5. The obligations arising under this Section 5.06 shall survive the expiration or termination of this Permit.

- 5.07 <u>Vehicle Rental, Vehicle Parking and Customer Records.</u> For each vehicle rental, Permittee shall maintain a record of each Vehicle Rental Agreement, including a copy of each original agreement signed by Permittee's customer. Said records shall be retained and be available to Department for three (3) years from the end of each Permit Year, including three (3) years following the expiration or termination of this Permit. The Vehicle Rental Agreement shall indicate that the Airport is the point of origin. Permittee shall also keep a copy of the customer's driver's license. Permittee shall maintain a daily log of all customer vehicles parked at Permittee's facility. The obligations arising under this Section 5.07 shall survive the expiration or termination of this Permit.
- 5.08 Annual Report. On or before December 31st of each calendar year, Permittee shall provide to Department a report for the prior fiscal year (October 1st through September 30th) of its annual Gross Revenues ("Annual Report"). The Annual Report may be prepared by Permittee's chief financial officer when Permittee's annual Gross Revenues are less than Twenty-Five Thousand Dollars (\$25,000) during the preceding fiscal year. When Permittee's annual Gross Revenues during the preceding fiscal year are equal to or exceed Twenty-Five Thousand Dollars (\$25,000), Permittee shall hire at its own expense a Certified Public Accountant to prepare the Annual Report in accordance with the Generally Accepted Auditing Standards prescribed by the American Institute of Certified Public Accountants or any successor agency thereto. The Annual Report shall include the following items:
 - A. A schedule summarizing the total number of vehicle rental transactions by month;
 - B. A schedule summarizing the total number of vehicle parking transactions by month;
 - C. A schedule of Gross Revenues by category of service (including all vehicle rental, vehicle parking and Shuttle Vehicle transactions) and month;
 - D. A schedule of payments to County by month;
 - E. The Annual Report shall include an opinion on the schedules required by this Section 5.08.
- Adverse Report Opinion and Insufficient Payment. Permittee's submission of an Annual Report containing a qualified opinion, an adverse opinion, or a disclaimer of opinion, as defined by the American Institute of Certified Public Accountants or any successor agency thereto shall be a violation of this Permit. If the Annual Report indicates that the amount of Permit Fees (together with any sales taxes thereon) due and owing for any Permit Year is greater than the amount paid by Permittee to Department during said Permit Year, the Permittee shall pay the difference to Department concurrent with its submission of the Annual Report.

- Audit by County. Notwithstanding any provision in this Permit to the contrary, County or its representative(s) may at any time perform audits of all or selected operations performed by Permittee under the terms of this Permit. To facilitate the audit performed by County, Permittee shall arrange with the Certified Public Accountant, who is responsible for preparing the Annual Report on behalf of Permittee pursuant to Section 5.08 above, to make available to County or its representative(s) any and all working papers relevant to the audit performed by the Certified Public Accountant. County or its representative(s) shall provide Permittee a copy of the audit report prepared by or on behalf of County. Permittee shall have thirty (30) days from the date of receipt of the audit report to submit a written response to the conclusions of County's audit report. Permittee's failure to submit a written response to County within the thirty (30) day period shall constitute Permittee's acceptance of the audit report as issued.
- 5.11 Permit Recoupment Fee. The fees levied in this Permit are fees imposed on Permittee and not on Permittee's customers. Accordingly, Permittee may not separately charge or collect from its customers, or state or list on its rental contracts, any amount that purports to be a fee, surcharge, tax or any other charge imposed on the customer by County or Department. Permittee may elect to charge and collect separately a fee to recoup the amounts due County, so long as this fee is not labeled or referred to, nor held out as an "airport fee," "airport tax" or the like. Permittee shall be entitled to charge and collect a fee to recoup from its customers only in accordance with the requirements of this Section 5.11.
- 5.12 <u>Payment Security</u>. Permittee shall submit a security deposit to County simultaneous to the submission of its executed Permit ("Payment Security"). Notwithstanding anything to the contrary contained herein, the minimum amount of the Payment Security shall be Two Thousand Dollars (\$2,000). No interest shall be paid to Permittee on the Payment Security. Department may increase the amount of the Security Deposit upon thirty (30) days' prior written notice to the Permittee, based on actual monies paid to County under this Permit equal to three (3) months of reported Permit Fees that are at least twenty-five percent (25%) more than the actual posted Payment Security amount. The Payment Security shall be in the form of cash, a clean, Irrevocable Letter of Credit ("Letter of Credit"), or a Surety Bond ("Bond"). If Permittee fails to pay any sums to County when due or fails to perform any of its obligations under this Permit or is otherwise in violation of this Permit, then, in addition to any other rights and remedies available to County at law or in equity, County shall be entitled to draw on the Payment Security and apply same to all amounts owed. Department shall notify Permittee of any such draw, whereupon Permittee shall immediately replace the Payment Security with cash, a new Letter of Credit, or a Bond in the full amount of the Payment Security required herein. Not less than thirty (30) days prior to any expiration date of the Letter of Credit or Bond, Permittee shall submit evidence in form satisfactory to County that such security instrument has been renewed. Failure to renew a Letter of Credit or Bond as required by this Section 5.12 shall: (a) entitle County to draw down the full amount of the Payment Security, and (b) be a violation of this Permit entitling County to all available remedies. The Payment Security shall not be returned to Permittee until Permittee performs and satisfies all obligations under this Permit. The obligations arising under this Section 5.12 shall survive the expiration or termination of this Permit.

