



## HANGAR LEASE AGREEMENT

This Lease, is made and entered into this      day of AUG 17 2010, 20    , (the "Effective Date") by and between Palm Beach County, a political subdivision of the State of Florida ("COUNTY"), and Reed Aero, Inc., whose address is 400 Royal Palm Way, Suite 204, Palm Beach, Florida 33480 ("LESSEE") (COUNTY and LESSEE are sometimes referred to herein individually as a "Party" and collectively as the "Parties").

### 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 expressly acknowledge, the Parties covenant and agree to the following terms and conditions.

1. **Term.** The term of this Lease shall be for a period of one (1) year commencing on the 1<sup>st</sup> day of July, 2010, (the "Commencement Date") and terminating on the 30<sup>th</sup> day of June, 2011. This Lease shall be automatically renewed at one (1) year intervals thereafter; provided, however, either party may elect to not renew this Lease upon providing no less than thirty (30) days advance written notice to the other party prior to the expiration of the then current term.

2. **Premises.** COUNTY hereby leases to LESSEE and LESSEE hereby rents from COUNTY that certain hangar identified as unit number 7, Building 11730, containing a total of 1,400 square feet, located at the Airport, all as more particularly described on Exhibit "A", 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 Seven Thousand One Hundred Forty Dollars (\$7,140.00), payable in equal monthly installments of Five Hundred Ninety-Five Dollars (\$595.00), plus any applicable taxes as may be required by law. Payment of rental by LESSEE to County shall commence on the Commencement Date. Rental shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the term of this Lease, as adjusted in accordance with the provisions of Section 5 below. If the Commencement Date occurs on a day other than the first day of a month, LESSEE shall pay rent from the Commencement Date to the first day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Commencement Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. Rental payable for each month during any renewal term shall be the monthly rental in effect for the prior year, as adjusted in accordance with the provisions of Section 5 below. Rental shall be made payable to Palm Beach County Board of Commissioners and shall be mailed or hand delivered to the following address:

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

COUNTY may, at any time, elect to hire, utilize, or select an agent(s) to administer this Lease and to collect rent payments on behalf of COUNTY and the Department. COUNTY will provide thirty (30) days written notice to LESSEE prior to any change in payment procedure or the payment addresses. COUNTY may offer alternative methods of payment, including, but not limited to, payment by debit card, credit card, or similar method of payment. If LESSEE selects an alternative method of payment, LESSEE agrees to abide by any terms and conditions promulgated by COUNTY in connection with the abovementioned method of payment. LESSEE shall pay interest at the rate of one and one half percent (1.5%) per month on late payments, which shall accrue against the delinquent payment(s) from date due until the date payment is received by the Department. Notwithstanding the foregoing, COUNTY shall not be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.

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

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

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

6. Security Deposit. LESSEE shall pay to COUNTY, prior to the Effective Date of this Lease, and shall maintain at all times during the term 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 all Airport access cards and hangar keys 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, or if any Airport access cards or hangar key are not returned to Department, the Department may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by COUNTY, plus any applicable administrative overhead.

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

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

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

FAA Registration No.	<u>N5058</u>
Make:	<u>Cubcrafters</u>
Model:	<u>Sportcub cc-11-100</u>

LESSEE shall promptly register all aircraft being stored within the Premises with the Department, and shall promptly notify the County in writing of any changes in registration or aircraft. 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 only 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 place within the Premises one (1) hand-operated winch, and/or one (1) motorized towing vehicle to assist with maneuvering and hanging of aircraft.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11. Obligations of COUNTY.

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

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

12. Obligations of LESSEE.

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

B. Alterations, Changes or Additions to the Premises. LESSEE shall not make any improvements, alterations, additions or changes (hereinafter collectively referred to as "Alterations") to the Premises without the Department's prior written consent. Upon written notice by the Department, LESSEE shall remove any Alterations to the Premises, whether or not approved by the Department, and restore the Premises to the condition it was in as of the Commencement Date using materials of like kind and quality. LESSEE shall be responsible for all maintenance or repair to the Premises caused by or resulting from any Alterations made by LESSEE. LESSEE hereby agrees to abide by the decision of the Department with respect to any restoration, removal, maintenance or repair to the Premises caused by or resulting from any Alterations. If LESSEE has not made a good faith effort, as determined by the Department, to perform the required restoration, removal, maintenance or repair, COUNTY shall have the right to enter the Premises and perform the required restoration, removal, maintenance or repair. LESSEE shall pay all costs incurred by COUNTY for any restoration, removal, maintenance or repair, plus a twenty-five percent (25%) administrative overhead, within thirty (30) days of the Department's invoice.

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

D. Vehicle Operations. LESSEE shall provide proof of Automobile Liability Insurance coverage insuring each vehicle operating within the Airport's Air Operations Area ("AOA"), in accordance with Section 14(C) below. LESSEE acknowledges that vehicle access to certain areas of the AOA, including, but not limited to, those areas designated as runways, taxiways and other restricted or limited areas as designated by the Department, requires prior approval by the Department. Conditions of approval of vehicle access within such areas of the AOA may include, but shall not be limited to, lighting and radio requirements for each vehicle, as well as proof of Automobile Liability Insurance coverage for each vehicle, in such amounts and coverage determined by the Department.

13. Indemnification. LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE's use or occupancy of the Premises, including, without limitation, those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE's acts, omissions or operations hereunder, or the performance, non-performance or purported

performance of LESSEE or any breach of the terms of this Lease; provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE's activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. This indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that COUNTY would not have entered into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.

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

A. A policy of Aircraft Liability Insurance to protect against bodily injury liability and property damage liability in an amount of not less than Five Hundred Thousand Dollars (\$500,000) each occurrence.

B. A policy of General Liability Insurance to protect against bodily injury liability and property damage liability arising out of use of the leased Premises in an amount of not less than Five Hundred Thousand Dollars (\$500,000) each occurrence. Coverage must include not less than One Hundred Thousand Dollars (\$100,000) property damage liability for damage to the Premises. This requirement may be satisfied by endorsement to the Aircraft Liability Insurance.

C. LESSEE shall maintain a policy of Automobile Liability Insurance coverage insuring each vehicle operating within the AOA, other than those areas of the AOA designated as runways, taxiways and other restricted or limited areas as designated by the Department, 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. For vehicle operations within those areas of the AOA designated as runways, taxiways and other restricted or limited areas as designated by the Department, a policy of Automobile Liability Insurance coverage with higher minimum limits of coverage shall be provided in accordance with Section 12(D) above.

D. A certificate(s) or copy of pertinent pages from the policy(ies) evidencing all required insurance must be provided to COUNTY prior to the Effective Date of this Lease, and renewal certificate(s) or copies of pertinent pages from renewal policy(ies) must be provided throughout the term of this Lease. The certificate(s) or copy of pertinent policy(ies) must clearly indicate:

1. The coverages and limits provided include coverage for liability arising out of and damage to the Premises; and
2. Confirmation that the Aircraft Liability and General Liability includes "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, FL, 33406-1470" as an "additional insured" with respect to the Premises; and
3. Certificate(s) of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage; and
4. If the Named Insured on the Aircraft Liability Policy is other than LESSEE, and the Aircraft Liability Policy provides coverage for the Premises, that LESSEE is clearly identified as a Named Insured.

COUNTY shall have the right to review and modify insurance requirements of this Lease from time to time, provided that COUNTY gives LESSEE ninety (90) days prior written notice of any such change.

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

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

17. Signs and Improvements. No signs, emblems, or advertising shall be placed or erected on or in the Premises.

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

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

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

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

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

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

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

F. A default by LESSEE of any other agreement or lease between COUNTY and LESSEE, which default has not been cured within the applicable cure period provided in such agreement or lease.

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

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

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

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

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

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

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

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

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

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

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

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

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

23. Inspection. COUNTY, its agents and employees and any applicable Federal, State or local governmental entity having jurisdiction shall have the right to enter the Premises at any time for the purpose of inspecting the Premises for compliance with the provisions of this Lease and/or applicable laws. LESSEE agrees that COUNTY may take such action and to make such repairs or alterations as are, in the sole



opinion of the COUNTY, desirable or necessary, and to take such materials into or out of the Premises for the safe and economical accomplishment of said purposes without in any way being deemed guilty of an actual or constructive eviction of the LESSEE.

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

25. Remedies Cumulative. The rights and remedies of the Parties 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. 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 national overnight delivery service, telecopied or faxed, 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 national overnight delivery service, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The Parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such Party:

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:

G. Peter Reed  
400 Royal Palm Way, Suite 204  
Palm Beach, Florida 33480  
E-mail Address: [peter@gpreed.com](mailto:peter@gpreed.com)

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

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

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

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

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

31. Right of Flight. COUNTY reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises together with the right to cause in said airspace such noise as may be inherent in the operations

of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.

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

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

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

35. Damage or Destruction. LESSEE hereby assumes full responsibility for the condition of the Premises and character, acts and conduct of all persons admitted to the Premises by or with the actual or constructive consent of LESSEE or by or with the consent of any person acting for or on behalf of LESSEE. If the Premises, improvements, or any part thereof, are damaged in any way whatsoever by the act, default or negligence of LESSEE or its employees, officers, licensees, agents or invitees, LESSEE shall, at its sole cost and expense, restore the Premises to the condition existing prior to such damage. LESSEE shall commence such restoration within thirty (30) days and shall diligently pursue such restoration to completion. Such repairs, replacements or rebuilding shall be made by LESSEE in accordance with the construction requirements established by the Department. If LESSEE fails to restore the Premises as required above, COUNTY shall have the right to enter the Premises and perform the necessary restoration, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of the costs incurred by COUNTY, plus twenty-five percent (25%) administrative overhead. Such restoration cost, plus the administrative cost, shall be due and payable within thirty (30) days from date of COUNTY's written notice.

