Agenda Item: 37-3

# PALM BEACH COUNTY **BOARD OF COUNTY COMMISSIONERS**

# **AGENDA ITEM SUMMARY**

Meeting Date: December 21, 2010

[X] Consent [] Regular ] Workshop [] Public Hearing

Submitted By: Department of Airports \_ \_ \_ \_ \_ \_ \_ \_ \_ \_ \_ \_ \_

# I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: Seven (7) original Agreements for the Department of Airports.

Consent to Sublease for a Sublease Agreement between Jet Aviation Associates, Α. Ltd. and Credence Aviation, LLC, commencing 11/1/2010. (AH)

Β. Consent to Sublease for a Sublease Agreement between Piedmont Hawthorne Aviation, LLC, d/b/a Landmark Aviation and Robert J. Scialla, commencing 11/1/2010. (AH)

C. Consent to Sub-Sublease under Lease Agreement with Galaxy Aviation of Palm Beach, Inc. (R-2000-1067) for a Sub-Sublease Agreement between Rotortech Services, Inc. and Corporate Jet Care LLC, commencing 7/1/2010. (AH)

General Aeronautical Services Permit with Aramark Aviation Services Limited D. Partnership, commencing 10/1/2010, expiring 9/30/2011, automatically renewed on year-to-year basis (10/1 through 9/30). (AH)

Airline Service Incentive Program Participation Agreement for Qualified Flights with Ε. Air Canada, commencing 11/19/2010, expiring one (1) year from effective date, automatically renewed on a year-to-year basis. (AH)

F. Fifth Amendment to Airline Operating and Lease Agreement with Air Canada (R-2009-0081) replacing Exhibit B which shows exclusive and preferential use premises on first and third level of PBIA Terminal, effective 10/31/2010. (AH)

G. Affidavit of Posting Resolution R-2010-1461 to amend Palm Beach County Airport Rules and Regulations providing for regulation of ground transportation services.

Summary: Delegation of authority for execution of the standard County agreements above was approved by the BCC in R-1994-1453, R-2007-1968, R-2009-0634, and R-2010-0708. Countywide

Background and Justification: N/A

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Attachments: Seven (7) Standard Agreements for the Department of Airports

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Recommended By: Spin - elly	11/30/10	
Department Head	Date	-

Approved By:

Administrator

# 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 <u>November 1, 2010</u>, and commencing on <u>November 1, 2010</u>, (the "Sublease") with <u>Credence Aviation, LLC</u>, (the "SUBLESSEE") for the sublease of certain premises contained within the leasehold of LESSEE under the Lease Agreement.

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

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

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_ 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.

Title: Director of

Approved as to Form and Legal Sufficiency:

By: <u>Anne Helyant</u> County Attorney

## <u>LEASE</u>

**THIS LEASE** ("Lease")\_made and entered into as of the 01 November 2010 by and between Jet Aviation Associates, LTD., and all related, affiliated and subsidiary companies and their employees and agents ("Lessor"), whose address is 1515 Perimeter Road, PBIA West Palm Beach, Florida 33406 and Credence Aviation, L.L.C. ("Lessee") whose address is 127 W. Bears Club Drive, Jupiter, Florida 33477

### 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 leases 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.

# 1. PREMISES.

## 1.1 Office: Reserved

1.2 Lessor shall lease and otherwise provide Lessee with sufficient hangar space (the "Hangar Space" unless otherwise denoted) to store Lessee's N926JK, Embraer Phenom aircraft. The Hangar space to be provided is that space in one of the five hangars. The parties agree that Lessor has the sole, exclusive and absolute right to designate alternatives space to store the Aircraft, but Lessor will use reasonable efforts to attempt to provide space for Aircraft in one of the five hangars.

2. <u>TERM.</u> The "Term" of this Lease and the accrual of rents hereunder shall commence on 01 November 2010 (the "Commencement Date") and shall extend to midnight of October 31, 2011 (the "Expiration Date") for a period of (1) year.. 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 Expiration Date or subsequent anniversary date only upon giving the other party sixty (60) days advance written notice.

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# 3. <u>RENT.</u>

3.1 Base Rent: The "Monthly Base Rent" for the Premises during the first year of the Term shall be one Thousand Five Hundred Dollars (\$1500.00) plus tax for the hangar space; payable by Lessee to Lessor without demand, set-off or deduction whatsoever. The Annual Base Rent for each subsequent year of the Lease term may be increased at the sole and absolute discretion of Lessor. When such new rates are established by Lessor, this lease shall automatically be considered as amended, without formal amendment hereto, upon written notification by Lessor to Lessee of the establishment of said increased rental rates.

3.2 Sales Tax and Late Payment Fee. In addition to the Annual Base Rent, and as "Additional Rent" hereunder, Lessee shall also pay the amount of any use or sales tax on the Annual Base Rent imposed by the State of Florida, which shall be paid at the same time and in the same manner as each payment of Annual Base Rent. There shall be due with any payment of Monthly Base Rent received after the fifth (5<sup>th</sup>) day of the month a late payment charge of Fifty Dollars (\$50.00). There shall be a fee of Thirty Dollars (\$50.00) on any checks returned for non-sufficient funds Any late charges or charges for checks not honored shall be deemed as Additional Rent. The Monthly Base Rent and the Additional Rent are collectively referred to as the "Rent".

3.3 *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 Associated, Ltd., at Building 1515, Palm Beach International Airport, West Palm Beach, FL 33406 or at such other place Lessor may from time to time designate in writing.

4. <u>DEPOSITS AND ADVANCE RENT</u> On the Commencement Date, Lessee will pay Lessor (\$1500.00) as the first monthly installment of the Annual Base Rent for the faithful performance of Lessee's obligations hereunder. In addition, Lessee will deposit with Lessor the sum of (\$3000.00) as an advance toward the Annual Base Rent and sales tax for the last month (\$1500.00) of the Term ("Last Month's Rent"). The Last Month's Rent 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.

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5. <u>**REAL ESTATE TAXES.</u>** 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 Premises.</u>

6. USE. Lessee, its successors and assigns, shall use the Premises exclusively as space for providing services to his own 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 its 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.

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

9. **QUIET ENJOYMENT.** Lessor covenants that as long as Lessee pays the Annual Base Rent and the Additional Rent 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.

10. <u>SIGNS.</u> 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.

11. <u>SECURITY</u>. 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 agrees to accompany and or supervise at all times any persons or entities performing services on behalf of Lessee at the Premises. Lessee further acknowledges and accepts full responsibility for any person or entity that he allows access to the Premises. Lessee will comply with all rules and 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 Page 3

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from time to time. Lessee is subject to and shall be solely responsible for any fine resulting from its failure to comply with these regulations.

12. <u>UTILITIES.</u> During the Term, 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 in the Premises Lessor shall be granted full right of access through any installed security system. Key systems shall not be changed or altered without prior written authorization of-Lessor.

# 13. **LESSOR'S IMPROVEMENTS.** Not applicable.

14. <u>**REPAIRS AND MAINTENANCE**</u>. 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 except to repair windows, doors, walls, carpets, etc. as necessary as long as they are not caused by the negligence of the Lessee. During the Term, 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 the Premises.

Lessee shall deliver the Premises in as good condition and repair as on the Commencement Date, reasonable wear and tear accepted, and in a broom-clean condition with all glass and all windows and doors intact.

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, except to the extent due to the negligence or misconduct of Lessor, or its agents, employees or persons under Lessor's control or direction.

15. <u>ALTERATION TO THE PREMISES AND REMOVAL OF EQUIPMENT.</u> Lessee shall not make any alteration or addition to the Premises without the express prior written consent of Lessor, which shall not be unreasonably withheld. Upon expiration and termination of this Lease, and prior to vacating the Premises, Lessee, at its sole expense, shall return the Premises to its original condition, reasonable wear and tear accepted unless otherwise agreed to in writing by Lessor. Any and all installations, fixtures, improvements and alterations made or installed by Lessee, including electric lighting fixtures installed by Lessee, unless removed without damageto the Premises prior to the Expiration Date, shall, at the Lessor's election, remain a part of the Premises as the property of Lessor.

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Lessor's initials \_\_\_\_\_\_ Lessee's initials \_\_\_\_\_\_ 16. **CASUALTY.** In the event the Premises are rendered wholly untenantable by fire, storm 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 120 days. 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 wholly untenantable, provided that Lessee follows the statutory procedure set forth in § 83.201, Florida Statutes 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.

Lessor shall not be liable for any loss or damage to any of Lessee's installations, fixtures, improvements and alterations made or installed by Lessee, even if such loss or damage was caused by fire, storm, or other casualty, except due to the negligence of Lessor, or its agents, employees or persons under Lessor's control or direction. In the event of fire, storm or other casualty, Lessor shall not be liable or obligated in any way for the storage or protection of Lessee's personal property at the Premises. Lessee shall bear the sole responsibility for the storage and protection of its personal property.

17. 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 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 be considered in default under the terms of this Lease.

18. **INSPECTIONS 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.

19. <u>WAIVER OR ESTOPPEL.</u> 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 Page 5

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deemed to have been made unless expressed in writing and signed by Lessor.

20. <u>CONDEMNATION.</u> 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.

# 21. INSURANCE.

21.1 Insurance Required. Lessee, at Lessee's sole cost and expense, shall obtain and maintain in effect, at all times during the Term, from a financially solvent insurance carrier authorized to conduct business in the State of Florida, sufficient insurance for the full market value of the any aircraft and equipment or personal property in the lease premises. Additionally, the following types and minimum amounts of insurance:

- 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.
- b. Renter's insurance sufficient in amount to insure the entire contents, inventory, and trade fixtures of Lessor at the Premises.
- c. Automobile liability insurance amount not less than Five Hundred Thousand Dollars (\$500,000.), including, owned, non-owned and for hire vehicles with a specific endorsement reflecting the applicability of the policy on **airport premises**.
- d. Worker's compensation insurance for any persons or entities performing services on behalf of Lessee at the Premises. Lessee expressly agrees that it shall not use, hire or employ any contractor, subcontractor, independent contractor, or the like, or allow any other person whether a guest, invitee or licensee, to provide services at the Premises without worker's compensation insurance and general liability insurance. Lessee shall provide Lessor with copies of certificates of insurance of any contractor, subcontractor, independent contractor, guest, invitee or licensee prior to said person or persons providing services at the Premises. In the absence of this insurance proof, Leessor has the right to refuse access to any persons or entities performing services on behalf of Page 6

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### Lessee at the Premises

- 21.2 *Policy Requirements.* Any insurance policy carried or taken out by Lessee shall:
- (i) designate Lessor as an additional insured, except Worker's Compensation.
- (ii) provide that, if (1) such policy is canceled for any reason, or (2) such policy is allowed to be cancelled for non-payment of premium, any such cancellation shall not become effective until thirty (30) days after notice to Lessor or in the event of non-payment of premium with ten(10) days notice to Lessor.
- (iii) provide for primary insurance, i.e. without the right of contribution from any insurance carried by Lessor and
- (iv) provide that Lessor shall have no obligation or liability for premiums, assessments, or calls in connection with such insurance policy.
- 21.3 *Time.* Within thirty (30) days after execution and delivery of this Lease, Lessee shall deliver to Lessor certificates of insurance, issued by Lessee's insurer in a form reasonably acceptable to Lessor, evidencing the type and coverage of insurance referred to above. Each such certificate shall indicate the date and number of the policy, the exact name of the insured thereon, and, if applicable, the coverage thereunder applicable to the Aircraft stored at the Premises. Lessee shall further provide Lessor, on an annual basis, with certificates of insurance for the insurance so required under this Lease. Failure of the Lessee to provide the required certificates of insurance to Lessor, within ten (10) days of Lessor's written request therefor, or to maintain the required insurance at the minimum converages, shall be deemed a material default of the Lease Agreement.

In addition to the requirements set forth in Section 21.2 above, Lessee shall provide Lessor with a thirty (30) day advance written notice of policy cancellation, reduction in limits or any change adversely affecting the interest of Lessor.

Lessor will pay, in the first instance, all premiums for fire and extended coverage insurance on the Building. Premiums paid for such insurance for the year of coverage next ending after the Commencement Date shall be the "base insurance premiums" herein. In the event there is an increase in premiums for such insurance during the 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 Page 7

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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 in the Premises in relationship to the total amount of rentable square footage of floor space in the Building.

22. <u>LIMITATION ON LIABILITY.</u> Lessor shall not be responsible or liable at any time to Lessee or those claiming by, through, or under Lessee, for any loss of life, bodily or personal injury, property damage, except as stated below, or for any business interruption that may be occasioned by or through the criminal conduct of any other persons or any other tenant or occupant of any portion of the Premises. In the event that the Aircraft is damaged by the acts or negligence of Lessor, its authorized agents or employees, then Lessor's liability shall be strictly limited to the reasonable costs of repairs to the Aircraft directly attributable to Lessor's actions.

23. **INDEMNITY**. Except to the extent that indemnity is provided by insurance, Lessee expressly agrees to and shall fully indemnify Lessor and hold Lessor harmless from any and all liability, loss, cost, damage, or expense, including the cost of investigation and defense, that Lessor may incur with respect to any claim or demand arising out of Lessee's breach or other improper acts or omissions in connection with the use or occupancy of the Premises by Lessee.

24. **DEFAULT.** Time is of the essence in the performance of this Lease. In the event Lessee shall (a) fail to make any Rent or other payment due hereunder within ten (10) days of the due date, or (b) breach or fail 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 Rent payments as they become due; or

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 are 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 after releasing which shall be reasonable and in accordance with Fair Market Value, together with all reasonable 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.

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In the event Lessee holds over after the expiration of the Term or after Lessor has become entitled to possession of the Premises as a result of default, Lessee shall pay to-Lessor, each month, 1.5 times the amount of total Rents which were payable by Lessee the month prior to Lessor becoming entitled to possession.

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.

The provisions of this Section 24 shall not apply with respect to a termination of this lease by Lessee in accordance with Section 2

25. <u>NOTICES</u>. 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:

Norbert Ehrich Sr. Vice President FBO Services Jet Aviation Associates, Ltd. 1515 Perimeter Road Palm Beach Int'l Airport West Palm Beach, FL 33406

Lessee:

Credence Aviation, L.L.C. 127 W. Aero Club Drive Jupiter, Florida 33477

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

26. <u>ATTORNEYS' FEES.</u> In the event of litigation under this Lease, the prevailing party shall be entitled to recover its court costs and reasonable 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 only to the extent said levels are undertaken. 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.