ARTICLE 6 INSURANCE

- 6.01 <u>General Insurance Requirements.</u> Permittee shall at its sole expense maintain in full force and effect at all times during the term of this Permit the insurance limits, coverages and endorsements required herein. The liabilities and obligations assumed by Permittee under this Permit shall not be in any manner limited or qualified by the requirements of this Article 6 or County's review and acceptance of any policies of insurance.
- Business Automobile Insurance. Permittee shall keep in full force and effect throughout the term of this Permit automobile liability insurance covering all owned, hired, and non-owned vehicles, with a combined single limit per occurrence for bodily injury (including death) and property damage liability of not less than One Million and 00/100 Dollars (\$1,000,000).
- 6.03 Worker's Compensation and Employer's Liability Insurance. Permittee shall maintain worker's compensation and employer's liability insurance in accordance with applicable law. This coverage shall be provided on a primary basis.
- 6.04 <u>Additional Insured Endorsement.</u> Permittee shall endorse County as an additional insured on the Permittee's automobile liability insurance policy. The additional insured endorsement shall provide coverage on a primary basis and shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406."
- 6.05 <u>Certificate of Insurance.</u> Permittee shall submit to County a certificate of insurance evidencing limits, coverages and endorsements required herein. The certificate of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. If Permittee's insurance coverage ceases during the term of this Permit, Permittee shall submit a new certificate of insurance evidencing replacement coverage thirty (30) days prior to the expiration of such insurance.
- Maiver of Subrogation. Permittee hereby waives its right of subrogation for each of the insurance policies required by this Article 6 during the term of this Permit. When mandated by the insurer or should an insurance policy condition not allow a pre-loss agreement to waive subrogation without an endorsement, Permittee shall notify its insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. Notwithstanding the foregoing, this waiver of subrogation requirement shall not apply to any policy that includes a condition prohibiting such an endorsement or that voids coverage should Permittee enter into such an agreement on a pre-loss basis.
- 6.07 <u>Deductibles, Coinsurance and Self-Insured Retention.</u> Permittee shall be fully and solely responsible for any deductible, coinsurance penalty or self-insured retention, including any losses, damages or expenses not covered due to an exhaustion of limits or failure to comply with an insurance policy.

- 6.08 Rights of Review and Rejection. Palm Beach County's Risk Management Department ("Risk Management") may review, modify, reject or accept any required insurance policies, including, but not limited to, limits, coverages and endorsements required by this Article 6. Risk Management may also reject any insurer or self-insurance plan providing coverage or intending to do so because of poor financial condition or failure to operate legally. In such event, County shall provide Permittee a written notice of rejection, and Permittee shall acknowledge said rejection within thirty (30) days of receipt of the notice.
- 6.09 No Representation of Coverage Adequacy. Permittee acknowledges that the limits, coverages and endorsements stated in and required by this Article 6 are intended to minimize liability for County. Permittee shall not rely upon the requirements of this Article 6 when determining the appropriate types, extent or limits of insurance coverage to protect Permittee against loss.