36. Partial Destruction. If any of the improvements on the Premises are damaged or destroyed in part by fire or other casualty, COUNTY may terminate this Lease upon written notice to LESSEE within ninety (90) days after the date of any such damage or destruction or commence restoration of the Premises within a commercially reasonable period of time subject to the limitations set forth herein. In the event of restoration of the Premises by COUNTY pursuant to this paragraph, LESSEE's obligation to pay rental shall be abated proportionately on a square footage basis as to that portion of the Premises rendered unusable by reason of casualty commencing on the date of the casualty. Such abatement shall continue until thirty (30) days after notice by COUNTY to LESSEE that the Premises have been substantially repaired or restored. Notwithstanding any provision of this Lease to the contrary, COUNTY shall have no obligation under this Lease to restore the Premises in the event the casualty was the result of the act, default or negligence of LESSEE or its employees, officers, licensees, agents or invitees. In such event, LESSEE shall be obligated to restore the Premises in accordance with Section 35 above with no abatement in rental.

37. Total Casualty. In the event of a total casualty to the Premises which renders the Premises unusable, as reasonably determined by the Department, either party shall have the right to terminate this Lease within ninety (90) days of the date of the casualty by delivering a written notice of termination to the other party in accordance with the notice provisions in this Lease; provided, however, LESSEE shall not have the right to terminate in the event the casualty was the result of the act, default or negligence of LESSEE or LESSEE's employees, officers, licensees, agents or invitees. In such event, LESSEE shall be obligated to restore the Premises in accordance with Section 35 above with no abatement in rental. In the event neither party terminates this Lease pursuant to this Section 37 and COUNTY elects to restore the Premises, LESSEE's obligation to pay rental shall be abated until thirty (30) days after notice by COUNTY to LESSEE that the Premises have been substantially repaired or restored.

38. Waiver. LESSEE hereby waives any claim against COUNTY for damages or compensation in the event this Lease is terminated pursuant to Sections 36 or 37 above.

39. Limitations. Notwithstanding any provision of this Lease to the contrary, COUNTY shall have no obligation to repair, rebuild or restore LESSEE's personal property or fixtures or any improvements made by LESSEE to the Premises. In the event COUNTY elects to restore or rebuild the Premises following a casualty, COUNTY'S obligation to restore, rebuild or restore the Premises pursuant to this Lease shall exist only to the extent of the insurance proceeds received by COUNTY as a result of such casualty. LESSEE shall not be entitled to and hereby waives any claims against COUNTY for any compensation or damage for any loss of use of the Premises, in whole or in part, or for any

inconvenience or annoyance occasioned by any such damage, destruction, repair or restoration. In addition, COUNTY shall not be liable for any damage or inconvenience or interruption of the business of LESSEE occasioned by fire or other casualty.

40. 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. COUNTY shall have the right to limit or restrict LESSEE's access to all or portions of the Airport, including the Premises, prior to, during and after certain emergencies, including, but not limited to, severe weather events such as hurricanes or tropical storms, acts of terrorism, aircraft incursions and other similar emergencies. COUNTY shall have no liability whatsoever for limiting access to the Airport or Premises prior to, during or after an emergency. LESSEE shall cooperate with the Department to ensure the safety and security of the Airport and the Premises prior to, during and after an emergency event. 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.

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

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

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

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

45. 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.

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

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

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

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

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

51. Consent and Approval. In the event this Lease is silent as to the standard for any consent, approval, determination, or similar discretionary action, the standard shall be at the sole, absolute and unfettered discretion of COUNTY or the Department, rather than any implied standard of good faith, fairness

or reasonableness. Wherever this Lease requires COUNTY's or the Department's consent or approval or permits COUNTY or the Department to act, such consent, approval or action may be given or performed by the Airport Director. If LESSEE requests the COUNTY or Department's consent or approval pursuant to any provision of this Lease and COUNTY or the Department fails or refuses to give such consent, LESSEE shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.

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

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

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

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

56. 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.

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

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

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

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

61. 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 the County's public health unit.

**Remainder of page left intentionally blank**

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

Witnesses:

Jeff Bolton  
Signature

JEFF BOLTON  
Print Name

Martha Salinger  
Signature

Martha Salinger  
Print Name

PALM BEACH COUNTY  
BY ITS DIRECTOR OF AIRPORTS

By: G. Peter Reed  
Director

Witnesses:

Jeff Bolton  
Signature

JEFFREY BOLTON  
Print Name

Debra Reese  
Signature

Debra Reese  
Print Name

LESSEE: Reed Aero Inc.

By: G. Peter Reed

G. Peter Reed  
Print Name

Title: President

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

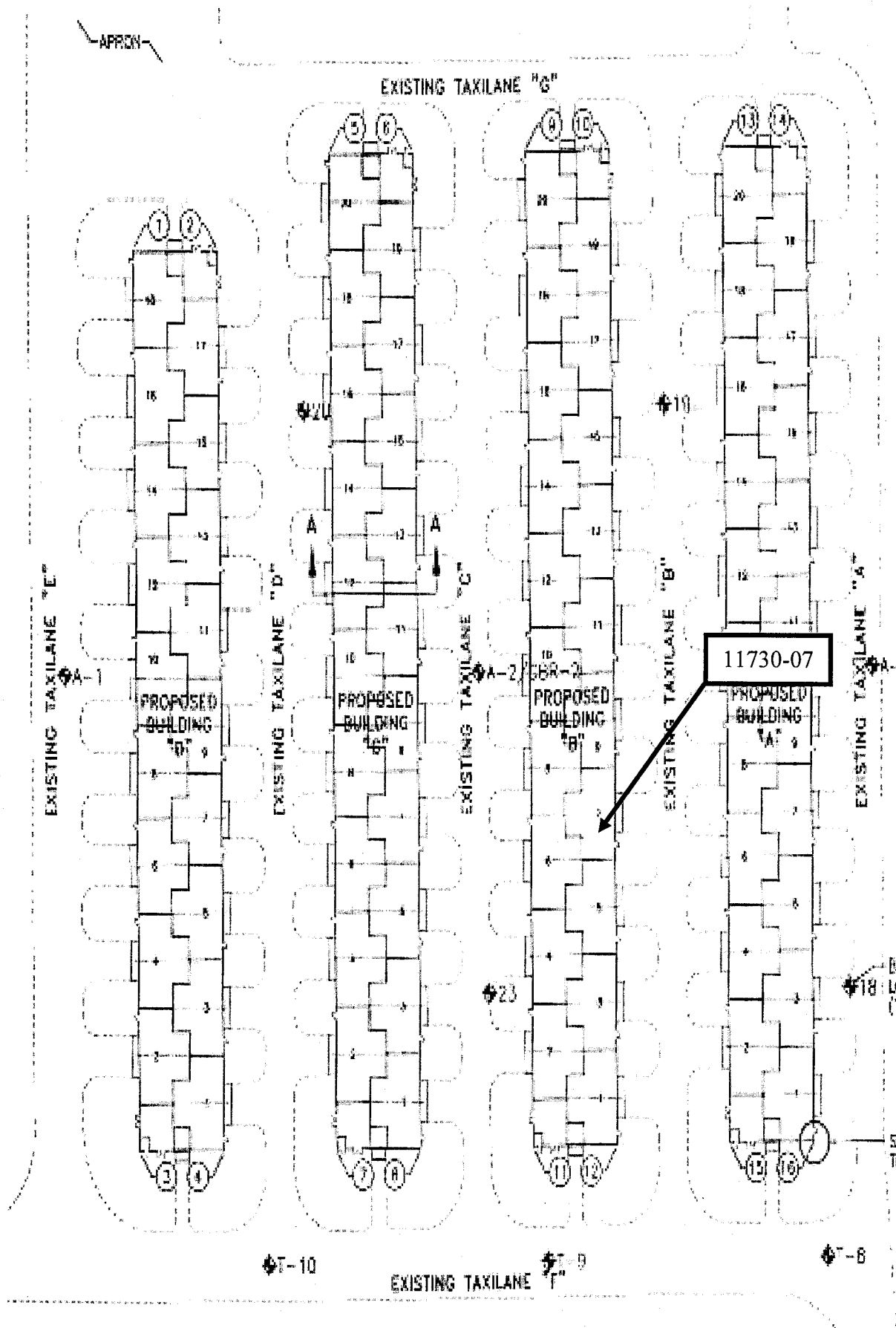
By: Anne Welford  
County Attorney

EXHIBIT "A"

Tenant: Peter Reed

Building Number: 11730

Unit Number: 07



## GENERAL AERONAUTICAL SERVICES PERMIT

THIS GENERAL AERONAUTICAL SERVICES PERMIT (this "Permit") is made and entered into AUG 26 2010 by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and Aircraft Service International, Inc., a Delaware corporation, having its office and principal place of business at 201 S. Orange Avenue, Suite 1100, Orlando, Florida 32801, ("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 "Aircraft and Equipment Maintenance Service" 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 "Aircraft Interior Cleaning and Waste Disposal Service" means providing personnel, equipment and material to clean the interior of Aircraft.

2.03 "Aircraft Ramp Service" 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 "Airline-Airport Use and Lease Agreement" 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 "Airline Ticketing and Boarding Service" means the processing of passengers, including ticketing, checking-in, boarding and unboarding of air passengers and their baggage.

2.06 "Airport" means the Palm Beach International Airport located in Palm Beach County, Florida.

2.07 "Airport Rules and Regulations" 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 "Authorized Aeronautical Services" means those aeronautical support services set forth in Section 4.01.

2.10 "Baggage Delivery Service" 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 "Board" means the Board of County Commissioners of Palm Beach County, Florida.

2.12 "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.

2.13 "Commencement Date" has the meaning set forth in Article 3.

2.14 "Contract Year" 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 "Director" means the Director or Acting Director of the Department of Airports.

2.18 "Effective Date" 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 "FAA" means the Federal Aviation Administration.

2.21 "Facility Usage Charges" has the meaning set forth in the Section 5.03.

2.22 "Federal Inspection Services (FIS) Facility" 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 "Insurance Requirements" has the meaning set forth in Article 7.

2.26 "Monthly Report" has the meaning set forth in Section 5.04.

2.27 "Non-Signatory Airline" 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 "Porter Assistance Service" 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 "Risk Management Department" means the Palm Beach County Risk Management Department.