27. **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-operativeand no further instrument of subordination shall be necessary. In confirmation of such subordination, Lessee shall execute promptly any certificate that Lessor may

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Lessor's initials \_\_\_\_\_ Lessee's Initials\_\_\_\_\_ reasonably request. Lessee hereby appoints Lessor as Lessee's irrevocable attorneyin-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.

HAZARDOUS SUBSTANCES. Lessee's use of the Premises shall at all 28 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 of Lessee\_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-limited to Lessee's acts and Lessee's premises and aircraft. Lessee's obligations hereunder shall extend on insofar as such obligation arise from Lessee's acts and Lessee's premises and aircraft which are discovered or should reasonably have been discovered within one year of after the date of expiration or termination of this 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 rules and regulations governing the safe, proper handling and disposal of said materials. This Section shall survive the expiration or termination of this Lease.

29. 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 or Lessee. Each party hereby indemnifies and agrees to hold harmless the other from and against Lessor's initials

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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.

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. 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. <u>FORCE MAJEURE</u>. Neither Lessor nor Lessee, nor any of their respective officers or directors shall be liable for, nor shall they, or any of them, be deemed in default under this Lease on account of any failure or delay in performance due to causes beyond their control. Said causes include, but are not limited to, delays due to strikes, acts of God, fires, flood, the actions of the United States Government or any other government or agency thereof, both foreign and domestic, or the failure to receive essential parts or services from suppliers.

32. **ILLEGALITY**. Notwithstanding anything in this Lease to the contrary, if Lessee is unable to use the Premises because the use thereof as contemplated by this Lease is in violation of any federal, state or municipal law or regulation, and if Lessor cannot cure such violation within ten (10) days of notice of such violation, Lessee may terminate this Lease immediately upon written notice to Lessor and the charges payable by Lessee under this Agreement to Lessor shall be proportionately paid up to the earlier of (a) the date of termination or (b) the date Lessee is unable to use the Premises for the purposes contemplated by this Lease.

33. <u>SEVERABILITY</u>. The provisions of this Lease shall be deemed independent and severable and the invalidity, partial invalidity or unenforceability of any one provision or portion of this Lease shall not affect the validity or enforceability of any other provision of this Lease. Any provision of this Lease, which is prohibited or unenforceable in any jurisdiction, shall as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability and any prohibition or unenforceability in any particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Page 11

Lessor's initials \_\_\_\_\_\_

34. <u>ASSIGNMENT.</u> 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 which shall not be unreasonably withheld.

35. <u>CONFIDENTIALITY</u>. All terms and conditions as well as payments to be made by Lessee to Lessor pursuant to this Lease are considered confidential information, and Lessor and Lessee agree to keep such information confidential, except to enforce the terms and conditions of the Lease or as may be required to the contrary by any applicable law.

36. <u>APPLICABLE LAW</u>. This Agreement shall be construed and governed in accordance with the laws of the State of Florida. Any dispute or litigation concerning this agreement shall be brought only in Palm Beach County, Florida.

# 37. CERTAIN INTERPRETIVE MATTERS.

37.1 Section headings contained in this Lease are for convenient reference only, and shall not in any way affect the meaning or interpretation of this Lease.

37.2 This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

37.3 No provision of this Lease shall be interpreted in favor of, or against, either party hereto by reason of the extent to which any such party or its legal counsel participated in the drafting thereof or by reason of the extent to which such provision is inconsistent with any prior draft of this Lease.

37.4 The words "herein," "hereof," "hereto," "thereunder" and words of similar import refer to this Lease.

37.5 The term "Aircraft" shall mean that aircraft for which the Lessee provides flight crew, administrative or maintenance services.

38. <u>RADON GAS.</u> 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-to be executed the day and year first above written.

Signed, sealed and delivered

Page 12

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Lessee's Initials_	lig

LESSOR: Jet Aviation Associates, LTD.

Norbert Ehrich Sr. Vice President FBO Services

11/1/ 20 10 Date:

LESSEE:

By: Cl.SL

JAYARAM CHIGURUPATI

MANAGING MEMBER

Title

Date: Nov n 2010

Lessor's initials

Lessee's Initials

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# EXHIBIT A

Fuel

- 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.
- 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 Retail minus \$1.50.
- Lessee shall use an Exxon Air World card only when purchasing JetA fuel from Lessor pursuant to this Exhibit A.
  - 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.
  - 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.

r's initials Lessee's Initials

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# **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 **Piedmont Hawthorne Aviation**, **LLC**, **d/b/a Landmark Aviation** (the "LESSEE"), dated July 20, 2010 (R-2010-1109), (the "Lease Agreement"), hereby consents to LESSEE entering into a Sublease Agreement dated <u>November 1</u>, 2010, and commencing on <u>November 1</u>, 2010, (the "Sublease") with <u>Robert J. Scialla</u>, (the "SUBLESSEE") for the sublease of certain premises contained within the leasehold of LESSEE under the Lease Agreement.

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

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

NOV 2 4 2010

APPROVED this \_\_\_\_\_ 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: <u>Anne Dekant</u> County Attorney

#### HANGAR SUBLEASE AGREEMENT

This Sublease (this "Lease"), is made and entered into this 1st day of November 2010, (the "Effective Date") by and between Piedmont Hawthorne Aviation, LLC d/b/a Landmark Aviation ("LESSOR"), and Robert J. Scialla, whose address is 2366 Azure Cir, Palm Beach Gardens, Florida 33410 ("LESSEE") (LESSOR and LESSEE are sometimes referred to herein individually as a "Party" and collectively as the "Parties") finsert if applicable when terminating a prior Hangan Lease Agreement of the state of the st

#### WITNESSETH

WHEREAS, LESSOR operates fixed base operation facilities ("FBO") at North County, Coneral Automation Beach County, Clauses Airports (the "Airport") located in Palm Beach County, Florida, pursuant to the Primary Lease (as hereinafter defined); and

WHEREAS, LESSOR leases certain property at the Airports which is available for sublease; 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. <u>Term.</u> The term of this Lease shall be for a period of **12 months** commencing on the **1st** day of **November**, **2010**, (the "Commencement Date") and terminating on the **31st** day of **October**, **2011**. This Lease shall be automatically renewed at **12 month** intervals thereafter, provided, however, either Party may elect not to renew this Lease upon providing no less than thirty (30) days advance written notice to the other Party prior to the expiration of the then current term.

2. <u>Premises.</u> LESSOR hereby leases to LESSEE and LESSEE hereby rents from LESSOR that certain hangar identified as unit number 12, Building 11300, containing a total of 1126 square feet, located at the Airport, all as more particularly described on Exhibit "A", attached hereto and made a part hereof (the "Premises").

3. <u>Rental</u> LESSEE shall pay LESSOR as the initial annual rental for the Premises, the sum of four thousand three hundred eighty Dollars (\$4,380.00), payable in equal monthly installments of three hundred sixty five Dollars (\$365.00), plus any applicable taxes as may be required by law. Payment of rental by LESSEE to LESSOR 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 LESSOR and shall be mailed or hand delivered to the following address:

Landmark Aviation 11600 Aviation Blvd West Palm Beach Florida 33412

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LESSOR 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 LESSOR 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 LESSOR. Notwithstanding the foregoing, LESSOR 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. <u>Payment of Taxes.</u> 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

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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. <u>Adjustment of Rent.</u> The amount of rentals due hereunder may be adjusted from time-totime by the LESSOR. In such event, LESSEE shall be provided at least ninety (90) days advance written notice prior to the commencement of any new rental rate.

6. <u>Security Deposit</u>. LESSEE shall pay to LESSOR, 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 3 months rental due hereunder. The security deposit shall be held by LESSOR 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 LESSOR; 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 LESSOR. 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 LESSOR, the LESSOR may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by LESSOR, plus any applicable administrative overhead.

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

8. <u>Description of Specific Privileges, Uses and Rights.</u> The LESSOR 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 LESSOR in accordance with the provisions of this Lease (the "Registered Aircraft").

#### FAA Registration No. N546CT

#### Flight Design

#### Model:

Make:

LESSEE shall promptly register all aircraft being stored within the Premises with the LESSOR, and shall promptly notify the LESSOR 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 LESSOR in accordance with the provisions of this Section.

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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 hangaring of aircraft.

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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 LESSOR, 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 LESSOR'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 LESSOR. In addition to any other remedy or action available to LESSOR, LESSOR shall have, and LESSEE hereby agrees that LESSOR shall have the right to enter onto the Premises and remove therefrom any and all electrical appliances or devices which LESSOR has not approved for installation and use in the Premises. LESSOR shall not be held liable for any such loss or damage suffered by the LESSEE as a result of such action by LESSOR unless such loss or damage results from solely from negligence of LESSOR, 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 LESSOR approved aircraft wash rack.

9. <u>Description of General Privileges, Uses and Rights.</u> In addition to the specific privileges granted in Section 8 above, LESSOR 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 and the Primary Lease (as hereinafter defined):

A. The general use, in common with others, of all public FBO facilities and improvements which are now or may hereafter be connected with or appurtenant to the FBO (including airfield access). For purposes of this Lease, "public FBO 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 LESSOR has not leased herein.

10. <u>Condition of Premises.</u> LESSEE acknowledges that LESSOR 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 LESSOR.

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

B. <u>Utilities.</u> LESSOR shall provide at no additional cost to LESSEE electrical power within the Premises for lighting and the operation of electrical appliances as approved by

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the LESSOR pursuant to Section 8 above, if any. Notwithstanding the foregoing, LESSOR may require LESSEE to pay its utility costs, including electrical power, for any separately metered utilities upon sixty (60) days prior written notice.

Obligations of LESSEE.

12.

A. <u>Maintenance.</u> 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 LESSOR with respect to any and all such maintenance or repair. Upon written notice by the LESSOR to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with the LESSOR's decision. If LESSEE has not made a good faith effort, as determined by the LESSOR, to begin to perform the required maintenance or repair, within twenty (20) days after written notice and to diligently pursue the same to completion, LESSOR 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 LESSOR for payment of any costs incurred by LESSOR, 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 LESSOR's billing therefore.

B. <u>Alterations, Changes or Additions to the Premises</u>, LESSEE shall not make any improvements, alterations, additions or changes (hereinafter collectively referred to as "Alterations") to the Premises without the LESSOR's prior written consent. Upon written notice by the LESSOR, LESSEE shall remove any Alterations to the Premises, whether or not approved by the LESSOR, 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 LESSOR with respect to any restoration, removal, maintenance or repair to the Premises and perform the required restoration, removal, maintenance or repair, LESSOR shall have the right to enter the Premises and perform the required restoration, removal, maintenance or repair, plus a twenty-five percent (25%) administrative overhead, within thirty (30) days of the LESSOR's invoice.

C. <u>Security</u>. LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all of LESSEE's property placed upon the Premises. LESSEE fully understands that the police security protection provided by LESSOR is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County's 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 LESSOR. LESSOR shall have the right to review, change, after, or revise any security policy or procedure at any time based on the LESSOR's responsibilities under the Primary Lease (as hereinafter defined), including the right to restrict access to the Airport, including the Palm Beach County, the FAA or any agency of the Department of Homeland Security, including the TSA.

D. <u>Vehicle Operations</u>. 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 Palm Beach County, requires prior approval by the LESSOR and Palm Beach County. 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 LESSOR and Palm Beach County.

13. Indemnification. LESSEE agrees to protect, defend, reimburse, indemnify and hold LESSOR and Palm Beach County and their respective 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 LESSOR or Palm Beach 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

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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 LESSOR 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 LESSOR or Palm Beach County or their respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify LESSOR 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 voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by LESSOR in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.

14. <u>Insurance.</u> Without limiting LESSEE's obligation to indemnify LESSOR, 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 One Million Dollars (\$1,000,000) each occurrence, and coverage including risks both on the ground and in flight, for one hundred (100%) percent of the total replacement cost of the Registered Aircraft.

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 One Million Dollars (\$1,000,000) each occurrence. Coverage must include not less than One Hundred Thousand Dollars (\$250,000) 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 LESSOR, 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 LESSOR, and 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 LESSOR, 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 LESSOR prior to the Effective Date of this Lease, and renewal certificate(s) or coples 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:

- 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 "Piedmont Hawthorne Aviation, LLC d/b/a Landmark Aviation, its parent, and all affiliated companies, their directors, officers and employees" and "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Director of Airports, 846 Palm Beach International Airport, West Palm Beach, Fl, 33406-1470" as "additional insureds"; 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.

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

15. <u>Assignment by LESSEE</u>. LESSEE shall not assign an interest in this Lease, or any part thereof, without the prior written consent of the LESSOR, which consent may be granted or withheld at the LESSOR's sole and absolute discretion for any reason or no reason at all. Any attempted assignment without LESSOR approval shall be null and void. In the event the LESSOR provides such consent, LESSEE shall have the right only to the extent permitted by the LESSOR'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

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encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered grounds for termination of this Lease.

16. <u>Assignment by LESSOR</u>. LESSOR may freely assign this Lease at any time without the consent of LESSEE, and LESSOR shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by LESSOR, LESSEE agrees that it shall recognize LESSOR'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 LESSOR 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 LESSOR may transfer any security deposit held by LESSOR pursuant to Section 6 above to LESSOR's assignee.

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

18. Disclaimer of Liability. LESSOR HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES LESSOR AND PALM BEACH 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 LESSOR'S OR PALM BEACH COUNTY'S NEGLIGENCE. THE PARTIES EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL LESSOR OR PALM BEACH 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, DIMINUTION IN VALUE, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE. LESSEE RELEASES LESSOR FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY LESSOR RELATED TO THIS LEASE. FURTHERMORE, LESSEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY LESSOR 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 LESSOR OR PALM BEACH COUNTY FOR THE LESSOR'S OR PALM BEACH COUNTY'S NEGLIGENT, WILLFUL OR INTERTIONAL ACTS.

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

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

B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from the LESSOR 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 LESSOR; 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 interest in this Lease, where such seizure is not discharged within thirty (30) days.