ARTICLE 7 RELATIONSHIP OF THE PARTIES

Permittee is and shall be deemed to be an independent contractor and operator and shall be solely responsible to all parties for its respective acts or omissions. County shall in no way be liable or responsible therefor.

ARTICLE 8 INDEMNIFICATION

Permittee shall protect, defend, reimburse, indemnify and hold County, its agents, employees and elected officers, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines or damages (including attorney fees at trial and appellate levels), and causes of action of every kind and character against, or in which County is named or joined, arising out of this Permit or Permittee's use of the Airport, including without limitation those arising because of any damage to property or the environment or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of, incident to or in connection with Permittee's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of Permittee or any breach of the terms of this Permit. Provided, however, Permittee shall not be responsible to County for damages resulting out of damages to property or bodily injury (including death) that are judicially determined to be solely attributable to the negligence of County, its respective employees or agents. Permittee shall also hold harmless and indemnify County for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or because of Permittee's activities or operations or use of the Airport whether or not Permittee was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving the activities. This indemnification shall include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of or at the request of Permittee. Permittee recognizes the broad nature of this indemnification and hold-harmless provision, acknowledges that County would not enter into this Permit without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by County in support of this indemnification in accordance with laws of the State of Florida. The obligations arising under this Article 8 shall survive the expiration or termination of this Permit.

ARTICLE 9 ASSIGNMENT

Permittee shall not in any manner assign, transfer or otherwise convey an interest in this Permit. Any such attempt shall be null and void.

ARTICLE 10 TERMINATION OF PERMIT, DEFAULT AND REMEDIES

- 10.01 <u>Termination</u>. This Permit shall terminate as provided for in Article 3.
- 10.02 <u>Default.</u> The occurrence of any one or more of the following events shall constitute a violation of this Permit by Permittee:
 - A. Permittee's failure to make payment of any fees or charges required to be made by Permittee under this Permit, as and when due.
 - B. The failure by Permittee to observe or perform any of the covenants, conditions or provisions of this Permit to be observed or performed by Permittee.
 - C. The discovery by Department that any information given by Permittee to County relating to this Permit was materially false.
- 10.03 <u>Remedies.</u> In the event Permittee is in violation of this Permit, County, with Department acting on behalf of County, may immediately terminate this Permit by giving Permittee written notice to this effect. Upon such termination, Permittee shall immediately cease its operations on the Airport. Such termination shall be without prejudice to any of County's remedies for arrearages, payments due herein, or any other damages or remedies whatsoever.
- 10.04 <u>County's Right to Terminate</u>. This Permit is issued upon the terms and conditions required by County for all Permittees on the Airport that engage in the activities permitted herein. Upon ten (10) days' prior written notice, County may, at any time, terminate this Permit and at County's option issue a new Permit to Permittee upon such modified terms and conditions as County shall uniformly apply to all other similarly situated Permittees.

ARTICLE 11 LAWS, PERMITS AND LICENSES, AND SAFETY REGULATIONS

11.01 <u>Compliance with Law.</u> 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, FAA Advisory Circulars and Airport Rules and Regulations (County Resolution No. R-98-220), as now or hereafter amended.