2.32 "Service Fee" has the meaning set forth in Section 5.02.

2.33 "Signatory Airline" has the meaning set forth in the Airline-Airport Use and Lease Agreement.

2.34 "Term" has the meaning set forth in Article 3.

2.35 "Terminal" means the commercial passenger terminal located in Building 1000 at the Airport.

2.36 "TSA" 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".

**ARTICLE 4**  
**PRIVILEGES AND AUTHORIZED SERVICES**

4.01 Authorized Aeronautical Services. 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 Description of General Privileges, Uses and Rights. 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 Service Fee. 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 (15<sup>th</sup>) day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.

5.03 Facility Usage Charges. 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 (15<sup>th</sup>) day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.

5.04 Monthly Report. On or before the fifteenth (15<sup>th</sup>) 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 Unpaid Fees and Charges. 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.

5.09 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 Service Contracts. 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 Service Standards. 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. Removal of Employees. 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 Badges. 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 Termination. This Permit shall terminate as provided for in Article 3.

11.02 Permit Violations. 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 Remedies 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 County's Right to Terminate. 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 Compliance with Laws. 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 Permits and Licenses. 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 Safety Regulations. 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 Compliance with Environmental Laws. 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 Federal Right to Reclaim. 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 Federal Review. 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 County Tax Assessment Right. 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.

16.04 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 the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. In the event of 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.

17.02 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. These 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. Any 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 Non-Exclusive Agreement. 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.

18.02 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 (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 Authorized Uses Only. 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 Waivers. 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. Subordination to Bond Resolution. This Permit and all rights granted to Permittee hereunder are expressly subordinated and subject to the lien and provisions of the 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. Subordination to Federal/State Agreements. 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 Consent, Approval and 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.

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

18.08 Invalidity of Clauses. 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 Venue. To the extent allowed by law the venue for any action arising from this Permit shall be in Palm Beach County, Florida.

18.10 Governing Law. 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:

Aircraft Service International, Inc.  
Attn: Tom Hindman  
1334 N. Perimeter Road  
West Palm Beach, Florida 33406  
Fax: \_\_\_\_\_

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 Paragraph Headings. 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 Binding Effect. 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 Performance. 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 Public Entity Crimes. 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 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 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 Remedies Cumulative. 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 Survival. 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 Termination of Prior Agreement. Upon the Commencement Date of this Permit, that certain General Aeronautical Services Agreement between Permittee and County, dated June 15, 1993 (R-93-716D) ("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 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 Aircraft Service International, 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:**

Connie Shottner  
Witness Signature

Connie Shottner  
(typed or printed)

Jeffrey S. Bolton  
Witness Signature

Jeffrey S. Bolton  
(typed or printed)

**PALM BEACH COUNTY, a political subdivision of the State of Florida**

By: James Kelly  
Director, Department of Airports

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: Anne Delgado  
County Attorney

**ATTEST:**

By: Joseph I. Goldstein  
Secretary

(Corporate Seal)

Signed, sealed and delivered in the presence of two witnesses for Permittee:

Donna McGill  
Witness Signature

Donna McGill  
(typed or printed name)

Theresa E. Kassim  
Witness Signature

Theresa E. Kassim  
(typed or printed name)

**PERMITTEE:**

Aircraft Service International, Inc.

By: Keith P. Ryan  
Typed Name of Corporate Officer-

Title: President

APPROVED AS TO FORM:

SK 8/3/10  
LEGAL DEPT.

**EXHIBIT "A"**  
**INSURANCE REQUIREMENTS**

A. Commercial General Liability. 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. Business Automobile Liability. 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. Worker's Compensation Insurance & Employers Liability. 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. Deductibles, Coinsurance & Self-Insured Retention. 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. Waiver of Subrogation. 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. No Representation of Coverage Adequacy. 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.

## GENERAL AERONAUTICAL SERVICES PERMIT

THIS GENERAL AERONAUTICAL SERVICES PERMIT (this "Permit") is made and entered into AUG 20 2010 by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and G2 Secure Staff, LLC, a Texas Limited Liability Company, having its office and principal place of business at 5010 Riverside DR. Suite 300, Irving, Texas, 75039, ("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 "Aircraft and Equipment Maintenance Service" 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 "Aircraft Interior Cleaning and Waste Disposal Service" means providing personnel, equipment and material to clean the interior of Aircraft.

2.03 "Aircraft Ramp Service" 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 "Airline-Airport Use and Lease Agreement" 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 "Airline Ticketing and Boarding Service" means the processing of passengers, including ticketing, checking-in, boarding and unboarding of air passengers and their baggage.

2.06 "Airport" means the Palm Beach International Airport located in Palm Beach County, Florida.

2.07 "Airport Rules and Regulations" 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 "Authorized Aeronautical Services" means those aeronautical support services set forth in Section 4.01.

2.10 "Baggage Delivery Service" 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 "Board" means the Board of County Commissioners of Palm Beach County, Florida.

2.12 "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.

2.13 "Commencement Date" has the meaning set forth in Article 3.

2.14 "Contract Year" 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 "Director" means the Director or Acting Director of the Department of Airports.

2.18 "Effective Date" 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 "FAA" means the Federal Aviation Administration.

2.21 "Facility Usage Charges" has the meaning set forth in the Section 5.03.

2.22 "Federal Inspection Services (FIS) Facility" 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 “Insurance Requirements” has the meaning set forth in Article 7.

2.26 “Monthly Report” has the meaning set forth in Section 5.04.

2.27 “Non-Signatory Airline” 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 “Porter Assistance Service” 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 “Risk Management Department” means the Palm Beach County Risk Management Department.

2.32 “Service Fee” has the meaning set forth in Section 5.02.

2.33 “Signatory Airline” has the meaning set forth in the Airline-Airport Use and Lease Agreement.

2.34 “Term” has the meaning set forth in Article 3.

2.35 “Terminal” means the commercial passenger terminal located in Building 1000 at the Airport.

2.36 “TSA” 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”.

### **ARTICLE 4** **PRIVILEGES AND AUTHORIZED SERVICES**

4.01 Authorized Aeronautical Services. 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 Description of General Privileges, Uses and Rights. 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 Service Fee. 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 (15<sup>th</sup>) day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.

5.03 Facility Usage Charges. 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 (15<sup>th</sup>) day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.

5.04 Monthly Report. On or before the fifteenth (15<sup>th</sup>) 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 Unpaid Fees and Charges. 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.

5.09 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 Service Contracts. 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 Service Standards. 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. Removal of Employees. 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 Badges. 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 Termination. This Permit shall terminate as provided for in Article 3.

11.02 Permit Violations. 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 Remedies 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 County's Right to Terminate. 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 Compliance with Laws. 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 Permits and Licenses. 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 Safety Regulations. 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 Compliance with Environmental Laws. 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 Federal Right to Reclaim. 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 Federal Review. 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 County Tax Assessment Right. 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.

16.04 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 the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. In the event of 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.

17.02 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. These 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. Any 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 Non-Exclusive Agreement. 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.

18.02 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 (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 Authorized Uses Only. 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 Waivers. 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. Subordination to Bond Resolution. This Permit and all rights granted to Permittee hereunder are expressly subordinated and subject to the lien and provisions of the 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. Subordination to Federal/State Agreements. 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 Consent, Approval and 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.

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

18.08 Invalidity of Clauses. 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 Venue. To the extent allowed by law the venue for any action arising from this Permit shall be in Palm Beach County, Florida.

18.10 Governing Law. 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:

G2 Secure Staff, LLC  
Attn: Daniel A. Norman  
5010 Riverside Drive Suite 300  
Irving, TX 75039  
Fax: 972 915-1299

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 Paragraph Headings. 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 Binding Effect. 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 Performance. 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 Public Entity Crimes. 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 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 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 Remedies Cumulative. 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 Survival. 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 Termination of Prior Agreement. Upon the Commencement Date of this Permit, that certain General Aeronautical Services Agreement between Permittee and County, dated October 8, 2009 (R-2009-1967) ("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 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 G2 Secure Staff, LLC 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:**  
Connie Shoffner  
Witness Signature

Connie Shoffner  
(typed or printed)

Jeff S Bolton  
Witness Signature

Jeffrey S. Bolton  
(typed or printed)

**PALM BEACH COUNTY, a political subdivision of the State of Florida**

By: Dan Kelly  
Director, Department of Airports

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: Anne Delgado  
County Attorney

**ATTEST:**

By: \_\_\_\_\_  
Secretary

(Corporate Seal)

**PERMITTEE:**

G2 Secure Staff, LLC

By: [Signature]

Daniel A. Norman Jr.  
Typed Name of Corporate Officer

Title: Managing President

Signed, sealed and delivered in the presence of two witnesses for Permittee:

Sandra Parsley  
Witness Signature

Sandra Parsley  
(typed or printed name)

Christy A. Monroe  
Witness Signature

CHRISTY A. MONROE  
(typed or printed name)

**EXHIBIT "A"**  
**INSURANCE REQUIREMENTS**

A. Commercial General Liability. 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. Business Automobile Liability. 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. Worker's Compensation Insurance & Employers Liability. 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. Deductibles, Coinsurance & Self-Insured Retention. 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. Waiver of Subrogation. 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. No Representation of Coverage Adequacy. 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.



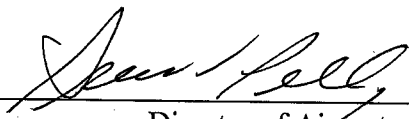
**CONSENT TO SUBLEASE**

**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 Jet Aviation Associates, Ltd. (the "LESSEE"), dated November 23, 1999 (R-99-2239), as amended (the "Lease Agreement"), hereby consents to LESSEE entering into a Sublease Agreement dated August 5, 2010, and commencing on August 5, 2010, (the "Sublease") with Cummings Air, LLC, (the "SUBLESSEE") for the sublease of certain premises contained within the leasehold of LESSEE under the Lease Agreement.