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

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

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20. <u>Remedies.</u> In the event of any such material default or breach by LESSEE, LESSOR may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which LESSOR 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 LESSOR 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 LESSOR 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, but not limited to, the cost of recovering possession of the Premises, and real estate commissions paid by LESSOR 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 LESSOR, thereby terminating any further liability under this Lease on the part of LESSEE and LESSOR. Notwithstanding the foregoing, LESSOR shall have a cause of action to recover any rent remaining unpaid when LESSOR retakes possession of the Premises for the account of LESSOR.

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 LESSOR 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, LESSOR shall have the right to bring an action for damages. LESSOR further reserves all rights which the laws of the State of Florida confer upon a landlord or a licensor against a tenant or licensee in default.

21. <u>Termination by LESSEE</u> LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving LESSOR 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 LESSOR in the performance of any covenant or agreement required to be performed by LESSOR and the failure of LESSOR 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 LESSOR 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 LESSOR has commenced such cure and thereafter diligently pursues the same until completion.

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

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

22. <u>Surrender of Premises</u>. LESSEE expressly agrees that it shall immediately surrender the Premises to LESSOR 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 LESSOR for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to LESSOR 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 LESSOR, become the property of LESSOR.

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23. Inspection, LESSOR and Palm Beach County, and their respective 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, the Primary Lease and/or applicable laws. LESSEE agrees that LESSOR may take such action and to make such repairs or alterations as are, in the sole opinion of the LESSOR, 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. <u>Relationship of the Parties.</u> 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 LESSOR shall in no way be responsible therefor.

25. <u>Remedies Cumulative.</u> 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. <u>Notice.</u> All notices and elections (collectively, "notices") to be given or delivered by or to any Party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service, telecopied or faxed, or atternatively 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, courier services, or national overnight 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:

LESSOR:

Landmark Aviation 11600 Aviation Blvd., #13 West Palm Beach, Florida 33412 Attn: General Manager

With a copy to:

Landmark Aviation 1500 City West Blvd., Suite 600 Houston, Texas 77042 Attn: General Counsel and CFO

LESSEE:

Robert J Scialla 2366 Azure Cir. Palm Beach Gardens Florida 33410

#### E-mail Address: robscialla@comcast.net Fax:

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

28. <u>Federal Review</u> LESSEE acknowledges this Lease may be subject to review or inspection by the Federal Aviation Administration to determine satisfactory compliance with Federal law or grant assurances and this Lease shall be in full force and effect and binding upon 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. <u>Primary Lease</u>. This Lease is expressly subject and subordinate to Fixed Base Operator Lease Agreement between Palm Beach County and LESSOR dated July 20, 2010 (the "Primary Lease"), which covers the FBO, the Premises, and adjacent areas. The Parties agree to comply with the Primary Lease and all rules and regulations set forth by Palm Beach County and its designated departments or agencies, as applicable. In the event of a conflict between this Lease and the Primary Lease, the parties agree that the Primary Lease shall control. If the Primary Lease is terminated, canceled for any reason, or

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abated as to any portion of the Premises or adjacent areas, such termination, cancellation, or abatement will immediately operate as a cancellation of this Lease without any further documentation, and LESSOR and Palm Beach County will be relieved of liability for any and all damages (consequential, direct, actual or otherwise) that LESSEE may sustain as a result.

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

31. <u>Right of Flight.</u> The Parties acknowledge that Palm Beach 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. <u>Operation of Airport</u> 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. <u>Release</u>. LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases LESSOR and Palm Beach County from any and all liability relating to the same.

34. <u>Non-discrimination</u>. 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, familial status, 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, LESSOR of Transportation, Subtitie A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the LESSOR 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, LESSOR 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. <u>Damage or Destruction</u>. 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 LESSOR and Palm Beach County and all applicable laws. If LESSEE fails to restore the Premises as required above, LESSOR 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 LESSOR for payment of the costs incurred by LESSOR, 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 LESSOR's written notice.

36. <u>Partial Destruction</u>. If any of the improvements on the Premises are damaged or destroyed in part by fire or other casualty, LESSOR 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 LESSOR 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 LESSOR to LESSEE that the Premises have been substantially repaired or restored. Notwithstanding any provision of this Lease to the contrary, LESSOR 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. <u>Total Casualty</u>. In the event of a total casualty to the Premises which renders the Premises unusable, as reasonably determined by the LESSOR, 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 LESSOR elects to restore the Premises, LESSEE's obligation to pay rental shall be abated until thirty (30) days after notice by LESSOR to LESSEE that the Premises have been substantially repaired or restored.

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

39. <u>Limitations.</u> Notwithstanding any provision of this Lease to the contrary, LESSOR 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 LESSOR elects to restore or rebuild the Premises following a casualty, LESSOR'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 LESSOR as a result of such casualty. LESSEE shall not be entitled to and hereby waives any claims against LESSOR 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, LESSOR shall not be liable for any damage or inconvenience or interruption of the business of LESSEE occasioned by fire or other casualty.

40. LESSOR not Liable. LESSOR and Palm Beach 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 LESSOR or Palm Beach County. LESSOR and Palm Beach 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. LESSOR and Palm Beach 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 LESSOR and Palm Beach County 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. LESSOR and Palm Beach County shall not be liable for any damage or loss of said personal property.

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

42. <u>Waiver</u>. The failuré of LESSOR 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 LESSOR may have for any subsequent breach, event of default, or nonperformance, and LESSOR's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.

43. <u>Subordination to Bond Resolution.</u> This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by Palm Beach County in the Bond Resolution, and LESSOR 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 LESSOR hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and LESSOR with the terms and provisions of this Lease and Bond Resolution.

44. <u>Subordination to Federal Agreements.</u> This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which Palm Beach 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 Palm Beach 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. <u>Exclusive Rights.</u> 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 LESSOR may grant similar privileges to another lessee or other lessees.

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

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47. <u>Governmental Authority</u>. Nothing in this Lease shall be construed to waive or limit Palm Beach County's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations.

48. <u>Rights Reserved to the LESSOR.</u> All rights not specifically granted LESSEE by this Lease are reserved to the LESSOR.

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

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

51. <u>Consent and Approval.</u> 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 LESSOR, rather than any implied standard of good faith, fairness or reasonableness. Wherever this Lease requires LESSOR's consent or approval or permits LESSOR to act, such consent, approval or action may be given or performed by the LESSOR's General Manager at the Airport. If LESSEE requests the LESSOR's consent, LESSEE shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.

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

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

55. <u>No Broker</u> LESSEE warrants to LESSOR 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 LESSOR harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by LESSOR 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. <u>Excusable Delay.</u> 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. <u>Incorporation by References.</u> Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by such reference.

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

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

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

61. <u>Radon.</u> 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 Palm Beach County public health unit.

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

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By: Ridlach

PIEDMONT HAWTHORNE AVIATION, LLC BY ITS GENERAL MANAGER – F45 AND PHK

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# CONSENT TO SUB-SUBLEASE

**PALM BEACH COUNTY**, a political subdivision of the State of Florida, the "COUNTY", by and through its Department of Airports, under that certain Lease Agreement with Galaxy Aviation of Palm Beach, Inc. (the "LESSEE"), dated October 18, 2000 (R-2000-1067), as amended (the "Master Lease Agreement"), hereby consents to SUBLESSEE, Rotortech Services, Inc. (the "SUBLESSOR"), entering into a Sub-Sublease Agreement dated July 1, 2010, and commencing on July 1, 2010, (the "Sub-Sublease") with SUB-SUBLESSEE, Corporate Jet Care LLC, (the "SUB-SUBLESSEE") for the Sub-Sublease of certain premises contained within the leasehold of LESSEE under the Master Lease Agreement.

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

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

APPROVED this \_\_\_\_\_ 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:

# ANNUAL HELICOPTER MAINTENANCE AND STORAGE AGREEMENT

THIS AGREEMENT is made and entered into this <u>157</u> day of <u>JULY</u>, 2010 between ROTORTECH SERVICES, INC., with offices at 4095 Southern Boulevard, West Palm Beach, Florida 33406, ("Rotortech"), and <u>Corporate</u> <u>Jet Care ILC</u> \_\_\_\_\_\_\_attention: <u>David Sampson</u>, with offices at <u>4095 Scuthern</u> Bluck <u># 206 West Palm Bch FL 33406</u> ("Aircraft Owner/Lessee").

For and in consideration of the mutual covenants contained herein, Rotortech and Aircraft Owner/Lessee agree as follows:

1. Aircraft Storage Space. Rotortech shall provide, during the term of this Agreement, storage space in Rotortech's Hangar located at 4095 Southern Boulevard, West Palm Beach, Florida, for the helicopter described below. The property upon which the Hangar and Building is located is sometimes herein referred to as the "Premises". Rotortech reserves the right to change, from time to time, the Aircraft's position in the Hangar, either on a temporary or permanent basis. Aircraft Owner/Lessee is the registered owner of the following Aircraft to be stored as set forth herein:

Helicopter Identification No:

Aircraft Make, Model, Year, and Color: NA

# PRIOR TO DELIVERY OF THE AIRCRAFT TO THE PREMISES, AIRCRAFT OWNER/LESSEE/LESSEE SHALL EXECUTE AND DELIVER TO ROTORTECH THE SEVERE WEATHER AGREEMENT AND WAIVER OF LIABILITY FORM ATTACHED HERETO AS EXHIBIT "A".

2. Maintenance. Aircraft Owner/Lessee may request Rotortech to perform maintenance services to the Aircraft pursuant to mutually agreed upon written Orders and Quotes. Aircraft Owner/Lessee agrees that no outside service providers shall be permitted to provide maintenance or repairs to the Aircraft when the Aircraft is located upon the Premises; however, Aircraft Owner/Lessee is permitted, with prior approval of Rotortech to have an outside party monitor the maintenance and repair services provided by Rotortech on a "non interference" basis and who may provide assistance as agreed upon by Rotortech.

3. Storage/Office Space. Included in this Agreement is Storage/Office Space #206 in the Building at 4095 Southern Boulevard, West Palm Beach, Florida, more particularly set forth in Exhibit "B" hereto (hereinafter called "Storage/Office Space"), which space is to be used for administrative functions of Aircraft Owner/Lessee associated with the Aircraft listed above, crew's office and equipment storage. In consideration of Aircraft Owner/Lessee's agreement to accept this Storage/Office Space, Rotortech agrees to provide Aircraft Owner/Lessee a 10% discount on the standard labor rates prevailing at that time, and a \$1.00 per gallon discount for fuel purchased through Rotortech.

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4. Term of Agreement. This Agreement shall commence on the  $1^{5}$  day of  $\overline{1}$  and  $\overline{1}$  day of  $\overline{1}$  day of

5. **Rent.** The Aircraft Owner/Lessee agrees to pay to Rotortech as Rent the total annual amount of (\$\_) (plus any partial month if the Commencement Date is not the first day of a month) paid in equal monthly installments of \$\_\_\_\_\_\_\_\_\_\_, together with any sales tax thereon, in advance without demand on the first day of each and every calendar month during the term without deductions or set-offs. If the term of this Agreement shall begin during a calendar month, then in order that the Rent may be placed on a calendar month basis, the Rent for such portion of the particular calendar month at the beginning of the term, shall be apportioned.

6. Security Deposit and Last Month's Rent. Aircraft Owner/Lessee, concurrently with the execution of this Agreement, has deposited with Rotortech a sum equal to one monthly installment of Rent for Security Deposit and one monthly installment of Rent for last month's Rent, for a total of \$\_\_\_\_\_\_, the receipt of which is hereby acknowledged by Rotortech. The Security Deposit shall be retained by Rotortech as security for payment by Aircraft Owner/Lessee of the Rent herein agreed, for the faithful performance by Aircraft Owner/Lessee of the terms and covenants of the Agreement and for unpaid services rendered by Rotortech for the Aircraft. In the event of any default thereon by Aircraft Owner/Lessee, Rotortech, at its option, may at any time apply the Security Deposit, or any part thereof, toward the payment of any Rent in default and toward any and all other sums payable by Aircraft Owner/Lessee under this Agreement or under any maintenance or repair order, which are in default, and toward the performance of each and every of Aircraft Owner/Lessee's covenants in this Agreement which are default, but such covenants and Aircraft Owner/Lessee's liability under this Agreement shall thereby be discharged only pro tanto, that Aircraft Owner/Lessee shall remain liable for any amounts that such sum shall be insufficient to pay; that Rotortech may exhaust any and all rights and remedies against Aircraft Owner/Lessee before resorting to such sum, but nothing herein shall require, or be deemed to require Rotortech to do so. In the event that this deposit shall not be utilized for any such purposes, then such deposit shall be returned by Rotortech to Aircraft Owner/Lessee within thirty (30) days after the expiration of the term of this Agreement. Rotortech, at Rotortech's option, may at any time commingle such funds with the other Rotortech funds and use said deposited funds. Rotortech shall not be required to pay Aircraft Owner/Lessee any interest on said deposited funds. The sum for last month's Rent shall be applied to the last month's Rent of the Term of this Agreement.

7. Late Payment Charges. In the event payment of any one month's installment of Rent is not submitted to Rotortech by the fifth  $(5^{th})$  day of the month, Aircraft Owner/Lessee agrees to pay a late payment charge of ten percent (10%) of the Rent. In the event payment of any two months' Rents, or any portion thereof, is not submitted to Rotortech within five days past the due date for the second month's Rent, Aircraft Owner/Lessee authorizes Rotortech, without notice, to re-enter, seize and take possession of the Aircraft and aircraft accessories for arrears of Rent without being deemed guilty in any manner of trespassing or conversion.

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8. **Delivery of Possession.** If Rotortech shall be unable for any reason whatsoever to deliver possession of the Storage/Office Space or Aircraft storage space to the Aircraft Owner/Lessee on the Commencement Date, Rotortech shall not be liable to the Aircraft Owner/Lessee for any damages cause thereby. The Commencement Date and the Termination Date shall be extended for a reasonable period of time on account of such delay, as so determined by Rotortech.

9. Services Provided. Rotortech shall provide the following:

9.01 Rotortech shall provide at its expense a Low Profile Helicopter Dolly for each Aircraft at no cost to Aircraft Owner/Lessee.