- 11.02 <u>Permits and Licenses.</u> 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, 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 written request by Department, Permittee shall provide to Department certified copies of any and all permits and licenses that Department may request.
- 11.03 <u>Safety Regulations.</u> Permittee shall conduct its activities and operations under this Permit in a safe manner and in compliance with all safety regulations of Department and with safety standards imposed by applicable Federal, State and local laws and regulations. Permittee shall also require the observance thereof by all employees, agents and invitees. Permittee shall procure and maintain such fire prevention and extinguishing devices as required by County and by law and shall at all times be familiar and comply with the fire regulations and orders of County and the fire control agency with jurisdiction over the Airport. Neither Permittee, nor employee, agent, or any person working for or on behalf of Permittee, shall require any personnel engaged in the performance of Permittee's operations to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to individual safety or health, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as same may be amended from time to time, as well as all State and local laws, regulations, and orders relative to occupational safety and health.
- 11.04 FAA and TSA Regulations. Permittee shall observe all security regulations and other requirements of any agency of the Federal government, including, but not limited to, the FAA and TSA, as such regulations or requirements have been or may be amended including, without limitation, Title 14, Part 139 and Title 49, Part 1500 of the Code of Federal Regulations. Permittee shall comply such rules and regulations as may be reasonably prescribed by County to take such steps as may be necessary or directed by County to ensure that its employees observe these requirements. Permittee shall conduct background checks of its employees to the extent required by any Federal, State or local law or if, to the extent permitted by law, required by County. County shall have the right to order the removal or replacement of any employee of Permittee on the Airport that County has reasonably determined may present a risk to public safety or to the security of the Airport. If as a result of the acts or omissions of Permittee, County incurs any fines and/or penalties imposed by the FAA or TSA; any expense in enforcing the regulations of the FAA or TSA or the rules or regulations of County; or any expense in enforcing the Airport Security Program, then Permittee agrees to pay to County all such costs and expenses, including all costs of administrative proceedings, court costs, and attorneys fees and all costs incurred by County in enforcing this provision. Permittee further shall rectify any security deficiency or other deficiency as may be determined by County, the FAA or TSA. If Permittee fails to remedy any such deficiency, County may do so at the cost and expense of Permittee. Permittee acknowledges and agrees that County may take whatever action is necessary to rectify any security deficiency or any other deficiency identified by County, the FAA or TSA.

ARTICLE 12 DISCLAIMER OF LIABILITY

COUNTY HEREBY DISCLAIMS, AND PERMITTEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE, OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY PERMITTEE, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS PERMIT INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE, OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF PERMITTEE OR PERMITTEE'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED ON THE AIRPORT, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS CAUSED SOLELY BY COUNTY'S SOLE NEGLIGENCE. THE PARTIES EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE ASSIGNMENT OF THE AIRPORT TO PERMITTEE PURSUANT TO THIS PERMIT. PERMITTEE ACKNOWLEDGES AND AGREES THAT COUNTY SHALL HAVE NO LIABILITY WHATSOEVER AND PERMITTEE COVENANTS AND AGREES TO HOLD HARMLESS COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS PERMIT. FURTHERMORE, PERMITTEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS PERMIT, WAS AT ITS SOLE RISK.

ARTICLE 13 **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 nondeliverable, 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 Permittee at:

Rent Max Miami, Inc. 4120 NW 28th Street Miami, FL 33142

Fax: 305-576-2130

Either party may change the address to which notices under this Permit shall be given, upon three (3) days' prior written notice to the other party. Permittee shall maintain a current address, telephone number, and name of a contact person with the Department.

ARTICLE 14 NON-DISCRIMINATION

Permittee hereby agrees and covenants: (a) that no person on the grounds of race, creed, color, national origin, sex, gender identity or expression, age, or handicap shall be excluded from participation in or denied the use of Permittee's services, (b) that in the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sex, gender identity or expression, age, or handicap 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 Regulation, Department of Transportation, Subtitle A, Office of 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 have been or may be amended. In the event of the breach of any of the foregoing non-discrimination covenants, County shall have the right to terminate this Permit. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulation, Part 21, are followed and completed including exercise or expiration of appeal rights.

ARTICLE 15 MISCELLANEOUS

- 15.01 County Not Liable. County shall not be responsible or liable to Permittee for any claims for compensation or any losses, damages or injury sustained by Permittee resulting from: (a) cessation for any reason of air carrier operations on the Airport, or (b) diversion of passenger traffic to any other facility. County shall not be responsible or liable to Permittee for any claims for compensation or any losses, damages or injury whatsoever sustained by Permittee including, but not limited to, those resulting from an act of God, state of war, terrorism, civilian commotion or riot or any cause beyond the control of County.
- Authorized Uses Only. Notwithstanding anything to the contrary herein, Permittee shall not use or permit the use of the Airport for any illegal or improper purpose or for any purpose that would invalidate any insurance policies mentioned herein, existing now or hereafter. Permittee shall not use or permit the use of the Airport in any manner that would interfere with or adversely affect the operation or maintenance of the Airport, or would otherwise constitute a hazard.