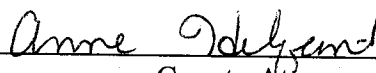
Notwithstanding any provision of the Sublease to the contrary, the COUNTY hereby rejects any such provision in the Sublease, if any, which gives a greater right to the SUBLESSEE than that which the LESSEE has and, further, the COUNTY rejects any provision of the Sublease which purports to give the SUBLESSEE 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.

APPROVED this SEP 03 2010 day of 20, by the County Administrator or the Director of the Department of Airports on behalf of and pursuant to the authority granted by the Board of County Commissioners.

By:   
Title: Director of Airports

Approved as to Form and Legal Sufficiency:

By:   
County Attorney

**LEASE**

**THIS LEASE** made and entered into as of the Fifth of August 2010 by and among Jet Aviation Associates, LTD. ("Lessor"), whose address is 1515 Perimeter Road, PBI West Palm Beach Florida 33406 and Cummings Air, LLC ("Lessee") 4801 PGA Boulevard, Palm Beach Gardens, Florida 33418

**WITNESSETH:**

In consideration of the mutual promises, covenants and conditions herein contained and the rent reserved by Lessor to be paid by Lessee to Lessor, Lessor hereby leases to Lessee and Lessee hereby rents from Lessor, that certain real property situated in Palm Beach County, Florida, hereinafter described, for the term and at the rentals and upon the terms and conditions hereinafter set forth. Lessee acknowledges that this Lease is subject to the Lease Agreement between Palm Beach County and Jet Aviation.

**1      PREMISES.**

1.1      Office Space. Reserved.

1.2      Hangar Space. Lessor shall lease and otherwise provide Lessee with sufficient hangar space (the "Hangar Space" unless otherwise denoted) to store Lessee's Citation III aircraft bearing the identification N123CJ, or any other temporary replacement aircraft, which Lessee may from time to time elect to substitute on a temporary basis, provided such temporary replacement aircraft is not larger in size or dimension than the so identified Citation III aircraft, the ("Aircraft"). The Hangar Space to be provided is that space in building 1516 which Lessor has designated as Hangar # 1. The parties agree that Lessor has the sole, exclusive and absolute right to use designated alternative space to store the aircraft in any of the five hangars.

1.3      Terminology. The Hangar Space may be referred collectively hereto as the "Premises" unless otherwise specifically denoted.

**2.      TERM.** The term of this Lease and the accrual of rents hereunder shall commence on August 5th 2010 (the "Commencement Date") and shall extend to midnight of August 4<sup>th</sup>, 2011 (the "Expiration Date") for a period of one (1) years. The Term shall automatically renew for successive one (1) year periods on the anniversary date of this Lease. This Lease may be terminated by either party on the anniversary date only, upon giving the other party (90) ninety days advance written notice

**3.      USE.** Lessee, its successors and assigns, shall use the Premises exclusively as space to provide services to the Aircraft and for no other purposes whatsoever. Lessee shall comply with all laws, ordinances, rules and regulations of applicable governmental authorities and Lessor of the Premises and Lessee shall not permit any unlawful, improper or offensive use of the Premises. Lessee shall not make use of the Premises or Building, which would make void or voidable any policy of fire or extended coverage insurance covering the Premises or Building. Lessee shall maintain all leased space in a neat and clean condition, and Lessee shall not permit rubbish or hazardous waste to accumulate or any fire or health hazard to exist. Lessee will not be allowed to use hangar space as storage. All of Lessee's or its agent's property must be stored in Lessee's office. Lessee is allowed one approved storage locker on rollers per a/c in the Hangar. Nothing may be stored on top against or under such locker. Furthermore, Lessee agrees to use assigned hangar space solely as storage for the Aircraft. Lessee will be permitted to perform only minor line maintenance on the Aircraft while it is stored in the hangar. The use of jacks in the hangar is not permitted. Any persons or entities performing services on behalf of Lessee at the Premises is expressly forbidden from soliciting business or work for any of

Leessor's tenants. Failure to comply with any or all of the above shall cause this Lease to be voidable at the Lessor's sole discretion. Lessee shall comply with all laws,

4. **RENT.**

4.1 *Base Rent:*

Monthly Base Rent for the Premises during the first One (1) years of the lease term shall be **Eight Hundred Dollars** (\$800) plus tax for the Hangar space. ("Base Rent") payable by Lessee to Lessor without demand, set-off or deduction whatsoever. If the term commences on a day other than the first day of a month, or expires or is terminated on a day other than the last day of the month, Base Rent shall be prorated accordingly. The Annual Base Rent for each subsequent year of the lease after the initial term shall equal the prior year's Annual Base Rent multiplied by 1.05. All Annual Base Rent shall be payable in equal monthly installments.

4.2 *Sales Tax and Late Payment fee*

In addition to the rents provided for herein, Lessee shall also pay the amount of any use or sales tax on said rent imposed by the State of Florida, which shall be paid at the same time and in the same manner as each payment of rent. There shall be due with any payment of rent received after the fifth (5<sup>th</sup>) day of the month a late payment charge equal to five percent (5%) of the payment due or Fifty Dollars (\$50.00), whichever is greater. There shall be a fee of Thirty Dollars (\$30.00) on any checks returned for non-sufficient funds or any other reason. Any late charges or charges for checks not honored shall be deemed as additional rent.

4.3 *Time and Place of Payment*

Each monthly installment of rent and other sums due hereunder shall be payable in advance on the first (1<sup>st</sup>) day of each calendar month of the term made payable to Jet Aviation Associates, Ltd. at Building 1515 Perimeter Road, Palm Beach International Airport, West Palm Beach, FL 33406; or at such other place Lessor may from time to time designate in writing.

5. **FUEL** See Exhibit, "A" which is hereby incorporated by reference in this Lease.

6. **QUIET ENJOYMENT.** Lessor covenants that as long as Lessee pays the rent reserved in this Lease and performs its agreements hereunder Lessee shall have the right quietly to enjoy and use the Premises for the term hereof, subject only to the provisions of this Lease.

7. **SIGNS.** No sign that is visible from outside of the Premises shall be installed by Lessee without Lessor's prior written approval, said approval not to be unreasonably withheld, and written approval from Palm Beach County.

8. **SECURITY.** Lessee acknowledges and accepts full responsibility for the security and protection of the Premises and will prevent any unauthorized access to its facilities and airport security areas. Lessee will comply with all rules regulations of County and of any and all other governmental entities that now or may hereafter have jurisdiction over security Lessee further expressly acknowledges and hereby agrees to fully comply with all Federal, State and local laws including, but not limited to, FAR Part 107, as amended from time to time, and with all rules and regulations of the Department of Airports concerning security procedures, as they presently exist or may be amended from time to time. Lessee is subject to any fine resulting from their failure to comply with these regulations.

9. **UTILITIES.** During the term of this lease, Lessor shall pay all costs for electricity, water, sewer and trash collection services furnished to the Premises. Lessee agrees to use such utilities in a reasonable and efficient manner and not to cause unnecessary waste or expense to the Lessor. Lessor shall not be obligated to pay for or provide any other service or utility not

herein listed, including, but not limited to, the installation, equipment, maintenance, repair or charges for telecommunications or internet access. Lessee shall have the right to install and pay for any telecommunications or internet access at its sole expense. Lessee may, at its own expense, install a security system. The Lessor will be granted full right of access through any installed security system. Key systems shall not be changed or altered without prior written authorization of the Lessor.

10. **ASSIGNMENT.** Lessee shall not assign, sell, transfer or otherwise dispose of this Lease nor any rights hereunder, nor sublet all or any part of the Premises nor permit any other person or corporation to use any part of the Premises without first obtaining the express written consent of Lessor.

11. **LESSOR'S IMPROVEMENTS.** Not Applicable

12. **REPAIRS AND MAINTENANCE.** Lessee has inspected and occupied the Premises and accepts them in their "as is" condition. Lessor shall not be called upon and shall have no obligation to make any repairs, improvements or alterations whatsoever to the Premises except as thereafter specified. During the term of this Lease, Lessor shall maintain the exterior walls in good repair, and shall keep the roof of the building watertight. Lessor shall also maintain the common areas of the Building in a neat and clean condition. Lessee shall be liable for Lessor's costs of repairs or maintenance that arise out of negligence or fault of Lessee, its employees, agents, invitees, licensees or customers to either this suite, hangar or the common areas.

Lessee shall deliver the Premises in as good condition and repair as on the Commencement Date, reasonable wear and tear excepted, and in a broom-clean condition with all glass and all windows and doors intact, failing which Lessor may restore the premises and such equipment and fixtures to such condition and Lessee shall pay cost thereof to Lessor on demand.

It is Lessee's responsibility to purchase contents insurance at a dollar value to be determined by Lessee; Lessee will hold Lessor harmless for any deficiency in the dollar amount of such coverage. Lessor shall not be liable for any loss or damage to Lessee's personal property in the Premises even though caused by the negligence of Lessor, or its agents, employees or persons under Lessor's control or direction.

13. **ALTERATION TO THE PREMISES AND REMOVAL OF EQUIPMENT.** Lessee shall not make any alteration or addition to the Premises without the express prior written consent of Lessor. Upon expiration and termination of this Lease, all installations, fixtures, improvements and alterations made or installed by Lessee including electric lighting fixtures installed by Lessee shall remain a part of the Premises as the property of Lessor and, upon written request from Lessor, shall be removed at Lessee's expense without damage to the Premises. prior to Lessee vacating the Premises.

14. **CASUALTY.** In the event the Premises are rendered untenable by fire or other casualty, Lessor shall have the option of terminating this Lease or rebuilding the Premises and in such event written notice of the election by Lessor shall be given to Lessee within ninety (90) days after the occurrence of such casualty. In the event Lessor elects to rebuild the Premises, the Premises shall be restored to its condition prior to such casualty loss within a reasonable time. Lessee shall have the right to continue occupancy in the Premises with abatement of rent only to the extent and for the period that all or a portion of the Premises are actually untenable. In the event Lessor elects to terminate this Lease, the rent shall be paid to and adjusted as of the date of such casualty, and the term of this Lease shall then expire, and this Lease shall be of no further force or effect, and Lessor shall be entitled to sole possession of the Premises.