9.02 Rotortech shall provide at its expense all utilities, as reasonably required for the Hangar and Storage/Office Space, including outlets for telephone and data lines in the Storage/Office Space. Aircraft Owner/Lessee shall be responsible to make its own arrangements for voice and data service.

9.03 At Rotortech's expense, Rotortech shall maintain the Premises, including the interior and exterior of the Hangar and Building thereon; provided, however, that Rotortech will not provide cleaning services for Aircraft Owner/Lessee's Storage/Office Space; Aircraft Owner/Lessee shall be solely responsible for the cleaning of their own Storage/Office Space.

9.04 The Storage/Office Space is finished space, carpeted floor and painted walls. It shall be Aircraft Owner/Lessee's responsibility to finish the Storage/Office Space with window treatments, built-ins and furniture. Prior to commencing any improvements of the Storage/Office Space, Aircraft Owner/Lessee shall first submit written details of the proposed improvements, which shall be subject to Rotortech's prior approval, not to be unreasonably withheld.

10. Failure to Provide Services. Failure by Rotortech to any extent to furnish, or any stoppage of the above defined services resulting from causes beyond the control of Rotortech shall not render Rotortech (or Sublessor, as hereinafter defined) liable in any respect for damages to either person or property nor be construed as an eviction of Aircraft Owner/Lessee, permit Aircraft Owner/Lessee to abate Rent, nor relieve Aircraft Owner/Lessee from fulfillment of any covenant or agreement hereof. Should any common area equipment machinery break down or for any cause cease to function properly, Rotortech shall use reasonable diligence to repair the damage promptly but Aircraft Owner/Lessee shall have no claim for a rebate of Rent or for damages on account of any interruptions in service occasioned thereby or resulting therefrom. Failure by Rotortech to furnish any of specified services shall not render Rotortech liable for any damages to either person or property.

# 11. Aircraft Owner/Lessee's Covenants. Aircraft Owner/Lessee agrees:

Rents. To pay all Rents and sums provided to be paid to Rotortech at the times and in the manner provided herein and as provided in any maintenance or repair order.

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Maintenance Storage/Office Space and Aircraft. Aircraft Owner/Lessee shall keep and maintain the Storage/Office Space and Aircraft in a clean and healthful condition and shall comply with all laws, ordinances, orders, rules and regulations of applicable local, State and Federal authorities, including the Southeastern Underwriters Association for the prevention of fires and the rules and regulations of the Federal Aviation Authority.

Rules and Regulations. Aircraft Owner/Lessee agrees to observe all rules and regulations of Rotortech, and all Palm Beach County Airport Rules and Regulations, as now or hereafter amended, as pertains to regulated activities and operations at Palm Beach International Airport, Palm Beach County, Florida, and to observe the General Aviation Minimum Standards for Palm Beach County International Airport, as now or hereafter amended, or any successor or General Aviation Minimum Standards adopted by the Airport. Aircraft Owner/Lessee shall comply with the Airport Security Program and comply with all other such rules and regulations and safety standards as may be prescribed by Palm Beach County, Palm Beach County Department of Airports and applicable federal, state and local laws including, if required, background checks on all applicable employees and agents. Aircraft Owner/Lessee acknowledges that the entire Premises is a non-smoking facility, inside and outside.

Use. Aircraft Owner/Lessee shall use the Premises only for the purposes herein set forth. Aircraft Owner/Lessee will not occupy or use, or permit any portion of the Premises to be occupied or used for any business or purpose which is unlawful in part or in whole or deemed to be disreputable in any manner, or extra hazardous, or permit anything to be done which will in any way increase the rate of insurance on the Premises and/or its contents, and in the event that, by reason of such acts of Aircraft Owner/Lessee, there shall be any increase in insurance on the Premises or on its contents created by Aircraft Owner/Lessee's acts or conduct of business, the Aircraft Owner/Lessee hereby agrees to pay such increase.

#### 12. Indemnification.

The discharge of any pollutants or hazardous substances or 12.1 hydrocarbon contamination on the Premises in violation of any federal, state or local law, rule or regulation or in violation of any order or directive of any federal, state or local court or entity with jurisdiction over such discharge is prohibited. Any such discharge on the Premises committed by Aircraft Owner/Lessee shall be immediately contained, removed and abated at Aircraft Owner/Lessee's sole expense, to the extent necessary to satisfy all pertinent statutory, regulatory, and judicial requirements, subject to 12.2 below. If Aircraft Owner/Lessee does not take immediate action to contain, remove, and abate the discharge, Rotortech may take whatever steps are necessary to contain, remove or abate the discharge. If Rotortech contains, removes, or abates the discharge, the full costs incurred by Rotortech in taking such action shall be paid by Aircraft Owner/Lessee to Rotortech, together with interest at the rate of one (1%) percent per month on any unpaid balance, subject to 12.2 below. Any action of Rotortech shall not relieve Aircraft Owner/Lessee of its obligation and responsibilities under this or any other provision of this Agreement or as imposed by law. No action taken by either Rotortech or Aircraft Owner/Lessee to contain, remove or abate a discharge, whether such action is taken voluntarily or otherwise, shall be construed as an admission of liability as to the source of the discharge.

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12.2 Notwithstanding the above provisions, Aircraft Owner/Lessee shall only be liable for a pollutant or hazardous substance discharge or hydrocarbon contamination on the Premises which results from the use of the Premises by Aircraft Owner/Lessee, its employees, agents, invitees and guests. Aircraft Owner/Lessee shall not be liable for any pollutant or hazardous substance discharge or hydrocarbon contamination caused by the negligence or willful misconduct of Rotortech or other occupants of the Premises. Aircraft Owner/Lessee shall provide reasonable assistance to Rotortech in ascertaining the source of any pollutant or hazardous substance discharge or hydrocarbon contamination on the Premises.

12.3 Aircraft Owner/Lessee shall assume all risks incidental to, or in connection with, its activities conducted hereunder and shall be solely responsible for all accidents or injuries of whatever nature or kind to persons or property caused by Aircraft Owner/Lessee's operations and shall indemnify, defend and save harmless Rotortech (and Sublessor), their officers, directors, stockholders, authorized agents and representatives, from any penalties for violation of any law, ordinance or regulation affecting its operation, and from any and all claims, suits, losses, damages or injuries to persons or property of whatsoever kind or nature arising directly or indirectly out of the operation of such business, or resulting from the carelessness, negligence, or improper conduct of Aircraft Owner/Lessee or any of its employees, agents, invitees or guests. Aircraft Owner/Lessee, at its own cost and expense, shall take out and carry throughout the term of this Agreement, a standard form policy or policies of insurance in such amounts as herein required and with such company or companies as may be approved by Rotortech as affording adequate protection against the foregoing liability in any of the matters contemplated herein and in accordance with the Airport Rules and Regulations and Minimum Standards of the Airport, as amended from time to time.

12.4 Notwithstanding any other provision herein to the contrary, Aircraft Owner/Lessee shall not be responsible or have any obligation to indemnify and hold harmless Rotortech from any claims, suits, losses, damages or injuries to persons or property of whatsoever kind or nature arising wholly from the direct or indirect actions of Rotortech or its officers, directors, agents, servants, representatives or personnel whether the same would result from any condition created or caused wholly by Rotortech, its agents, servants, representatives and personnel or wholly due to Rotortech not meeting its responsibilities pursuant to the terms of this Agreement or applicable governmental regulations.

13. Insurance. Aircraft Owner/Lessee will, at its own expense, during the term hereof, maintain and deliver to Rotortech:

13.1 Public liability insurance policies with respect to the Premises, in which Rotortech and Sublessor shall be named as "Additional Insureds", with limits of at least \$5,000,000 for injury or death to any one person and \$5,000,000 for any one accident; and

13.2 Aircraft and premises casualty insurance with sufficient coverage to reimburse the loss of all Aircraft Owner/Lessee's aircraft at the premises, and all of Aircraft Owner/Lessee's fixtures, equipment, personal property and inventory; and

13.3 Appropriate workers' compensation and any and all other insurance required by law; and

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13.4 All insurance shall be written by a company or companies qualified to do this business in the State of Florida and reasonably acceptable to Rotortech; and

13.5 Certificates or duplicate policies showing such insurance in force shall be delivered to Rotortech prior to commencement of the Term of this Agreement, and such insurance and updated certificated or renewed policies shall be maintained with Rotortech throughout the term of this Agreement. Failure to so timely deliver such certificates or duplicate policies shall be an "event of default" pursuant to the provisions of Paragraph 23 herein.

13.6 If the premiums have not been paid and/or the policies shall not be delivered, Rotortech may procure and/or pay for the same and the amounts so paid by Rotortech, with interest thereon at the rate of 12% per annum from the time of payment, shall be added to the installment of the monthly rent coming due on the first of the next succeeding month and shall be collected as an additional charge.

14. Damage by Aircraft Owner/Lessee. Aircraft Owner/Lessee will, at Aircraft Owner/Lessee's own cost, repair any damage or injury to the Premises caused by Aircraft Owner/Lessee or Aircraft Owner/Lessee's agents, employees, invitees, or guests. Rotortech may, at its option, make such repairs or replacements, and Aircraft Owner/Lessee shall repay the cost to Rotortech on demand. Aircraft Owner/Lessee will not commit or allow any waste or damage to be committed on any portion of the Premises.

15. Assignment or Subletting. The Aircraft Owner/Lessee shall not assign, convey, sublet or otherwise transfer its interest in this Agreement.

16. Alterations, Additions and Improvements. Aircraft Owner/Lessee agrees to make no material alterations to the Storage/Office Space without first obtaining written consent from said Rotortech. Aircraft Owner/Lessee shall not erect any signs on the Premises. Rotortech or Rotortech's agents shall have the right to enter the Storage/Office Space, to examine same, to make such repairs, additions and alterations as may be deemed necessary for the safety, comfort and preservation of the Premises, and to enter thereon at any time to repair or improve Rotortech's adjoining space and property.

17. Loss or Damage. Neither Rotortech nor Sublessor shall be liable or responsible for any loss or damage to any property or person occasioned by theft, fire, water, Act of God, public enemy, injunction, riot, strike, insurrection, war, terrorism, court order, requisition or order of governmental body or authority, or other matter beyond the control of Rotortech or Sublessor, or for any damage or inconvenience which may arise through repair or alteration of any part of the Premises, its equipment or mechanical systems, or failure to make any such repairs or from any cause whatever unless caused solely by Rotortech's negligence.

18. **Compliance with Laws, Rules and Regulations.** Aircraft Owner/Lessee shall comply with all federal, state, local laws, ordinances, rules and regulations including but not limited to those relating to tax, environmental, fire, building, and safety which may apply to the use described herein. If applicable, Aircraft Owner/Lessee shall maintain in effect and post in a prominent place all necessary and/or required business or occupational licenses or permits

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19. Non-Hire of Rotortech Employees. Aircraft Owner/Lessee agrees not to hire any of Rotortech's employees for its own operations until said employee has been unemployed by Rotortech for a period of at least six (6) months. Should Rotortech's employee or former employee be hired by Aircraft Owner/Lessee in violation of this Agreement, Aircraft Owner/Lessee agrees to pay Rotortech an amount equal to one-half of the subject employee's annual salary and cost of recruitment of a replacement employee.

20. Subordination of Agreement. This Agreement is subordinate and subject to all terms, conditions and limitations set forth in that First Amendment to Lease Agreement dated March 1, 2005, between Palm Beach County and Galaxy Aviation of Palm Beach, Inc., and the Development Site Sublease Agreement at Palm Beach International Airport dated March 1, 2005, between Galaxy Aviation of Palm Beach, Inc., and Rotortech Properties LC, and that Sub-Sublease dated January 1, 2008 between Rotortech-Properties LC ("Sublessor") and Rotortech Services, Inc.

#### 21. Hold Harmless of Rotortech.

In consideration of this Agreement, Aircraft Owner/Lessee agrees that 21.1Aircraft Owner/Lessee, at all times, will indemnify and hold harmless Rotortech and Sublessor from all losses, damages, liabilities and expenses (including reasonable legal fees and costs at all levels) whatsoever which may arise or be claimed against Rotortech and Sublessor and be in favor of any persons, firms or corporations, for any injuries or damages to the persons or property of any persons, firms or corporations, consequent upon or arising from the use or occupancy of the Premises by Aircraft Owner/Lessee, or consequent upon or arising from any acts, omissions, neglect or fault of Aircraft Owner/Lessee, Aircraft Owner/Lessee's agents, employees, or invitees, or consequent upon or arising from Aircraft Owner/Lessee's failure to comply with the terms and provisions of this Agreement or, to the extent of compliance required of Aircraft Owner/Lessee under this Agreement, any laws, statutes, ordinances, codes, or regulations; and Rotortech and Sublessor shall not be liable to Aircraft Owner/Lessee for any damages, losses or injuries to the persons or property of Aircraft Owner/Lessee which may be caused by the acts, neglects, omissions or faults of any persons, firms or corporations; and that Aircraft Owner/Lessee will indemnify and keep harmless Rotortech and Sublessor from all damages, liabilities, losses, injuries, or expenses which may arise or be claimed against Rotortech or Sublessor and be in favor of any persons, firms or corporations, for any injuries or damages to the person or property of any persons, finns, or corporations, where said injuries or damages arose about or upon the Premises as a result of the negligent act or omission of Aircraft Owner/Lessee, Aircraft Owner/Lessee's agents, employees, or invitees. In case Rotortech or Sublessor shall be made party to any litigation commenced against Aircraft Owner/Lessee or Rotortech for which Rotortech or Sublessor are indemnified hereunder, then Aircraft Owner/Lessee shall protect and hold Rotortech and Sublessor harmless and shall pay all costs, expenses and reasonable attorneys' fees incurred or paid by Rotortech and Sublessor in connection with such litigation and any appeal thereof.

21.2 All personal property placed or moved onto the Premises shall be at the risk of the Aircraft Owner/Lessee or the owner thereof, and Rotortech or Sublessor shall not be liable to Aircraft Owner/Lessee for any damage to said personal property unless caused by the gross negligence of Rotortech of Sublessor.

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22. Destruction or Government Action. If all or any part of the Premises is rendered untenantable by reason of fire or other casualty loss or government action such that the intended uses hereunder cannot for a period in excess of 30 days reasonably continue, either Rotortech or Aircraft Owner/Lessee shall have the right to terminate this Agreement upon providing written notice to the other party.