- 15.03 <u>Waivers.</u> County's failure to insist on a strict performance of any of the agreements, terms, covenants and conditions herein shall not be deemed a waiver of any rights or remedies that County may have for any subsequent breach, default, or non-performance. County's right to insist on strict performance of this Permit shall not be affected by any previous waiver or course of dealing.
- 15.04 <u>Subordination to Bond Resolution</u>. This Permit and all rights granted to Permittee herein are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by County in the Bond Resolution. 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 ensure compliance by County and Permittee with the terms and provisions of this Permit and Bond Resolution.
- 15.05 <u>Subordination to State/Federal Agreements.</u> This Permit shall be subject and subordinate to all the terms and conditions of any instrument and documents under which the County acquired the Airport or improvements thereon, 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 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.
- 15.06 County's Governmental Authority. Nothing in this Permit shall be construed to waive or limit County's governmental authority as a political subdivision of the State of Florida to regulate Permittee or its operations.
- 15.07 Consent or Action. In the event this Permit is silent as to the standard for any consent, approval, determination, or similar discretionary action, the standard shall be at the sole, absolute and unfettered discretion of the County or Department, rather than any implied standard of good faith, fairness or reasonableness. Wherever this Permit requires the County or Department's consent or approval or permits the County or Department to act, such consent, approval or action may be given or performed by the Airport Director. If Permittee requests the County or Department's consent or approval pursuant to any provision of this Permit and County or Department fails or refuses to give such consent, Permittee shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.
- 15.08 <u>County's Right to Develop.</u> County reserves the right to develop or improve the Airport and any and all part thereof as it sees fit, regardless of the desires or views of Permittee and without interference or hindrance.
- 15.09 <u>Rights Reserved to County.</u> All rights not specifically granted Permittee by this Permit are reserved to County.
- 15.10 <u>Invalidity of Clauses</u>. The invalidity of any portion, article, paragraph, provision, clause, or any portion thereof of this Permit shall have no affect upon the validity of any other part or portion hereof.

- 15.11 <u>Venue.</u> To the extent allowed by law, the venue for any action arising from this Permit shall be in Palm Beach County, Florida.
- 15.12 Governing Law. This Permit shall be governed by and in accordance with the laws of the State of Florida.
- 15.13 <u>Remedies Cumulative.</u> The rights and remedies of the parties with respect to any of the terms and conditions of this Permit shall be cumulative and not exclusive, and shall be in addition to all other rights and remedies of the parties.
- 15.14 <u>Paragraph Headings</u>. The headings of the various articles and sections of this Permit are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Permit or any part(s) of this Permit.
- 15.15 <u>Performance</u>. The parties expressly agree that time is of the essence in this Permit and the failure by Permittee to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of County without liability, in addition to any other rights or remedies, relieve County of any obligation to accept such performance.
- 15.16 <u>Public Entity Crimes.</u> As provided in Section 287.132-133, Florida Statutes, by entering into this Permit or performing any work in furtherance hereof, Permittee certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date. This notice is required by Section 287.133(3)(a), Florida Statutes.
- 15.17 Entirety of Permit. The parties agree that this Permit sets forth the entire understanding between the parties and that there are no other promises or understandings apart from those stated herein. None of the provisions, terms and conditions contained in this Permit may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.
- 15.18 Survival. Upon termination or expiration of this Permit, Permittee shall remain liable for all obligations and liabilities that have accrued prior to the date of termination or expiration. Notwithstanding any provision of this Permit to the contrary, no obligation that accrued but has not been satisfied under any prior agreement between the parties, shall terminate or be considered cancelled upon execution of this Permit. Rather, such obligation shall continue as if it had accrued under this Permit until the obligation is satisfied.
- Inspector General. County has established the Office of the Inspector General in Ordinance 2009-049, as may be amended, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General has the power to subpoena witnesses, administer oaths and require the production of records, and audit, investigate, monitor, and inspect the activities of Permittee and its officers, agents, employees and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with the Inspector General or interference or impeding any investigation shall be in violation of Ordinance 2009-049, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

IN WITNESS WHEREOF, the parties hereto have duly executed this Permit as of the day and year first above written.

(Seal)

Typed or printed name

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