15. **LIENS.** Lessee agrees that it will make full and prompt payment of all sums necessary to pay for the cost of repairs, alterations, improvements, changes or other work done by Lessee to the Premises and further agrees to indemnify and hold Lessor harmless from and against any and all such costs and liabilities incurred by Lessee, and against any and all construction liens arising out of or from such work. In the event any notice or claim of lien shall be asserted of record against the interest of Lessor in the Premises or Building on account of any improvement work done by or for Lessee, or any person claiming by, through or under Lessee, or for improvements or work the cost of which is the responsibility of Lessee, Lessee agrees to have such lien canceled and discharged of record (either by payment or bond as permitted by law) within ten (10) days after notice to Lessee by Lessor, and in the event Lessee shall fail to do so, Lessee shall be considered in default under the terms of this Lease.

16. **INSPECTION AND REPAIR.** Lessor or its representatives shall have the right at any reasonable time, upon twenty-four (24) hours notice (except in the case of emergency when no prior notice shall be required) to enter the Premises for the purpose of inspection or for the purpose of making or causing to be made any repairs or otherwise to protect its interest.

17. **WAIVER OR ESTOPPEL.** The failure of Lessor to insist, in any one or more instances, upon strict performance of any covenants or agreements of this Lease or exercise any option of Lessor herein contained, shall not be construed as a waiver or relinquishment for the future enforcement of such covenant, agreement or option but the same shall continue and remain in full force and effect. Receipt of rent by Lessor, with knowledge of the breach of any covenant or agreement hereof shall not be deemed a waiver of such breach and no waiver by Lessor of any provisions hereof shall be deemed to have been made unless expressed in writing and signed by Lessor.

18. **CONDEMNATION.** Lessor reserves unto itself, and Lessee assigns to Lessor, all right to damages accruing on account of any taking or condemnation of any part of the Premises, or by reason of any act of any public or quasi-public authority for which damages are payable. Lessee agrees to execute such instruments of assignment as may be required by Lessor, to join with Lessor in any petition for the recovery of damages, if requested by Lessor, and to turn over to Lessor any such damages that may be recovered in any such proceeding. Lessor does not reserve to itself, and Lessee does not assign to Lessor, any damages payable for trade fixtures installed by Lessee at its cost and expense and which are not part of the realty. Upon condemnation of a portion of the Premises, this Lease and Lessee's obligations hereunder shall terminate as to such space.

19. **FEDERAL RIGHT TO RECLAIM.** In the event a United States governmental agency shall demand and take over the entire facilities of the Palm Beach International Airport or the portion thereof wherein the Premises are located, for public purposes, then this Lease shall thereupon terminate and Lessor shall be released and fully discharged from any and all liability hereunder arising due to such reclamation. 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.

20. **NOTICES.** All notices required or contemplated by this Lease shall be in writing and shall be delivered by hand or by United States Certified Mail, Return Receipt Requested, addressed to the party to whom such notice is directed as follows:

Lessor: Mr. Norbert Ehrich  
Vice President of FBO Services  
Jet Aviation Associates, Ltd.  
Building 1515  
Palm Beach International Airport  
West Palm Beach, FL 33406

Lessee: Mr. Jared Robinson  
Chief Pilot  
4801 PGA Blvd  
Palm Beach Gardens, Florida 33418

By giving at least five (5) days' prior written notice to the other party, either party may change its address for notices hereunder.

21. **INSURANCE.** Lessee shall, at its expense, provide and maintain in force during the entire term of this Lease, and any extension or renewal hereof, public liability insurance with limits of coverage not less than Five Hundred Thousand Dollars (\$500,000.00) for any property damage or loss from any one accident, and not less than One Million Dollars (\$1,000,000.00) for injury to any one person from any one accident, applicable to the Premises. If the office area involves aircraft operations it is the Lessee's responsibility to carry Airport Premises Liability Insurance (including Blanket Contractual Liability) covering its aircraft operations at the facility. Such insurance shall be in the amount of not less than \$10,000,000 (ten million) Combined Single Limit any one occurrence. Aircraft operators-insurance for bodily injury/property damage and passenger evidenced by certificate and at each subsequent renewal as long as agreement is in effect. Limit to not less than \$25,000,000 (twenty five million) combined single limit each occurrence. Each policy of insurance shall name as the insured thereunder Lessor and Lessee. Each such liability insurance policy shall be of the type commonly known as Lessor's and Lessee's insurance. The original of each such policy of insurance or certified duplicates thereof issued by the insuring organization shall be delivered by Lessee to Lessor on or before ten (10) days prior to occupancy of the Premises by Lessee and shall provide thirty (30) days' prior notice of cancellation to Lessor.

Upon Lessee's failure to procure such insurance and deliver the policy or certificate to Lessor within ten (10) days from the date of commencement of the term hereunder or ten (10) days before the expiration of any policy delivered to Lessor, Lessor may obtain such insurance and the premiums therefore shall be deemed to be, and shall be paid as, Additional Rent at the next rent payment day.

Lessor will pay, in the first instance, all premiums for fire and extended coverage insurance on the building wherein the leased premises are located. Premiums paid for such insurance for the year of coverage next ending after the tenancy date shall be the "base insurance premiums" herein. If there be an increase in premiums for such insurance during the lease term over the base insurance premiums, Lessee shall pay to Lessor, within thirty (30) days after receipt of written notice and proof of payment thereof, its pro rata share of the actual increase in such fire, flood, and extended coverage insurance, and loss of rents premiums measured by the amount of square footage of floor space occupied by Lessee in relationship to the total amount of rentable square footage of floor space in the insured building.

22. **INDEMNIFICATION.** To the extent permitted by law, Lessee shall defend, indemnify, and hold harmless Lessor and its agents from and against all claims, demands,

liabilities, causes of action, suits, judgments, and expenses (including attorneys' fees) (any, a "Claim") arising from any occurrence on the Premises or from Lessee's failure to perform its obligations under this Agreement (other than a Claim arising from the sole or gross negligence of Lessor or its agents), even though caused or alleged to be caused by the joint, comparative, or concurrent negligence or fault of Lessor or its agents, and even though any such Claim is based upon or alleged to be based upon the strict liability of Landlord or its agents. This indemnity provision is intended to indemnify Lessor and its agents against the consequences of their own negligence or fault as provided above when Lessor or its agents are jointly, comparatively, or concurrently negligent with Lessee. This indemnity provision shall survive termination or expiration of this Agreement.

23. **DEPOSITS AND ADVANCE RENT.** Upon commencement of this lease, Lessee will pay Lessor Zero Dollars as security for the faithful performance of Lessee's obligations hereunder. In addition, Lessee will deposit with Lessor the sum of Zero Dollars (\$0) as an advance toward the Base Rent and Sales Tax for the last month of the term of this lease. Any funds paid by Lessee to Lessor as a deposit or advance pursuant to the terms of this Lease may be commingled with other funds of Lessor and need not be placed in escrow or otherwise held in a segregated account. If any sum or sums of money shall become payable by Lessee to Lessor pursuant to the terms of this Lease, Lessor shall have the right to apply any deposits or advances made by Lessee against such sums due by Lessee to Lessor, whereupon Lessor shall be entitled to immediate reimbursement for such advance or replenishment of such deposit by Lessee.

24. **REAL ESTATE TAXES.** Lessor will pay, in the first instance and before delinquency, all general real estate taxes and assessments for betterments or improvements which may be levied or assessed by any lawful authority against the demised premises.

25. **DEFAULT.** In the event Lessee shall fail (a) to make any rental or other payment due hereunder or (b) breach or failure to perform any of the agreements herein other than the agreement to pay rent, and shall fail to cure such default within ten (10) days after written notice of default from Lessor, Lessor shall have the option to:

Sue for rents as they become due:

Terminate this lease, resume possession of the Premises for its own account and recover immediately from Lessee the difference between the rent for which provisions is made in this Lease and fair rental value of the Premises for the remainder of the lease term, together with any other damage occasioned by or resulting from the abandonment or a breach or default other than a default in the payment of rent; or

Resume possession of the Premises for the account of Lessee and recover from Lessee, at the end of the lease term or at the time each payment of rent becomes due under this Lease, as Lessor may elect, the difference between the rent for which provisions are made in this Lease and the rent received on any releasing, together with all costs and expenses of Lessor in connection with such re-leasing of rent and the cost of all repairs or renovations reasonably necessary in connection with the re-leasing, and if this option is exercised, Lessor shall, in addition, be entitled to recover from Lessee immediately any other damage occasioned by or resulting from the abandonment or a breach or default other than a default in the payment of rent.

In the event the Lessee holds over after the expiration of the Lease Term or after Lessor has become entitled to possession of the premises as a result of the default of the Lessee, the Lessee shall pay to the Lessor, double the daily amount of the daily rate of rental then required by the terms hereof for the last monthly period prior to the date such hold over commences and also pay all direct and consequential damages sustained by Lessor by reason of such hold over.

The remedies for which provision is made in this Lease shall not be exclusive; in addition thereto Lessor may pursue such other remedies as are provided by law in the event of any default by Lessee.

26. **BROKERAGE.** Lessee and Lessor acknowledge that they have not dealt, consulted or negotiated with any real estate broker, sales person or agent who is entitled, by separate agreement, to receive a commission from the Lessor. Each party hereby indemnifies and agrees to hold harmless the other from and against any and all loss and liability resulting from or arising out of any claim that the indemnifying party has dealt or negotiated with any other real estate broker, sales person or agent in connection with this Lease.

27. **ATTORNEYS' FEES.** In the event of litigation under this Lease, the prevailing party shall be entitled to recover its court costs and attorneys' fees from the other party. Attorneys' fees and court costs shall be deemed to include such fees and costs at all levels from pretrial through appeal. If Lessor deems it necessary to employ the services of an attorney to obtain Lessee's compliance with the terms and obligations of this Lease, Lessee shall pay Lessor's reasonable attorneys' fees, which shall be deemed as additional rent, whether or not litigation is commenced.