23. Default. If any one or more of the following events (herein sometimes called "events of default") shall happen (a) if Aircraft Owner/Lessee defaults in the payment of any Rent or other charges hereunder or under any repair or maintenance order and such default continues for a period of 10 days after written notice from Rotortech to Aircraft Owner/Lessee; or (b) if Aircraft Owner/Lessee defaults in the performance of or compliance with any other of the covenants, agreements, terms or conditions contained in this Agreement or defaults in compliance of any of the rules or regulations adopted for the Premises, and such default shall continue for a period of 15 days after written notice from Rotortech to Aircraft Owner/Lessee (or, as to any such default which cannot reasonably be cured within said 15 day period, Aircraft Owner/Lessee fails to commence to cure and use reasonable diligence thereafter); or (c) if Aircraft Owner/Lessee files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation wage earner's plan, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other debtor's relief statue or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of Aircraft Owner/Lessee or of all or any substantial part of Aircraft Owner/Lessee's properties or of the Premises; or (d) if within 30 days after commencement of any proceeding against Aircraft Owner/Lessee seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other debtor's relief statute or law, such proceeding is not dismissed, or stayed on appeal, or within 30 days after the appointment, without the consent or acquiescence of Aircraft Owner/Lessee, of any trustee, receiver or liquidator of Aircraft Owner/Lessee or of all or any substantial part of Aircraft Owner/Lessee's properties or of the Premises, such appointment shall not have been vacated or stayed on appeal or otherwise, or if, within 30 days after the expiration of any such stay, such appointment is not vacated; or (e) if the Aircraft Owner/Lessee's property shall be seized under any levy, execution, attachment or other process of court and the same is not promptly vacated or stayed on appeal or otherwise; or (f) if Aircraft Owner/Lessee vacates, abandons, assigns or sublets any of its interests herein, then Rotortech may, at any time thereafter, terminate this Agreement and retake possession, declare the balance of the entire Rent for the entire rental Term of this Agreement to be immediately due and payable (in which event Rotortech may then proceed to collect all of the unpaid Rent called for by this Agreement by distress or otherwise), or pursue any other remedy afforded by law or equity, provided that such default and all other defaults at the time existing have not been fully cured, and all expenses and costs incurred by Rotortech, including reasonable attorneys' fees, in connection with enforcing this Agreement, have not been fully paid. Nothing in this Agreement shall be construed as precluding Rotortech from taking such reasonable action as may be and become necessary in order to prevent injury to person or property in the event of emergency if under the particular circumstances then existing the allowance of a grace period or the giving of such notice will, because the passage of time, unreasonably endanger persons or property. In such event, notice shall be given as promptly as possible, but Aircraft Owner/Lessee shall remain entitled to cure such

default. All rights and remedies granted in this Agreement to Rotortech or available at law or equity shall be cumulative and not exclusive.

24. Lien for Payment of Rent. Aircraft Owner/Lessee hereby grants to Rotortech as security for the payment of any and all Rents or other sums or amounts provided herein or due on account of repair or maintenance orders, a lien upon the Aircraft and all of Aircraft Owner/Lessee's furniture, fixtures, equipment, goods and other things of value which shall or may be brought or put on or into the Premises; and Aircraft Owner/Lessee agrees that this lien may be enforced by distress, foreclosure or otherwise, at the election of Rotortech.

Statutory Lien and Failure to Pay. Aircraft Owner/Lessee hereby acknowledges 25. that, pursuant to Florida's Aviation Statutes, Chapter 329, Section 329.51, and Section 713.58 of Florida Statutes, Rotortech is granted a lien upon the Aircraft described herein pertaining to Rotortech's performing labor or services upon the Aircraft, and such lien is enforceable when Rotortech records a verified lien notice with the Clerk of the Circuit Court of Palm Beach County, Florida. It is unlawful for any person, knowingly, willingly or with intent to defraud, to remove the Aircraft upon which a lien has accrued under Section 713.58 without first making full payment to Rotortech for the labor and services performed, or without first having the written consent of Rotortech to remove the Aircraft. Pursuant to Section 713.58, it shall be deemed prima facia evidence of intent to defraud if, upon removal of the Aircraft, the person removing the Aircraft utters, delivers or gives any check, draft or written order for the payment of money in payment of the indebtedness secured by the lien and then stops payment on such check, draft or written order. Any person violating the provisions of Section 713.58, Florida Statutes, shall be deemed guilty of a misdemeanor, and upon conviction, shall be punished by fine of not more than \$500 or imprisonment in the County jail for not more than three months.

26. Waiver of Default. Failure of Rotortech to declare any default immediately upon its occurrence, or delay in taking any action in connection therewith, shall not waive the default, and Rotortech shall have the right to declare any default at any time and then take action as might be lawful or authorized hereunder, in law or equity. No waiver of any term, provision, condition or covenant of this Agreement shall be deemed to imply or constitute a further waiver of any other term, provision, condition or covenant of this Agreement and no acceptance of Rent or other payment shall be deemed a waiver of any default.

27. Notice. Any notice given to Rotortech shall be sent to Rotortech by United States certified mail, postage prepaid, return receipt requested, addressed to Rotortech at Rotortech's office at the address set forth on page 1, or hand delivered to Rotortech at its office. Any notice given to Aircraft Owner/Lessee under the terms of this Agreement, shall be in writing and shall be sent by United States certified mail, postage prepaid, return receipt requested, or hand delivered and receipted for to the Aircraft Owner/Lessee at the Premises. Either party, from time to time, by such notice, may specify another address to which subsequent notice shall be sent. Any notice given by mail shall be deemed given 3 days following the date of mailing and any notice given by hand shall be deemed given upon receipt.

28. Condition of Premises on Termination of Agreement and Holding Over. Aircraft Owner/Lessee agrees to surrender, at the end of the Term of this Agreement or upon any cancellation of early Termination of this Agreement, the Storage/Office Space in as good condition

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as the Premises were at the beginning of the Term of this Agreement, ordinary wear and tear and damage by fire or other casualty not caused by Aircraft Owner/Lessee's negligence excepted, and to remove Aircraft from the Premises. Aircraft Owner/Lessee agrees that if Aircraft Owner/Lessee does not surrender the Premises to Rotortech at the end of the Term of this Agreement or so remove the Aircraft, then Aircraft Owner/Lessee will pay to Rotortech triple the amount of the Rent paid by Aircraft Owner/Lessee for the last full month of the Term of this Agreement for each month or portion that Aircraft Owner/Lessee holds over, plus all damages that Rotortech may suffer because of Aircraft Owner/Lessee's failure to surrender possession of the Premises or so remove the Aircraft; and will indemnify and save Rotortech harmless from and against all claims made by any succeeding Aircraft Owner/Lessee against Rotortech because of Rotortech's delay in delivering possession of the Storage/Office Space or Hangar Space to the succeeding Aircraft Owner/Lessee, to the extent that the delay is occasioned by Aircraft Owner/Lessee. Holding over by Aircraft Owner/Lessee shall not be deemed to create a new Term hereunder or to extend the Term so expired. No receipt of money by Rotortech from Aircraft Owner/Lessee after the Termination Date of this Agreement or the service of any notice of commencement of any sum or final judgment for possession shall reinstate, continue or extend the Term of this Agreement or affect any such notice, demand, suit or judgment, unless otherwise agreed by Rotortech. No act or thing done by Rotortech or its agents during the Term hereby granted shall be deemed an acceptance of a surrender of the Storage/Office Space or Hangar Space, and no agreement to accept a surrender thereof shall be valid unless it be made in writing and signed by a duly authorized officer or agent of Rotortech.

29. Occupancy and Personal Property Tax. Aircraft Owner/Lessee shall be responsible for and shall pay before delinquency any municipal, county or state taxes assessed during the Term of this Agreement against any interest or personal property of any kind, owned by or placed in, upon or about the Premises by the Aircraft Owner/Lessee.

30. Trial by Jury. In any civil action arising under this Agreement, it is mutually agreed by Rotortech and Aircraft Owner/Lessee that each shall and hereby does waive trial by jury in any action, proceeding or counterclaim brought before any court by either of the parties hereto against the other on any matters arising out of or in any way connected to this Agreement. Aircraft Owner/Lessee further agrees that the provisions for payment of Rent herein are independent covenants of Aircraft Owner/Lessee and Aircraft Owner/Lessee shall not interpose any counterclaim or counterclaims in a summary proceeding or in any action based upon non-payment of Rent or any other payment required of Aircraft Owner/Lessee hereunder. This paragraph shall not, however, serve to limit any right, remedy or defense to which Aircraft Owner/Lessee is entitled hereunder, at law or in equity.

31. Invalidity of Provision. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision, to persons or circumstances other than those as to which it is held, invalid or unenforceable shall not be affected thereby and each term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

32. Time of Essence. It is understood and agreed between the parties hereto that time is of the essence of all the terms and provisions of this Agreement.

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33. Successors and Assigns. All terms and provisions of this Agreement to be observed and performed by the parties shall be applicable to and binding upon the parties respective heirs, personal representatives, successors and assigns, subject however, to the restrictions as to assignment and subletting by Aircraft Owner/Lessee as provided herein. All expressed covenants of this Agreement shall be deemed to be covenants running with the land.

34. Applicable Law; Attorney's Fees. This Agreement shall be construed in accordance with the laws of the State of Florida. The parties acknowledge that each has been represented by counsel, or has had the opportunity to do so, and that this Agreement shall not be more strictly construed against one party than against the other by virtue of the fact that it may have been physically prepared by one party or its attorneys, both parties (and their attorneys) having participated in the negotiation, drafting and preparation of this Agreement. If there is a dispute regarding any of the terms or provisions of this Agreement, the prevailing party will be entitled to receive, from the other, reasonable attorney's fees and all expenses and costs incurred to remedy the default (including costs and fees relating to any appeal) and in enforcement of any remedy.

35. **Miscellaneous.** The terms Rotortech, Sublessor and Aircraft Owner/Lessee as used here include the singular and plural, masculine, feminine and neuter, heirs, successors, personal representatives and assigns wherever the context requires or admits. The terms and provisions of this Agreement are expressed in the text and body of this Agreement and the paragraph heading are solely for the convenience of the reader, are not intended to be inclusive and will not be construed to limit or expand any of the provision of this Agreement. Any executed addendum or modification of this Agreement will be deemed expressly incorporated, unless a contrary intention is clearly stated. All exhibits attached to this Agreement are hereby incorporated in and made part of it. Neither this Agreement nor any memorandum or short form of it may be recorded in the public records of Palm Beach County.

36. Effective Date. Submission of this instrument for examination does not constitute an offer, right of first refusal, reservation of or option for any other space or premises in, on or about the Premises. This instrument becomes effective upon execution and delivery by both Rotortech and Aircraft Owner/Lessee.

37. **Modification.** By agreement of the parties, this Agreement can be changed, modified or discharged only by an agreement in writing which is signed by the party against whom enforcement of the change, modification or discharge is sought, or by his duly authorized agent.

38. Sole Agreement of the Parties. This Agreement contained the entire agreement of the parties hereto and no representations, inducements, promises or agreements, oral or otherwise, between the parties, not embodied herein, shall be of any force or effect.

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

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40. No Broker. Rotortech and Aircraft Owner/Lessee represent and warrant to each other that neither party has dealt with any broker in connection with this transaction. Aircraft Owner/Lessee agrees to indemnify and hold Rotortech and Rotortech's officers, directors, persons, agents and representatives harmless from and against any and all liabilities, damages, claims, costs, fees and expenses whatsoever (including, without limitation, reasonable attorney's fees and all costs at all trial and appellate levels) resulting from any broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with Aircraft Owner/Lessee with regard to this Agreement. The provisions of this paragraph shall survive the termination of this Agreement.

41. Liens Caused by Tenant. Aircraft Owner/Lessee, at Aircraft Owner/Lessee's expense, shall cause any lien filed against the real property of which the Premises are a part, for work or materials claimed to have been furnished to Aircraft Owner/Lessee, to be discharged of record within ten (10) days after notice thereof. The interest of Rotortech shall not be subject to liens for improvements made by Aircraft Owner/Lessee in and to the Premises. Aircraft Owner/Lessee shall notify every contractor making such improvements of the provision set forth in the preceding sentence of this paragraph. The parties agree to execute, acknowledge and deliver without charge a Memorandum of Lease, in recordable form containing a confirmation that the interest of Rotortech shall not be subject to liens for improvements made by Aircraft Owner/Lessee to the Premises.

WITNESSES: print na

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WITNESSES:

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print name

ROTORIECH SERVICES, INC.
a Florida corporation
By: Logan Herning Print Name: Lagar Flaman
Title:
Date: <u>7-13-2010</u>
AIRCRAFT OWNER/LESSEE:
Corporate Jet Care LLC
•

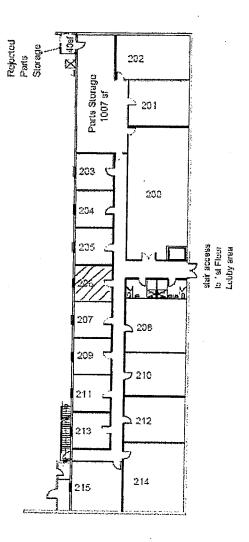
Maria Dampson By: Print Name: David Sampson Title: President

-2010 Date:

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## LOCATION SKETCH OF STORAGE/OFFICE SPACE

Rotortech Services. Inc. Second Floor Plan



# EXHIBIT "B" TO ANNUAL MAINTENANCE AND STORAGE AGREEMENT

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## **GENERAL AERONAUTICAL SERVICES PERMIT**

THIS GENERAL AERONAUTICAL SERVICES PERMIT (this "Permit") is made and entered into <u>NOV 1 9 2010</u> by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and Aramark Aviation Services Limited Partnership, having its office and principal place of business at Aramark Tower, 1101 Market Street, Philadelphia, PA 19107, ("Permittee").

#### WITNESSETH:

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

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

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

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

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

## ARTICLE 1 RECITALS

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

#### ARTICLE 2 DEFINITIONS

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

2.01 <u>"Aircraft and Equipment Maintenance Service"</u> means repair and maintenance of aircraft, and the repair, fueling and maintenance of ramp equipment, which shall be limited to areas approved in advance in writing by the Department.

2.02 <u>"Aircraft Interior Cleaning and Waste Disposal Service"</u> means providing personnel, equipment and material to clean the interior of Aircraft.

2.03 <u>"Aircraft Ramp Service"</u> means guiding aircraft in and out of aircraft loading and unloading positions; placing in position and operating passenger, baggage and cargo loading and

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

2.04 <u>"Airline-Airport Use and Lease Agreement"</u> means the then current Airline-Airport Use and Lease Agreement approved by the Board. As of the date of this Permit, the most current version of the Airline-Airport Use and Lease Agreement was approved pursuant to Resolution No. R-2006-1906.

2.05 <u>"Airline Ticketing and Boarding Service"</u> means the processing of passengers, including ticketing, checking-in, boarding and unboarding of air passengers and their baggage.

2.06 <u>"Airport"</u> means the Palm Beach International Airport located in Palm Beach County, Florida.

2.07 <u>"Airport Rules and Regulations"</u> means the Palm Beach County Airport Rules and Regulations adopted by Resolution No. R-98-220, as now or hereafter amended, and any successor ordinance or resolution regulating activities or operations on the Airport.

2.08 <u>"Annual Permit Fee"</u> has the meaning set forth in Section 5.01(B).

2.09 <u>"Authorized Aeronautical Services</u>" means those aeronautical support services set forth in Section 4.01.

2.10 <u>"Baggage Delivery Service"</u> means handling and transportation between the Airport and a passenger's location, of delayed, misplaced or misrouted baggage or other articles of the passengers of contracting air carriers or aircraft operators.

2.11 <u>"Board"</u> means the Board of County Commissioners of Palm Beach County, Florida.

2.12 <u>"Bond Resolution"</u> means the Palm Beach County Airport System Revenue Bond Resolution dated April 3, 1984 (R-84-427), as amended and supplemented, which is hereby incorporated herein by reference and made a part hereof.

2.13 <u>"Commencement Date"</u> has the meaning set forth in Article 3.

2.14 <u>"Contract Year"</u> means the period of twelve (12) consecutive months ending with the last day of September of each year.

2.15 <u>"Contracted Flights"</u> has the meaning set forth in Section 6.02(E).

2.16 <u>"Department"</u> means the Palm Beach County Department of Airports.

2.17 <u>"Director"</u> means the Director or Acting Director of the Department of Airports.

2.18 <u>"Effective Date"</u> means the date that this Permit is approved and signed by the parties hereto.

2.19 <u>"Environmental Laws"</u> has the meaning set forth in Section 14.04.

2.20 <u>"FAA"</u> means the Federal Aviation Administration.

2.21 <u>"Facility Usage Charges"</u> has the meaning set forth in the Section 5.03.

2.22 <u>"Federal Inspection Services (FIS) Facility"</u> means that portion of Building 1000 at the Airport designated for U.S. Customs facilities.

2.23 <u>"Gross Revenues"</u> 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 <u>"Initial Term"</u> has the meaning set forth in Article 3.

2.25 <u>"Insurance Requirements"</u> has the meaning set forth in Article 7.

2.26 <u>"Monthly Report"</u> has the meaning set forth in Section 5.04.

2.27 <u>"Non-Signatory Airline"</u> means any airline that is not considered a Signatory Airline for purposes of the Airline-Airport Use and Lease Agreement.

2.28 <u>"Port of Entry Building"</u> means Building 120 at the Airport, utilized for U.S. Customs facilities.

2.29 <u>"Porter Assistance Service"</u> means handling and transportation, through the use of porters, of baggage and other articles of the passengers of contracting air carriers or aircraft operators, upon request of the passenger, in public access areas of the Port of Entry Building and the Terminal, exclusive of the FIS Facility, as designated and approved by the Department.

2.30 <u>"Renewal Term"</u> has the meaning set forth in Article 3.

2.31 <u>"Risk Management Department"</u> means the Palm Beach County Risk Management Department.

2.32 <u>"Service Fee"</u> has the meaning set forth in Section 5.02.

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

2.34 <u>"Term"</u> has the meaning set forth in Article 3.

2.35 <u>"Terminal"</u> means the commercial passenger terminal located in Building 1000 at the Airport.

2.36 <u>"TSA"</u> means the Transportation Security Administration or any successor agency responsible for airport security.

2.37 <u>"Use Agreement"</u> 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 <u>Authorized Aeronautical Services</u>. County hereby authorizes Permittee to provide, on a non-exclusive basis, under written contract with Signatory Airlines, Non-Signatory Airlines, or Airport tenants serving the Airport and having validly executed agreements with County, the following aeronautical support services:

- A. Aircraft Ramp Service
- B. Aircraft and Equipment Maintenance Service
- C. Aircraft Interior Cleaning and Waste Disposal Service
- D. Porter Assistance Service
- E. Baggage Delivery Service
- F. Airline Ticketing and Boarding Service

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

4.02 <u>Description of General Privileges, Uses and Rights</u>. County hereby grants to Permittee, the following non-exclusive general privileges, uses and rights, all of which shall be subject to the terms, conditions and covenants hereinafter set forth below:

- A. The general use, in common with others, of all public Airport facilities and improvements in connection with its operations hereunder. For the purpose of this Permit, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, not specifically leased to or under the contractual control of others.
- B. The right of ingress to and egress from the Terminal over and across public roadways serving the Airport for Permittee, its agents and employees, patrons and invitees, suppliers of service and furnishers of material, if any. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

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

## ARTICLE 5 FEES, CHARGES AND REPORTS

5.01 Permit Fees.

A. Permittee shall pay a non-refundable application fee of Two Hundred Fifty Dollars (\$250.00) with submission of Permittee's application for this Permit. In the event this Permit expires or is otherwise terminated, Permittee shall be required to pay an additional application fee at the then current rate. B. Permittee shall pay an annual permit fee of Two Hundred Fifty Dollars (\$250.00) ("Annual Permit Fee"). The Annual Permit Fee shall be paid on or before October 1 of each year, without demand, deduction or setoff, throughout the Term of this Permit. Payment of the Annual Permit Fee shall be in addition to payment of the Service Fee as provided in Section 5.02 and Facility Usage Charges as provided in Section 5.03.

5.02 <u>Service Fee</u>. Permittee shall pay to County seven percent (7%) of monthly Gross Revenues, together with applicable sales taxes thereon ("Service Fee"). The Service Fee shall be paid to County on or before the fifteenth  $(15^{th})$  day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.

5.03 <u>Facility Usage Charges</u>. Permittee shall pay to County reasonable and non-discriminatory fees and charges ("Facility Usage Charges") as set forth in the then current Airline-Airport Use and Lease Agreement, for the use of any Airport facilities and/or equipment, including, but not limited to, baggage makeup areas and devices and passenger loading bridges. Notwithstanding the foregoing, County may require Permittee to enter into a separate agreement for the use of Airport facilities and equipment ("Use Agreement"). Except as otherwise provided in any Use Agreement with County, Facility Usage Charges shall be paid to County on or before the fifteenth (15<sup>th</sup>) day of each and every month, without demand, deduction or setoff, throughout the Term of this Permit.

5.04 <u>Monthly Report</u>. On or before the fifteenth (15th) day of each month throughout the Term of this Permit, Permittee shall submit to County, in a form and in detail satisfactory to County, a written report that: (1) details Gross Revenues for the preceding month; (2) details Service Fees payable to County for the preceding month; (3) details any Facility Usage Charges payable to County in connection with services provided by Permittee pursuant to Section 4.01(F); (4) separately identifies any exclusions from Gross Revenues; and (5) identifies the airlines, aircraft operators and/or other tenants at the Airport that Permittee provided services for during the preceding month (the "Monthly Report"). The Monthly Report shall be signed by a responsible officer of Permittee, certifying the accuracy of the information contained in the Monthly Report. County may require reports required by this Article 5 to be submitted in an electronic format.

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

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5.06 <u>Unpaid Fees and Charges</u>. In the event Permittee fails to make timely payment of any amounts due and payable in accordance with the terms of this Permit, then interest at the rate of one and one half percent (1.5%) per month shall accrue against the delinquent payment(s) from date due until the date payment is received by Department.

5.07 <u>Audit Requirement</u>. 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 be in a form acceptable to the Department.

- 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.

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5.08 <u>Address for Payments</u>. 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 <u>Service Contracts</u>. Upon County's request, Permittee shall provide to County legible, written copies of any and all contracts entered into between Permittee and any other person or entity for the provision of services under this Permit ("Service Contracts"), including, but not limited to, airlines serving the Airport. Permittee shall also provide to County copies of any and all renewals, modifications, amendments and cancellations to the Service Contracts.

5.11 <u>Adjustment of Fees and Charges.</u> Permittee acknowledges and agrees that the fees and charges payable hereunder may be modified from time to time and that Permittee shall be responsible for payment of such modified fees without formal amendment to this Permit.

## ARTICLE 6 OBLIGATIONS OF PERMITTEE

## 6.01 Maintenance of Facilities and Equipment.

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

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

B. Permittee shall maintain its equipment utilized at the Airport in good condition and repair. In addition, any equipment utilized within the public areas of the Terminal shall be in a safe, neat and clean condition at all times, including, but not limited to, carts used to transport passenger luggage and wheelchairs. County may require Permittee to remove, repair or replace any equipment from the Airport that is in an unsafe or unsightly condition upon written notice. In the event Permittee fails to remove, repair or replace the equipment as required by County's notice within three (3) business days of the date of the notice, Permittee shall pay County a penalty fee of Fifty Dollars (\$50.00) per day from the date of County's notice until the violation has been corrected. Permittee shall pay County within ten (10) days of the date of the violation.

- 6.02 <u>Service Standards</u>. Permittee shall only provide Authorized Aeronautical Services in a first class professional manner, consistent with good business practice and shall at all times observe and comply with the following service standards:
  - A. Permittee shall hire and assign a full-time manager or managers, qualified and experienced in the management and control of the services authorized to be performed herein. Manager(s) shall be delegated sufficient authority to ensure proper performance of the terms and conditions of this Permit. Permittee shall also provide at least two (2) twenty-four (24) hour telephone numbers to enable the Department to contact the manager or supervisory personnel whenever necessary. Permittee shall be responsible to inform the Department of any change in name(s) and/or number(s) of the managers and supervisory personnel.

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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.

Permittee shall furnish good, prompt and efficient service adequate to meet all the demands for its service at the Airport, and furnish services on a fair, equal and non-discriminatory basis to all users thereof. Permittee shall charge fair, reasonable, and nondiscriminatory prices for its services at the Airport.

6.03. <u>Removal of Employees.</u> County shall have the right to require the removal of any employee of Permittee who fails to comply with the requirements of this Permit. County shall also have the right to revoke the security badge of any employee who fails to comply with the requirements of this Permit.

J.

## 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.

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

## <u>ARTICLE 9</u> <u>RELATIONSHIP OF THE PARTIES</u>

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

## ARTICLE 10 INDEMNIFICATION

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

## ARTICLE 11 TERMINATION OF PERMIT, PERMIT VIOLATIONS AND REMEDIES

11.01 <u>Termination</u>. This Permit shall terminate as provided for in Article 3.

11.02 <u>Permit Violations</u>. The occurrence of any one or more of the following events shall constitute a violation of this Permit by Permittee:

- A. Permittee's failure to make payment of any fees or charges required to be made by Permittee under this Permit, as and when due.
- B. The failure by Permittee to observe or perform any of the covenants, conditions or provisions of this Permit to be observed or performed by Permittee.
- C. The discovery by County that any information given by Permittee to County relating to this Permit was materially false.
- D. A default by Permittee of any other agreement, permit or lease between County and Permittee, which default has not been cured within the applicable cure period provided in such agreement, permit or lease.

11.03 <u>Remedies</u> In addition to any other remedy available under the law or this Permit, County may terminate this Permit upon written notice to Permittee. Upon such termination, Permittee shall immediately cease its operations on the Airport. Such termination shall be without prejudice to any of County's remedies for arrearages, payments due herein, or any other damages or remedies whatsoever.

11.04 <u>County's Right to Terminate</u>. This Permit is issued upon the terms and conditions required by County for all Permittees on the Airport that engage in the activities permitted herein. Upon ten (10) days' prior written notice, County may, at any time, terminate this Permit and at County's option issue a new Permit to Permittee upon such modified terms and conditions as County shall uniformly apply to all other similarly situated Permittees.

## ARTICLE 12 ASSIGNMENT

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

### ARTICLE 13 SIGNS

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

## ARTICLE 14

## LAWS, REGULATIONS, PERMITS AND SAFETY REGULATIONS

14.01 <u>Compliance with Laws</u>. Permittee shall be and remain in full and complete compliance with all applicable Federal, State and local laws, statutes, regulations, rules, rulings, orders, ordinances and directives of any kind or nature without limitation, as now or hereafter amended, including, but not limited to, FAA Advisory Circulars and Airport Rules and Regulations. Permittee shall ensure that its agents, contractors, employees, invitees and guests entering the Airport with or without Permittee's consent or knowledge comply with all applicable laws on the Airport.

14.02 <u>Permits and Licenses</u>. Permittee shall, at its sole cost and expense, be strictly liable and responsible for obtaining, paying for, fully complying with, and maintaining current any and all permits, licenses or other governmental authorizations, however designated, as may be required at any time throughout the Term of this Permit by any Federal, State or local governmental entity or any court of law having jurisdiction over Permittee or Permittee's operations and activities, for any activity or operation conducted by Permittee on the Airport. Upon written request by Department, Permittee shall provide to Department certified copies of any and all permits and licenses that Department may request.

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

14.04 <u>Compliance with Environmental Laws</u>. Permittee shall, at its sole cost and expense, comply with all applicable Environmental Laws. For purposes of this Permit, "Environmental Laws" means all applicable Federal, State and local laws, rules, orders and regulations protecting human health, the environment and/or natural resources, as such laws, rules, orders and regulations are now or hereafter amended, including, without limitation, the Federal Clean Water Act, Federal Safe Drinking Water Act, Federal Clean Air Act, Federal Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation and Liability Act of 1980. Permittee shall indemnify, defend and hold County harmless from any and all penalties, fines, costs, expenses, suits, claims or damages resulting from Permittee's failure to perform its obligations specified in this Section 14.04. The foregoing indemnification agreement shall survive the expiration or earlier termination of this Permit.