28. **SUBORDINATION AND ESTOPPEL.** This lease is and shall be subject and subordinate to any and all mortgages that may now or hereafter affect the real property of which the Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof. This provision is self-operative and no further instrument of subordination shall be necessary. In confirmation of such subordination, Lessee shall execute promptly any certificate that Lessor may request. Lessee hereby appoints Lessor as Lessee's irrevocable attorney-in-fact to execute any document of subordination on behalf of Lessee.

From time to time, Lessee, on at least five (5) days prior written request by Lessor, will deliver to Lessor a written statement certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications, that the same is in full force and effect as modified and stating the modifications) and the dates to which the rent and other charges have been paid and stating whether or not the Lessor is in default in performance of any covenant, agreement, or condition contained in this Lease and, if so, specifying each such default of which Lessee may have knowledge.

29. **HAZARDOUS SUBSTANCES.** Lessee's use of the Premises shall at all times be in full compliance with all federal, state and local environmental laws and regulations. Lessee hereby warrants to Lessor that, except to the extent already disclosed in writing to Lessor, Lessee's use of the Premises and Building shall not entail the use, storage, handling or disposal of any hazardous materials, substances, wastes or other environmentally regulated substances. As to any such uses disclosed to Lessor in writing, Lessee warrants and represents that Lessee is legally authorized and empowered to maintain all such environmentally regulated substances at the Premises or used in connection therewith, and Lessee has obtained and will maintain all licenses, permits and approvals required with respect thereto, and is in full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals. Lessee further warrants and represents that it will promptly notify Lessor of any change in the nature or extent of any hazardous materials, substances or wastes maintained on, in or under the Premises or used in connection therewith, and will promptly transmit to Lessor copies of any permits, licenses, approvals, citations, order, notices, correspondence and other material governmental and other communication received relating to hazardous materials, substances, wastes or other environmentally regulated substances affecting the Premises. Lessee hereby indemnifies and holds Lessor harmless from and against any and all damages, penalties, fines, claims, liens,



suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted against Lessor as a direct or indirect result of noncompliance with any requirement under any law, regulation or ordinance, local or state or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances. Lessee's obligations hereunder shall not be limited to any extent by the term of the Lease. Lessor agrees to provide and maintain approved storage containers for all flammable and hazardous materials. Lessor also agrees to abide by any and all regulations governing the safe, proper handling and disposal of said materials.

30. **ENTIRE AGREEMENT.** Lessee agrees that Lessor has not made any statement, promise or agreement, or taken upon itself any engagement whatsoever, verbally or in writing, in conflict with the terms of this Lease, or in which any way modifies, varies, alters, enlarges or invalidates any of its provisions. This Lease sets forth the entire understanding between Lessor and Lessee, and shall not be changed, modified or amended except by an instrument in writing signed by the party against whom the enforcement of any such change, modification or amendment is sought. The covenants and agreements herein contained shall bind, and the benefit and advantages herein shall inure to the respective heirs, legal representatives, successors and assigns of Lessor and Lessee. Should any clause or provision of this Lease be determined to be illegal, invalid or unenforceable under any present or future law by final judgment of a court of competent jurisdiction, the remainder of this Lease will not be affected thereby. Whenever used, the singular number shall include the plural and the plural shall include the singular and the use of any gender shall include all genders. The headings set forth in this Lease are for ease of reference only and shall not be interpreted to modify or limit the provisions hereof. Lessee shall not record this lease or any memorandum or short form thereof, and the recording thereof in violation of this provision shall make this lease void at Lessor's election. This Lease shall be construed in accordance with the laws of the State of Florida. Time is of the essence in the performance of all obligations under this Lease.

31. **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 testing may be obtained from one's county public health unit.

**IN WITNESS WHEREOF**, Lessor and Lessee have caused this Lease Agreement to be executed the day and year first above written.

Signed, sealed and delivered

**LESSOR:**

By: \_\_\_\_\_

  
Norbert Ehrich  
Sr. Vice President FBO Services

Date: \_\_\_\_\_

8/25/2010

**LESSEE:**

By: \_\_\_\_\_

  
Mr. Jared Robinson  
Chief Pilot

Date: \_\_\_\_\_

8/5/2010

**Fuel**

1. During the Term of this Lease, Lessee shall purchase from Lessor at the Facility and Lessor shall sell to Lessee at the Facility, all of the JetA fuel for the Aircraft while at Palm Beach International Airport.
2. Lessee shall pay Lessor for each gallon of JetA fuel sold by Lessor to Lessee at Palm Beach pursuant to this Lease at an agreed to price of cost plus \$1.00.
3. Lessee shall use an Exxon Air World card when purchasing JetA fuel or other accepted credit card from Lessor.
4. In the event a fuel spill occurs during the refueling of the Aircraft that is caused by Lessor's negligence, or refueling equipment failure, Lessor will be responsible for fuel spill cleanup costs incurred. Lessee will be responsible for cleanup costs and hazardous waste disposal charges that result from any fuel spilled from the Aircraft on the Premises that resulted from aircraft systems or component failure during refueling or fuel transfer.
5. This Exhibit A shall continue during the Term of the Lease, and any extensions thereof, unless the Lease is sooner terminated in accordance with its terms.

**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 Jet Aviation Associates, Ltd. (the "LESSEE"), dated November 23, 1999 (R-99-2239), as amended (the "Lease Agreement"), hereby consents to LESSEE entering into a Sublease Agreement dated August 5, 2010, and commencing on August 5, 2010, (the "Sublease") with Executive Airlink, (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.

APPROVED this \_\_\_ day of AUG 18 2010 20\_\_\_, by the County Administrator or the Director of the Department of Airports on behalf of and pursuant to the authority granted by the Board of County Commissioners.

By: *Dean Kelly*  
Title: Director of Airports

Approved as to Form and Legal Sufficiency:

By: *Cherie Helgenst*  
County Attorney

LEASE

THIS LEASE made and entered into as of the Fifth of August 2010 by and among Jet Aviation Associates, LTD. ("Lessor"), whose address is 1515 Perimeter Road, PBA West Palm Beach Florida 33406 and Executive Airlink ("Lessee") P.O. Box 812105, Boca Raton, Florida 33481

**WITNESSETH:**

In consideration of the mutual promises, covenants and conditions herein contained and the rent reserved by Lessor to be paid by Lessee to Lessor, Lessor hereby leases to Lessee and Lessee hereby rents from Lessor, that certain real property situated in Palm Beach County, Florida, hereinafter described, for the term and at the rentals and upon the terms and conditions hereinafter set forth. Lessee acknowledges that this Lease is subject to the Lease Agreement between Palm Beach County and Jet Aviation.

1 PREMISES.

1.1 Office Space. Reserved.

1.2 Hangar Space. Lessor shall lease and otherwise provide Lessee with sufficient hanger space (the "Hangar Space" unless otherwise denoted) to store Lessee's King Air 90 aircraft bearing the identification N488XJ, or any other temporary replacement aircraft, which Lessee may from time to time elect to substitute on a temporary basis, provided such temporary replacement aircraft is not larger in size or dimension than the so identified King Air 90 aircraft, the ("Aircraft"). The Hangar Space to be provided is that space in building 1516 which Lessor has designated as Hangar # 1. The parties agree that Lessor has the sole, exclusive and absolute right to use designated alternative space to store the aircraft in any of the five hangars.

1.3 Terminology. The Hangar Space may be referred collectively hereto as the "Premises" unless otherwise specifically denoted.

2. TERM. The term of this Lease and the accrual of rents hereunder shall commence on August 5th 2010 (the "Commencement Date") and shall extend to midnight of August 4, 2012 (the "Expiration Date") for a period of two (2) years. The Term shall automatically renew for successive two (2) year periods on the anniversary date of this Lease. This Lease may be terminated by either party on the anniversary date upon giving the other party (90) ninety days advance written notice or in the event Executive Airlink no longer manages the aircraft.

3. USE. Lessee, its successors and assigns, shall use the Premises exclusively as space to provide services to the Aircraft and for no other purposes whatsoever. Lessee shall comply with all laws, ordinances, rules and regulations of applicable governmental authorities and Lessor of the Premises and Lessee shall not permit any unlawful, improper or offensive use of the Premises. Lessee shall not make use of the Premises or Building, which would make void or voidable any policy of fire or extended coverage insurance covering the Premises or Building. Lessee shall maintain all leased space in a neat and clean condition, and Lessee shall not permit rubbish or hazardous waste to accumulate or any fire or health hazard to exist. Lessee will not be allowed to use hangar space as storage. All of Lessee's or its agent's property must be stored in Lessee's office. Lessee is allowed one approved storage locker on rollers per a/c in the Hangar. Nothing may be stored on top against or under such locker. Furthermore, Lessee agrees to use assigned hangar space solely as storage for the Aircraft. Lessee will be permitted to perform only minor line maintenance on the Aircraft while it is stored in the hangar. The use of jacks in the hangar is not permitted. Any persons or entities performing services on behalf of Lessee at the Premises is expressly forbidden from soliciting business or work for any of

Lessor's tenants. Failure to comply with any or all of the above shall cause this Lease to be voidable at the Lessor's sole discretion. Lessee shall comply with all laws,

4. **RENT.**

4.1 *Base Rent:*

Monthly Base Rent for the Premises during the first Two (2) years of the lease term shall be **One Thousand Nineteen Dollars and Twenty Cents (\$1019.20)** plus tax for the Hangar space. ("Base Rent") payable by Lessee to Lessor without demand, set-off or deduction whatsoever. If the term commences on a day other than the first day of a month, or expires or is terminated on a day other than the last day of the month, Base Rent shall be prorated accordingly. The Annual Base Rent for each subsequent year of the lease after the initial term shall equal the prior year's Annual Base Rent multiplied by 1.05. All Annual Base Rent shall be payable in equal monthly installments.

4.2 *Sales Tax and Late Payment fee*

In addition to the rents provided for herein, Lessee shall also pay the amount of any use or sales tax on said rent imposed by the State of Florida, which shall be paid at the same time and in the same manner as each payment of rent. There shall be due with any payment of rent received after the fifth (5<sup>th</sup>) day of the month a late payment charge equal to five percent (5%) of the payment due or Fifty Dollars (\$50.00), whichever is greater. There shall be a fee of Thirty Dollars (\$30.00) on any checks returned for non-sufficient funds or any other reason. Any late charges or charges for checks not honored shall be deemed as additional rent.