## ARTICLE 15 DISCLAIMER OF LIABILITY

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

## ARTICLE 16 GOVERNMENTAL RESTRICTIONS

16.01 <u>Federal Right to Reclaim</u>. In the event a United States governmental agency shall demand and take over either the entire facilities of the Airport or the portion wherein Permittee is authorized to operate pursuant to this Permit, for public purposes, then this Permit shall thereupon terminate and County shall be released and fully discharged from any and all liability hereunder.

16.02 <u>Federal Review</u>. This Permit is subject to any applicable review by the Federal Aviation Administration to determine satisfactory compliance with federal law. This Permit shall be in full force and effect and binding upon both parties pending review and approval by said Federal Aviation Administration.

16.03 <u>County Tax Assessment Right</u>. None of the terms, covenants and conditions of this Permit shall in any way be construed as a release or waiver on the part of County, as a political subdivision of the State of Florida, or any of the public officials of Palm Beach County,

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

16.04 <u>Right of Flight</u>. 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 <u>Operation of Airport</u>. 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 <u>Non-Exclusive Agreement</u>. Permittee expressly understands and agrees that the rights and privileges granted under this Permit are non-exclusive, and County herein reserves the right to grant similar rights and privileges to others at the Airport.

18.02 <u>County Not Liable</u>. 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 <u>Authorized Uses Only</u>. Notwithstanding anything to the contrary herein, Permittee will not use or permit the use of the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on Airport for County or Permittee.

18.04 <u>Waivers</u>. The failure of either party to insist on strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that such party may have for any subsequent breach, default, or non-performance, and such party's right to insist on strict performance of this Permit shall not be affected by any previous waiver or course of dealing.

18.05 Subordination

A. <u>Subordination to Bond Resolution</u>. This Permit and all rights granted to Permittee hereunder are expressly subordinated and subject to the lien and provisions of the pledges, transfer, hypothecation or assignment made by County in the Bond Resolution, and County and Permittee agree that to the extent permitted by authorizing legislation, the holders of the bonds or their designated representatives may exercise any and all rights of County hereunder to the extent such possession, enjoyment and exercise are necessary to ensure compliance by Permittee and County with the terms and provisions of this Permit and the Bond Resolution.

B. <u>Subordination to Federal/State Agreements</u>. This Permit shall be subject and subordinate to all the terms and conditions of any instruments and documents under which County acquired the land or improvements thereon and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Permittee understands and agrees that this Permit shall be subordinate to the provisions of any existing or future agreement between County and the United States of America, the State of Florida, or any of their agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal Funds for the development of the Airport.

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

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

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

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

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

18.11 <u>Notice</u>. All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or overnight mail, telecopied or faxed (provided in each case a receipt is obtained), or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services or overnight mail, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby 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:

Aramark Aviation Services Limited Partnership Attn: President, B&I Facility Services Aramark Tower 1101 Market Street Philadelphia, PA 19107 With a copy to: Aramark Aviation Services Limited Partnership Attn: District Manager 2300 Warrenville Road Downers Grove, Illinois 60515

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

18.12 <u>Paragraph Headings</u>. The headings of the various articles and sections of this Permit are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Permit or any part or parts of this Permit.

18.13 <u>Binding Effect</u>. The terms, conditions and covenants of this Permit shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any prohibitions against or limitations regarding assignment or transfer.

18.14 <u>Performance</u>. The parties expressly agree that time is of the essence in this Permit and the failure by Permittee to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of County without liability, in addition to any other of County's rights or remedies, relieve County of any obligation to accept such performance.

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

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

18.17 <u>Remedies Cumulative</u>. The rights and remedies of parties hereto with respect to any of the terms and conditions of this Permit shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

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

18.19 <u>Survival</u>. Notwithstanding any early termination of this Permit, Permittee shall remain obligated hereunder to perform any duty, covenant or obligation imposed upon Permittee hereunder arising prior to the date of such termination.

18.20 <u>Termination of Prior Agreement.</u> Upon the Commencement Date of this Permit, that certain General Aeronautical Services Agreement between Permittee and County, dated October 17, 2006 (R-2006-2206) ("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 American Delivery Services, 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.

## (REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

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: NO HAP ONNIA (typed or printed)

Witness Signature

Jeffrey S. Bolton

(typed or printed)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: <u>Anne</u> Ode County Attorney

ATTEST:

MMM

(Corporate Seal)

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

Witness Signature

THU )YSC

Wit

(typed of

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

By: Director, Department of Airports

### **PERMITTEE:**

Aramark Aviation Services, Limited Partnership Partner, ARAMARK By its A General SMMS //LLIC By: yped Name of Corporate Officer-Title: President

## EXHIBIT "A" INSURANCE REQUIREMENTS

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

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

C. <u>Worker's Compensation Insurance & Employers Liability.</u> Permittee shall maintain Worker's Compensation Insurance & Employers Liability in accordance with Florida Statute Chapter 440. Coverage shall be provided on a primary basis.

D. Additional Insured. Permittee shall provide the Department with a certificate, or certificates, of insurance, evidencing limits, coverages and endorsements as required herein. Permittee shall endorse County as an Additional Insured with a "CG026 Additional Insured -Designated Person or Organization" endorsement to the Commercial General Liability policy. The additional insured endorsement shall read: "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, FL 33406." Coverage shall be provided on a primary basis. All certificates of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. In the event coverage is cancelled or is not renewed during the Term, Permittee shall provide County a new certificate of insurance or certificates of insurance evidencing replacement coverage no later than thirty (30) days prior to the expiration or cancellation of the coverage. The certificate holder's name and address shall read "Palm Beach County Board of County Commissioners c/o Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406."

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

F. <u>Waiver of Subrogation</u>. By entering into this Permit, Permittee agrees to a Waiver of Subrogation for each policy required herein. When required by the insurer, or should a policy condition not permit Permittee to enter into any pre-loss agreement to waive subrogation without an endorsement, then Permittee agrees to notify the insurer.

G. <u>Right to Review or Adjust Insurance</u>. The County's Risk Management Department may review, modify, reject or accept any required policies of insurance, including, but not limited to, limits, coverages or endorsements, required by herein from time to time throughout the Term. County may also reject any insurer or self-insurance plan providing coverage because of poor financial condition or failure to operate legally. In such event, County shall provide Permittee a written notice of rejection, and Permittee shall comply within thirty (30) days of receipt of the notice.

H. <u>No Representation of Coverage Adequacy</u>. Permittee acknowledges the limits, coverages and endorsements required herein are intended to minimize liability for County. Permittee agrees that it will not rely upon the requirements herein when assessing the extent or determining appropriate types or limits of insurance coverage to protect Permittee against any loss exposures, whether as a result of this Permit or otherwise.

### AIRLINE SERVICE INCENTIVE PROGRAM PARTICIPATION AGREEMENT FOR QUALIFED FLIGHTS

THIS AIRLINE SERVICE INCENTIVE PROGRAM PARTICIPATION OF POUL FOR QUALIFIED FLIGHTS (this "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and Air Canada, a Canadian Corporation, having its offices and principal place of business at 7373 Cote Vertu West, Ville Saint Laurent, Quebec, Canada ("Airline").

#### WITNESSETH:

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

WHEREAS, Airline is engaged in the business of scheduled air transportation of passengers; and

WHEREAS, County desires to market and promote air transportation service at the Airport; and

WHEREAS, County and Airline entered into that certain Airline Operating and Lease Agreement between COUNTY and AIRLINE dated December 2, 2008 (R-2009-0081), as amended (collectively the "Use Agreement"); and

WHEREAS, the Use Agreement provides for County's ability to collect certain fees and charges for use of the Airport facilities; and

WHEREAS, County wishes to encourage Airline to increase the number of non-stop flights to the Airport by providing certain incentives for such service by Airline for a promotional period.

**NOW THEREFORE**, in consideration of the mutual covenants, promises and representations contained herein, the parties hereto agree to the following terms and conditions:

#### 1. **RECITALS**

The recitals set forth above are true and correct and form a part of this Agreement.

#### 2. **DEFINITIONS**

- A. "Airline Service Incentive Program" means the incentive program detailed in this Agreement and the Resolution.
- B. "Airline Service Incentive Reporting Forms" means the forms attached hereto as Exhibit "A" to this Agreement, as may be modified from time to time by the Department upon prior written notice to Airline.
- C. "Board" means the Palm Beach County Board of County Commissioners.
- D. "Flight Destination" means Montreal, Canada.
- E. "Gate Usage Charge" means a charge assessed by County on Airline for loading bridge use, pre-conditioned air, 400-hertz power, and holdroom equipment and areas pursuant to the Use Agreement, including Commuter Operating Charges.
- F. "Landing Fee" means a charge assessed by County to Airline based on landed weight for aircraft arriving at Airport pursuant to the Use Agreement.
- G. "Qualified Flight" means flight service provided by Airline between a Flight Destination and the Airport, which meets the following criteria:
  - (1) the flight is added on or after January 1, 2009, or the flight is converted to jetpowered aircraft on or after January 1, 2009;
  - (2) the Flight Destination is not currently served on a non-stop basis by any airline or the Flight Destination is not currently served by Airline or any other airline on a non-stop basis by jet-powered aircraft;
  - (3) the flight consists of non-stop arrival and departure service;

- (4) the flight has weekly service frequency, at a minimum; and
- (5) the flight satisfies the eligibility rules set forth in the Resolution.
- H. "Resolution" means Resolution No. R2009-0634 adopted by the Palm Beach Board of County Commissioners on April 21, 2009, as may be amended from time to time, which is incorporated herein by this reference.

## 3. GATE USAGE CHARGE AND LANDING FEE WAIVERS FOR QUALIFIED FLIGHTS

- A. Subject to the terms and conditions of this Agreement and the Resolution, County agrees to waive Gate Usage Charge and Landing Fee, which would otherwise be payable by Airline to County under the Use Agreement, for each Qualified Flight between the Flight Destination and Airport. Airline shall submit monthly a completed Airline Service Incentive Report Forms to the Department together with the Activity Report (as defined in the Use Agreement) for each Qualified Flight. Airline acknowledges that the Department shall have no obligation to accept incomplete or inaccurate reporting forms. Notwithstanding anything in this Agreement to the contrary, Airline shall not be entitled to receive a waiver of Gate Usage Charges or Landing Fees: (i) in the event Airline fails to submit completed, accurate Airline Service Incentive Reporting Forms in accordance with the requirements of this Section 3 for each Qualified Flight; or (ii) for any flight that ceases to be a Qualified Flight during the term of this Agreement.
- B. For purposes of this Section 3, the amount of the Gate Usage Charge waiver shall be based on the Per Use Gate Charge (as hereinafter defined) if Airline uses facilities located in Concourse B or C applicable to Airline under the Use Agreement with County or shall be based on the Commuter Operating Charge (as hereinafter defined) if Airline uses facilities located in Concourse A . The terms "Per Use Gate Charge" and "Commuter Operating Charge" shall have the meaning provided in Exhibit "E" (Rate and Fee Schedule) of the Airline-Airport Use and Lease Agreement adopted by the Board pursuant to Resolution No. 2006-1906, as such agreement and calculations may be amended from time to time, or any successor resolution or agreement adopted by the Board establishing similar charges. Notwithstanding the foregoing, Gate Usage Charge waivers shall be limited to the actual Gate Usage Charges incurred by Airline for each Qualified Flight between the Flight Destination and Airport.

#### 4. DEFAULT

A default under the terms of this Agreement shall occur if either party hereto breaches any term, condition or covenant contained in this Agreement to be performed or observed by such party, and such party fails to remedy the breach within thirty (30) days after written notice thereof from the non-defaulting party.

#### 5. TERMINATION

- A. In the event Airline is in default of this Agreement, the Use Agreement or any other agreement between Airline and County, County shall have the right to terminate this Agreement upon written notice to Airline, whereupon County shall be released from all further obligations under this Agreement.
- B. In the event Airline fails to submit all required, completed Airline Service Incentive Reporting Forms in accordance with the requirements of this Agreement, County shall have the right to terminate this Agreement upon written notice to Airline, whereupon County shall be released from all further obligation under this Agreement.
- C. Upon termination of this Agreement, Airline acknowledges and agrees that Airline shall not be eligible to receive any waiver of Gate Usage Charges or Landing Fees under this Agreement and shall forgo any claim against County for such waivers.
- D. County shall have the right to terminate this Agreement for convenience at any time upon ninety (90) days prior written notice to Airline.
- E. If for any reason the Flight ceases to be considered a Qualified Flight, this Agreement shall automatically terminate.

#### 6. FEDERAL REQUIREMENTS

This Agreement is intended to satisfy the standards for airport incentive programs for promotion of air carrier service set forth in the Federal Aviation Administration's ("FAA") Statement of Policy and

Procedures Concerning the Use of Airport Revenue, 64 FR 7696, February 16, 1999, as now or hereafter amended. If at any time the FAA determines that the Airline Service Incentive Program or this Agreement does not comply with any federal laws, rules or regulations or the County's grant agreement obligations, County shall have the right to terminate this Agreement upon written notice to Airline.

## 7. AIRPORT FUNDING REQUIREMENTS

County's obligation to perform under this Agreement shall be contingent upon satisfaction of the funding and rate requirements of the Palm Beach County Airport System Bond Resolution No. R-84-427 dated April 3, 1984, as amended and supplemented ("Bond Resolution"). County may terminate this Agreement upon written notice to Airline in the event County determines, at its sole discretion, that insufficient surplus funds are available to support the Airline Service Incentive Program or that continuation of the Airline Service Incentive Program will or may result in a violation of the funding or rate requirements of the Bond Resolution, whereupon the parties shall be released from all further obligations under this Agreement.

#### 8. NOTICES

All notices and elections (collectively, "notices") to be given or delivered by or to either 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 delivery service, 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 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 on 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:

To: County :

#### With copy to:

Department of AirportsPalm Beach County Attorney's OfficePalm Beach CountyAttn: Airport Attorney846 Palm Beach International301 North Olive AvenueAirportSuite 601West Palm Beach, FL 33406-1470West Palm Beach, FL 33401FAX: (561) 471-7427FAX: (561) 355-4398

To: Airline:

Air Canada, Zip 1232 Attn: Director, Corporate Real Estate P.O. Box 14000, Station Airport Dorval, Québec Canada H4Y 1H4 Fax : (514) 422-7798

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

## 9. GOVERNING LAW AND VENUE

This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida. Venue in any action, suit or proceeding in connection with this Agreement shall be in Palm Beach County, Florida.