4.3 *Time and Place of Payment*

Each monthly installment of rent and other sums due hereunder shall be payable in advance on the first (1<sup>st</sup>) day of each calendar month of the term made payable to Jet Aviation Associates, Ltd. at Building 1515 Perimeter Road, Palm Beach International Airport, West Palm Beach, FL 33406; or at such other place Lessor may from time to time designate in writing.

5. **FUEL** See Exhibit, "A" which is hereby incorporated by reference in this Lease.

6. **QUIET ENJOYMENT.** Lessor covenants that as long as Lessee pays the rent reserved in this Lease and performs its agreements hereunder Lessee shall have the right quietly to enjoy and use the Premises for the term hereof, subject only to the provisions of this Lease.

7. **SIGNS.** No sign that is visible from outside of the Premises shall be installed by Lessee without Lessor's prior written approval, said approval not to be unreasonably withheld, and written approval from Palm Beach County.

8. **SECURITY.** Lessee acknowledges and accepts full responsibility for the security and protection of the Premises and will prevent any unauthorized access to its facilities and airport security areas. Lessee will comply with all rules regulations of County and of any and all other governmental entities that now or may hereafter have jurisdiction over security Lessee further expressly acknowledges and hereby agrees to fully comply with all Federal, State and local laws including, but not limited to, FAR Part 107, as amended from time to time, and with all rules and regulations of the Department of Airports concerning security procedures, as they presently exist or may be amended from time to time. Lessee is subject to any fine resulting from their failure to comply with these regulations.

9. **UTILITIES.** During the term of this lease, Lessor shall pay all costs for electricity, water, sewer and trash collection services furnished to the Premises. Lessee agrees to use such utilities in a reasonable and efficient manner and not to cause unnecessary waste or expense to

the Lessor. Lessor shall not be obligated to pay for or provide any other service or utility not herein listed, including, but not limited to, the installation, equipment, maintenance, repair or charges for telecommunications or internet access. Lessee shall have the right to install and pay for any telecommunications or internet access at its sole expense. Lessee may, at its own expense, install a security system. The Lessor will be granted full right of access through any installed security system. Key systems shall not be changed or altered without prior written authorization of the Lessor.

10. **ASSIGNMENT.** Lessee shall not assign, sell, transfer or otherwise dispose of this Lease nor any rights hereunder, nor sublet all or any part of the Premises nor permit any other person or corporation to use any part of the Premises without first obtaining the express written consent of Lessor.

11. **LESSOR'S IMPROVEMENTS.** Not Applicable

12. **REPAIRS AND MAINTENANCE.** Lessee has inspected and occupied the Premises and accepts them in their "as is" condition. Lessor shall not be called upon and shall have no obligation to make any repairs, improvements or alterations whatsoever to the Premises except as hereinafter specified. During the term of this Lease, Lessor shall maintain the exterior walls in good repair, and shall keep the roof of the building watertight. Lessor shall also maintain the common areas of the Building in a neat and clean condition. Lessee shall be liable for Lessor's costs of repairs or maintenance that arise out of negligence or fault of Lessee, its employees, agents, invitees, licensees or customers to either this suite, hangar or the common areas.

Lessee shall deliver the Premises in as good condition and repair as on the Commencement Date, reasonable wear and tear excepted, and in a broom-clean condition with all glass and all windows and doors intact, failing which Lessor may restore the premises and such equipment and fixtures to such condition and Lessee shall pay cost thereof to Lessor on demand.

It is Lessee's responsibility to purchase contents insurance at a dollar value to be determined by Lessee; Lessee will hold Lessor harmless for any deficiency in the dollar amount of such coverage. Lessor shall not be liable for any loss or damage to Lessee's personal property in the Premises even though caused by the negligence of Lessor, or its agents, employees or persons under Lessor's control or direction.

13. **ALTERATION TO THE PREMISES AND REMOVAL OF EQUIPMENT.** Lessee shall not make any alteration or addition to the Premises without the express prior written consent of Lessor. Upon expiration and termination of this Lease, all installations, fixtures, improvements and alterations made or installed by Lessee including electric lighting fixtures installed by Lessee shall remain a part of the Premises as the property of Lessor and, upon written request from Lessor, shall be removed at Lessee's expense without damage to the Premises. prior to Lessee vacating the Premises.

14. **CASUALTY.** In the event the Premises are rendered untenable by fire or other casualty, Lessor shall have the option of terminating this Lease or rebuilding the Premises and in such event written notice of the election by Lessor shall be given to Lessee within ninety (90) days after the occurrence of such casualty. In the event Lessor elects to rebuild the Premises, the Premises shall be restored to its condition prior to such casualty loss within a reasonable time. Lessee shall have the right to continue occupancy in the Premises with abatement of rent only to the extent and for the period that all or a portion of the Premises are actually untenable. In the event Lessor elects to terminate this Lease, the rent shall be paid to and adjusted as of the date of such casualty, and the term of this Lease shall then expire, and this Lease shall be of no further force or effect, and Lessor shall be entitled to sole possession of the Premises.

15. **LIENS.** Lessee agrees that it will make full and prompt payment of all sums necessary to pay for the cost of repairs, alterations, improvements, changes or other work done by Lessee to the Premises and further agrees to indemnify and hold Lessor harmless from and against any and all such costs and liabilities incurred by Lessee, and against any and all construction liens arising out of or from such work. In the event any notice or claim of lien shall be asserted of record against the interest of Lessor in the Premises or Building on account of any improvement work done by or for Lessee, or any person claiming by, through or under Lessee, or for improvements or work the cost of which is the responsibility of Lessee, Lessee agrees to have such lien canceled and discharged of record (either by payment or bond as permitted by law) within ten (10) days after notice to Lessee by Lessor, and in the event Lessee shall fail to do so, Lessee shall be considered in default under the terms of this Lease.

16. **INSPECTION AND REPAIR.** Lessor or its representatives shall have the right at any reasonable time, upon twenty-four (24) hours notice (except in the case of emergency when no prior notice shall be required) to enter the Premises for the purpose of inspection or for the purpose of making or causing to be made any repairs or otherwise to protect its interest.

17. **WAIVER OR ESTOPPEL.** The failure of Lessor to insist, in any one or more instances, upon strict performance of any covenants or agreements of this Lease or exercise any option of Lessor herein contained, shall not be construed as a waiver or relinquishment for the future enforcement of such covenant, agreement or option but the same shall continue and remain in full force and effect. Receipt of rent by Lessor, with knowledge of the breach of any covenant or agreement hereof shall not be deemed a waiver of such breach and no waiver by Lessor of any provisions hereof shall be deemed to have been made unless expressed in writing and signed by Lessor.

18. **CONDEMNATION.** Lessor reserves unto itself, and Lessee assigns to Lessor, all right to damages accruing on account of any taking or condemnation of any part of the Premises, or by reason of any act of any public or quasi-public authority for which damages are payable. Lessee agrees to execute such instruments of assignment as may be required by Lessor, to join with Lessor in any petition for the recovery of damages, if requested by Lessor, and to turn over to Lessor any such damages that may be recovered in any such proceeding. Lessor does not reserve to itself, and Lessee does not assign to Lessor, any damages payable for trade fixtures installed by Lessee at its cost and expense and which are not part of the realty. Upon condemnation of a portion of the Premises, this Lease and Lessee's obligations hereunder shall terminate as to such space.

19. **FEDERAL RIGHT TO RECLAIM.** In the event a United States governmental agency shall demand and take over the entire facilities of the Palm Beach International Airport or the portion thereof wherein the Premises are located, for public purposes, then this Lease shall thereupon terminate and Lessor shall be released and fully discharged from any and all liability hereunder arising due to such reclamation. 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.

20. **NOTICES.** All notices required or contemplated by this Lease shall be in writing and shall be delivered by hand or by United States Certified Mail, Return Receipt Requested, addressed to the party to whom such notice is directed as follows:



Lessor: Mr. Norbert Ehrich  
Vice President of FBO Services  
Jet Aviation Associates, Ltd.  
Building 1515  
Palm Beach International Airport  
West Palm Beach, FL 33406

Lessee: Mr. Shawn Griffith  
President  
P.O. Box 812105  
Boca Raton, Florida 33481

By giving at least five (5) days' prior written notice to the other party, either party may change its address for notices hereunder.

21. **INSURANCE.** Lessee shall, at its expense, provide and maintain in force during the entire term of this Lease, and any extension or renewal hereof, public liability insurance with limits of coverage not less than Five Hundred Thousand Dollars (\$500,000.00) for any property damage or loss from any one accident, and not less than One Million Dollars (\$1,000,000.00) for injury to any one person from any one accident, applicable to the Premises. If the office area involves aircraft operations it is the Lessee's responsibility to carry Airport Premises Liability Insurance (including Blanket Contractual Liability) covering its aircraft operations at the facility. Such insurance shall be in the amount of not less than \$10,000,000 (ten million) Combined Single Limit any one occurrence. Aircraft operators-insurance for bodily injury/property damage and passenger evidenced by certificate and at each subsequent renewal as long as agreement is in effect. Limit to not less than \$25,000,000 (twenty five million) combined single limit each occurrence. Each policy of insurance shall name as the insured thereunder Lessor and Lessee. Each such liability insurance policy shall be of the type commonly known as Lessor's and Lessee's insurance. The original of each such policy of insurance or certified duplicates thereof issued by the insuring organization shall be delivered by Lessee to Lessor on or before ten (10) days prior to occupancy of the Premises by Lessee and shall provide thirty (30) days' prior notice of cancellation to Lessor.

Upon Lessee's failure to procure such insurance and deliver the policy or certificate to Lessor within ten (10) days from the date of commencement of the term hereunder or ten (10) days before the expiration of any policy delivered to Lessor, Lessor may obtain such insurance and the premiums therefore shall be deemed to be, and shall be paid as, Additional Rent at the next rent payment day.

Lessor will pay, in the first instance, all premiums for fire and extended coverage insurance on the building wherein the leased premises are located. Premiums paid for such insurance for the year of coverage next ending after the tenancy date shall be the "base insurance premiums" herein. If there be an increase in premiums for such insurance during the lease term over the base insurance premiums, Lessee shall pay to Lessor, within thirty (30) days after receipt of written notice and proof of payment thereof, its pro rata share of the actual increase in such fire, flood, and extended coverage insurance, and loss of rents premiums measured by the amount of square footage of floor space occupied by Lessee in relationship to the total amount of rentable square footage of floor space in the insured building.

22. **INDEMNIFICATION.** To the extent permitted by law, Lessee shall defend, indemnify, and hold harmless Lessor and its agents from and against all claims, demands, liabilities, causes of action, suits, judgments, and expenses (including attorneys' fees) (any, a

"Claim") arising from any occurrence on the Premises or from Lessee's failure to perform its obligations under this Agreement (other than a Claim arising from the sole or gross negligence of Lessor or its agents), even though caused or alleged to be caused by the joint, comparative, or concurrent negligence or fault of Lessor or its agents, and even though any such Claim is based upon or alleged to be based upon the strict liability of Landlord or its agents. This indemnity provision is intended to indemnify Lessor and its agents against the consequences of their own negligence or fault as provided above when Lessor or its agents are jointly, comparatively, or concurrently negligent with Lessee. This indemnity provision shall survive termination or expiration of this Agreement.

23. **DEPOSITS AND ADVANCE RENT.** Upon commencement of this lease, Lessee will pay Lessor Zero Dollars as security for the faithful performance of Lessee's obligations hereunder. In addition, Lessee will deposit with Lessor the sum of Zero Dollars (\$0) as an advance toward the Base Rent and Sales Tax for the last month of the term of this lease. Any funds paid by Lessee to Lessor as a deposit or advance pursuant to the terms of this Lease may be commingled with other funds of Lessor and need not be placed in escrow or otherwise held in a segregated account. If any sum or sums of money shall become payable by Lessee to Lessor pursuant to the terms of this Lease, Lessor shall have the right to apply any deposits or advances made by Lessee against such sums due by Lessee to Lessor, whereupon Lessor shall be entitled to immediate reimbursement for such advance or replenishment of such deposit by Lessee.

24. **REAL ESTATE TAXES.** Lessor will pay, in the first instance and before delinquency, all general real estate taxes and assessments for betterments or improvements which may be levied or assessed by any lawful authority against the demised premises.

25. **DEFAULT.** In the event Lessee shall fail (a) to make any rental or other payment due hereunder or (b) breach or failure to perform any of the agreements herein other than the agreement to pay rent, and shall fail to cure such default within ten (10) days after written notice of default from Lessor, Lessor shall have the option to:

Sue for rents as they become due:

Terminate this lease, resume possession of the Premises for its own account and recover immediately from Lessee the difference between the rent for which provisions is made in this Lease and fair rental value of the Premises for the remainder of the lease term, together with any other damage occasioned by or resulting from the abandonment or a breach or default other than a default in the payment of rent; or

Resume possession of the Premises for the account of Lessee and recover from Lessee, at the end of the lease term or at the time each payment of rent becomes due under this Lease, as Lessor may elect, the difference between the rent for which provisions are made in this Lease and the rent received on any releasing, together with all costs and expenses of Lessor in connection with such re-leasing of rent and the cost of all repairs or renovations reasonably necessary in connection with the re-leasing, and if this option is exercised, Lessor shall, in addition, be entitled to recover from Lessee immediately any other damage occasioned by or resulting from the abandonment or a breach or default other than a default in the payment of rent.

In the event the Lessee holds over after the expiration of the Lease Term or after Lessor has become entitled to possession of the premises as a result of the default of the Lessee, the

Lessee shall pay to the Lessor, double the daily amount of the daily rate of rental then required by the terms hereof for the last monthly period prior to the date such hold over commences and also pay all direct and consequential damages sustained by Lessor by reason of such hold over.

The remedies for which provision is made in this Lease shall not be exclusive; in addition thereto Lessor may pursue such other remedies as are provided by law in the event of any default by Lessee.

26. **BROKERAGE.** Lessee and Lessor acknowledge that they have not dealt, consulted or negotiated with any real estate broker, sales person or agent who is entitled, by separate agreement, to receive a commission from the Lessor. Each party hereby indemnifies and agrees to hold harmless the other from and against any and all loss and liability resulting from or arising out of any claim that the indemnifying party has dealt or negotiated with any other real estate broker, sales person or agent in connection with this Lease.

27. **ATTORNEYS' FEES.** In the event of litigation under this Lease, the prevailing party shall be entitled to recover its court costs and attorneys' fees from the other party. Attorneys' fees and court costs shall be deemed to include such fees and costs at all levels from pretrial through appeal. If Lessor deems it necessary to employ the services of an attorney to obtain Lessee's compliance with the terms and obligations of this Lease, Lessee shall pay Lessor's reasonable attorneys' fees, which shall be deemed as additional rent, whether or not litigation is commenced.

28. **SUBORDINATION AND ESTOPPEL.** This lease is and shall be subject and subordinate to any and all mortgages that may now or hereafter affect the real property of which the Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof. This provision is self-operative and no further instrument of subordination shall be necessary. In confirmation of such subordination, Lessee shall execute promptly any certificate that Lessor may request. Lessee hereby appoints Lessor as Lessee's irrevocable attorney-in-fact to execute any document of subordination on behalf of Lessee.

From time to time, Lessee, on at least five (5) days prior written request by Lessor, will deliver to Lessor a written statement certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications, that the same is in full force and effect as modified and stating the modifications) and the dates to which the rent and other charges have been paid and stating whether or not the Lessor is in default in performance of any covenant, agreement, or condition contained in this Lease and, if so, specifying each such default of which Lessee may have knowledge.

29. **HAZARDOUS SUBSTANCES.** Lessee's use of the Premises shall at all times be in full compliance with all federal, state and local environmental laws and regulations. Lessee hereby warrants to Lessor that, except to the extent already disclosed in writing to Lessor, Lessee's use of the Premises and Building shall not entail the use, storage, handling or disposal of any hazardous materials, substances, wastes or other environmentally regulated substances. As to any such uses disclosed to Lessor in writing, Lessee warrants and represents that Lessee is legally authorized and empowered to maintain all such environmentally regulated substances at the Premises or used in connection therewith, and Lessee has obtained and will maintain all licenses, permits and approvals required with respect thereto, and is in full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals. Lessee further warrants and represents that it will promptly notify Lessor of any change in the nature or extent of any hazardous materials, substances or wastes maintained on, in or under the Premises or used in connection therewith, and will promptly transmit to Lessor copies of any permits, licenses, approvals, citations, order, notices, correspondence and other material governmental and other communication received relating to hazardous materials, substances, wastes or other environmentally regulated substances affecting the Premises. Lessee hereby indemnifies and holds Lessor harmless from and against any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted

against Lessor as a direct or indirect result of noncompliance with any requirement under any law, regulation or ordinance, local or state or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances. Lessee's obligations hereunder shall not be limited to any extent by the term of the Lease. Lessor agrees to provide and maintain approved storage containers for all flammable and hazardous materials. Lessor also agrees to abide by any and all regulations governing the safe, proper handling and disposal of said materials.

30. **ENTIRE AGREEMENT.** Lessee agrees that Lessor has not made any statement, promise or agreement, or taken upon itself any engagement whatsoever, verbally or in writing, in conflict with the terms of this Lease, or in which any way modifies, varies, alters, enlarges or invalidates any of its provisions. This Lease sets forth the entire understanding between Lessor and Lessee, and shall not be changed, modified or amended except by an instrument in writing signed by the party against whom the enforcement of any such change, modification or amendment is sought. The covenants and agreements herein contained shall bind, and the benefit and advantages herein shall inure to the respective heirs, legal representatives, successors and assigns of Lessor and Lessee. Should any clause or provision of this Lease be determined to be illegal, invalid or unenforceable under any present or future law by final judgment of a court of competent jurisdiction, the remainder of this Lease will not be affected thereby. Whenever used, the singular number shall include the plural and the plural shall include the singular and the use of any gender shall include all genders. The headings set forth in this Lease are for ease of reference only and shall not be interpreted to modify or limit the provisions hereof. Lessee shall not record this lease or any memorandum or short form thereof, and the recording thereof in violation of this provision shall make this lease void at Lessor's election. This Lease shall be construed in accordance with the laws of the State of Florida. Time is of the essence in the performance of all obligations under this Lease.

31. **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 testing may be obtained from one's county public health unit.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Agreement to be executed the day and year first above written.

Signed, sealed and delivered

**LESSOR:**


By: 

Norbert Ehrich  
Sr. Vice President FBO Services

Date: 8/5/2010

**LESSEE:**

By: \_\_\_\_\_

  
Mr. Shawn Griffith  
President

Date: 8-3-2010

**Fuel**

1. During the Term of this Lease, Lessee shall purchase from Lessor at the Facility and Lessor shall sell to Lessee at the Facility, all of the JetA fuel for the Aircraft while at Palm Beach International Airport.
2. Lessee shall pay Lessor for each gallon of JetA fuel sold by Lessor to Lessee at Palm Beach pursuant to this Lease at an agreed to price of cost plus \$1.00.
3. Lessee shall use an Exxon Air World card when purchasing JetA fuel or other accepted credit card from Lessor.
4. In the event a fuel spill occurs during the refueling of the Aircraft that is caused by Lessor's negligence, or refueling equipment failure, Lessor will be responsible for fuel spill cleanup costs incurred. Lessee will be responsible for cleanup costs and hazardous waste disposal charges that result from any fuel spilled from the Aircraft on the Premises that resulted from aircraft systems or component failure during refueling or fuel transfer.
5. This Exhibit A shall continue during the Term of the Lease, and any extensions thereof, unless the Lease is sooner terminated in accordance with its terms.