#### **10. ENFORCEMENT COSTS**

Each party shall bear its own costs or expenses, including attorney's fees, associated with the enforcement of the terms or conditions of this Agreement.

## 11. ANNUAL BUDGETARY FUNDING

This Agreement and all obligations of County hereunder are subject to and contingent upon annual budgetary funding and appropriations by the Palm Beach County Board of County Commissioners.

## 12. SEVERABILITY

In the event that any section, paragraph, sentence, clause, or provision of this Agreement is held to be invalid by a court of competent jurisdiction, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.

## 13. HEADINGS

The paragraph headings or captions appearing in this Agreement are for convenience only, are not part of this Agreement and are not to be considered in interpreting this Agreement.

### 14. ENTIRE UNDERSTANDING

This Agreement represents the entire understanding between the parties and supersedes all other negotiations, representations, or agreement, either written or oral, relating to this Agreement.

#### 15. WAIVER

No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party waiving the provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.

## 16. NON-EXCLUSIVITY OF REMEDIES

No remedy herein conferred upon either party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by either party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

## 17. AMENDMENT

This Agreement may be modified and amended only by written instrument executed by the parties hereto.

#### **18.** ATTACHMENTS

Exhibits attached hereto shall be incorporated herein by this reference.

#### **19. COUNTERPARTS**

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original. All of which together shall constitute one (1) and the same instrument.

## 20. EFFECTIVE DATE AND TERM

This Agreement shall take effect upon execution by the parties hereto and shall expire one (1) year from the effective date of this Agreement, unless sooner terminated pursuant to the terms of this Agreement. This Agreement shall automatically renew on a year-to-year basis unless either party provides the other party at least ninety (90) days written notice prior to the end of the then current term of its intent not to renew this Agreement.

#### 21. OFFICE OF THE INSPECTOR GENERAL

Palm Beach County has established the Office of the Inspector General, Ordinance R2009-049, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed County contracts, transactions, accounts and records, to require the production of records, and audit, investigate, monitor, and inspect the activities of the contractor, its officers, agents, employees, and lobbyists in order to ensure compliance with contract specifications and detect corruption and fraud. All contractors and parties doing business with the County and receiving County funds shall fully cooperate with the Inspector General including receiving access to records relating to Bid or any resulting contract.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first written above.

WITNESSES:
By: Only Aliphe
() Signature The House
Print Name
By: & Botto
Signature
Jeffrey S. Bolton

Print Name

Approved as to Form and Legal Sufficiency:

By: Unne 0 County Attorney

PALM BEACH COUNTY:

By: County Administrator or Designee

WITNESSES: By Signature eline Bissor Print Name Main By Signature RRAINE MURRAY Print Name

**AIRLINE: Air Canada** By: Signature

Print Name Sr Director - Corporate Real Estate

Title:

(Seal)



## EXHIBIT "A" AIRLINE SERVICE INCENTIVE REPORTING FORMS

## Palm Beach County Department of Airports Airline Incentive Reporting Form Estimated Landing Fee Incentive

to be used for new non-stop Flights prior to the incentive period

1.	Airline Name		
2.	Destination City		
3.	Dates of Incentive Service period (from-to)		
4.	Flight Number(s)		
5.	Aircraft Type		
6.	Service Frequency (circle one)	daily	weekly
	Specify Other Frequency		
7.	Aircraft Landed Weight	<b></b> , , , , , , , , , , , , , , , , , ,	
8.	Number of Landings in Incentive Service Period		
9.	Total Landed Weight		
10.	Landing Fee Rate		
11.	Total Landing Fee Incentive		

Contact Phone Number

Contact Name

to be completed by Airline--amounts are estimated and subject to change estimated amount is for the entire incentive period

## <u>EXHIBIT "A"</u> <u>AIRLINE SERVICE INCENTIVE REPORTING FORMS</u> - Page 2

Palm Beach County Department of Airports Airline Incentive Reporting Form Estimated Gate Fee Incentive to be used for new non-stop flights prior to the incentive period

1.	Airline Name			
2.	Destination City			
3.	Dates of Incentive Service period (from-to)			
4.	Flight Number(s)			
5.	Aircraft Type			
6.	Service Frequency (circle one)	daily	weekly	
	Specify Other Frequency			
7.	Number of Gate Uses during Incentive Service Period			
8.	Gate Use Charge rate			
9.	Total Gate Use Incentive			
Contact Name				
Contact Phone Number				

to be completed by Airline--amounts are estimated and subject to change estimated amount is for the entire incentive period

#### <u>EXHIBIT "A"</u> <u>AIRLINE SERVICE INCENTIVE REPORTING FORMS</u> - Page 3

Palm Beach County Department of Airports Airline Incentive Reporting Form Landing Fee Incentive Amount to be used for new non-stop Flights for monthly billing

Month/Year

1. Airline Name

2. Destination City

		Flight 1	Flight 2	Total All flights
3.	Flight Number(s)			
4.	Aircraft Type		- 	
5.	Aircraft Landed Weight	······································		
6.	Number of Landings			
7.	Total Landed Weight			
8.	Landing Fee Rate			
9.	Total Landing Fee Incentive			
Cor	ntact Name			
Cor	ntact Phone Number		<u></u>	

Certification signature

Instructions: To be completed and filed monthly with Ailine's statistics package Flight 2 column is only necessary if the aircraft serving the destination changed during the month Airline may insert new columns if more aircraft changes occur

# <u>EXHIBIT "A"</u> <u>AIRLINE SERVICE INCENTIVE REPORTING FORMS</u> - Page 4

Air Ga to I	Im Beach County Department of Airpo line Incentive Reporting Form te Usage Fee Credit Calculation be used for new non-stop Flights for mor nth/Year		·		
1.	Airline Name				
2.	Destination City				
		Flight 1	Flight 2		Total All flights
3.	Flight Number(s)				
4.	Aircraft Type				
5.	Number of Landings		——————————————————————————————————————	-	
6.	Gate Usage Charge Rate			-	
7.	Total Gate Usage Incentive			-	
Cor	ntact Name				
Cor	ntact Phone Number				
Cer	tification signature				

Instructions: To be completed and filed monthly with Ailine's statistics package Flight 2 column is only necessary if the aircraft serving the destination changed during the month Airline may insert new columns if more aircraft changes occur

## FIFTH AMENDMENT TO AIRLINE OPERATING AND LEASE AGREEMENT BETWEEN PALM BEACH COUNTY AND AIR CANADA

THIS FIFTH AMENDMENT TO THE AIRLINE OPERATING AND LEASE AGREEMENT (this "Amendment") is made and entered into this \_\_\_\_\_\_ day of \_\_\_\_\_\_ MOV <u>192010</u>, 2010, by and between Palm Beach County, a political subdivision of the State of Florida ("COUNTY"), and Air Canada, a Canadian Corporation, having its offices and principal place of business at 7373 Cote Vertu West, Ville Saint Laurent, Quebec, Canada ("AIRLINE").

### WITNESSETH:

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

WHEREAS, pursuant to the Airline Operating and Lease Agreement between COUNTY and AIRLINE dated December 2, 2008 (R-2009-0081), as amended (collectively the "Agreement"), AIRLINE leases various Airport Terminal facilities and equipment in connection with its operations as a commercial air carrier; and

WHEREAS, the Director of the Department has been delegated the authority to execute certain amendments to the Agreement pursuant to County Resolution No. 2007-1968; and

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

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

1. The foregoing recitals are true and correct and are hereby incorporated herein by reference and made a part hereof. Terms not defined herein shall have the meaning ascribed to them in the Agreement.

2. The parties agree that effective October 31, 2010, Exhibit "B" to the Agreement shall be replaced with the Exhibit "B" to this Amendment.

3. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Amendment by such reference.

4. Except as specifically modified herein, all of the terms and conditions of the Agreement shall remain unmodified and in full force and effect and are hereby ratified and confirmed by the parties hereto.

5. This Amendment shall become effective when signed by both the parties hereto and approved by the Palm Beach County Board of County Commissioners.

(Remainder of page intentionally left blank)

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

Signed, sealed and delivered in the
presence of two (2) witnesses for

Signature inni Print Náme

Signature Jeffrey S. Bolton

Print Name

# APPROVED AS TO FORM & LEGAL SUFFICIENCY:

**County Attorney** 

Signed, sealed and delivered in the presence of two (2) witnesses for AIR CANADA

dl. R-	
Signature Céline Bisson	
Print Name	

PIMAN Signature LORRAINE MURRAY

Print Name

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

0 B Director, Department of Airports

AIR	CANAD	A:
Ву: _	-	Rioth
	SAL (	Ciotti

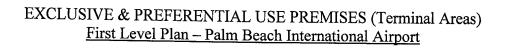
Typed or printed name of Corporate Officer

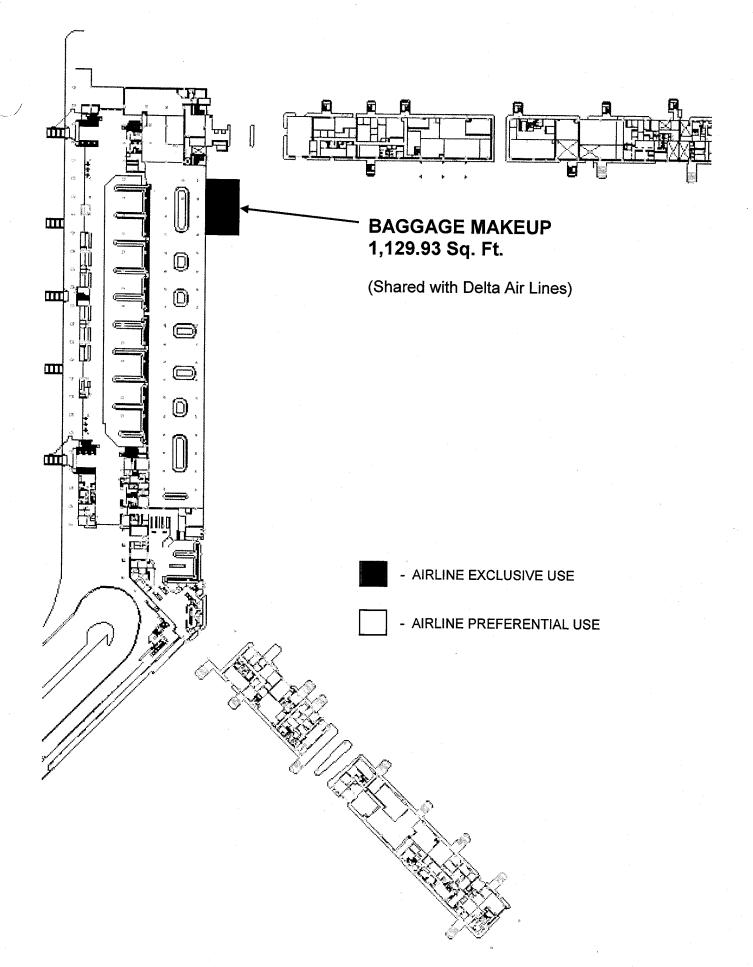
Title: SR. DIRECTOR - CORBRATE REAL ESTATE

(Seal)

Caroly M. Hadronic Corporate Secretary EXHIBIT "B"

# EXHIBIT "B" to Airline Operating and Lease Agreement AIR CANADA





# EXHIBIT "B" to Airline Operating and Lease Agreement AIR CANADA

# EXCLUSIVE & PREFERENTIAL USE PREMISES (Terminal Areas) Second Level Plan – Palm Beach International Airport

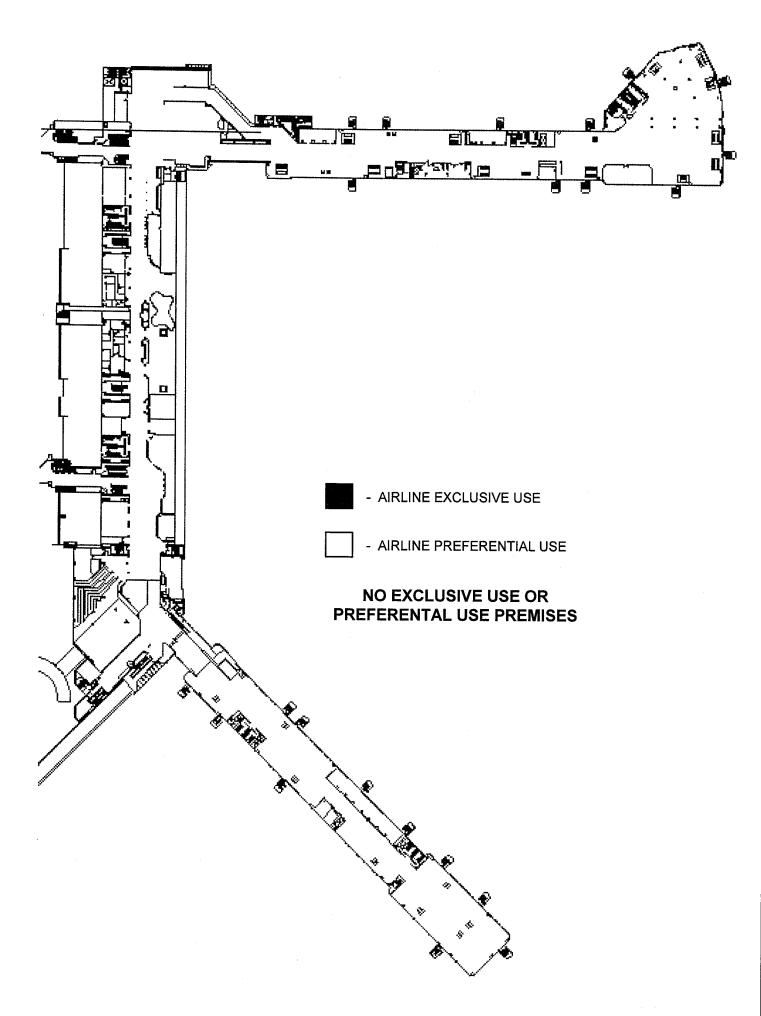
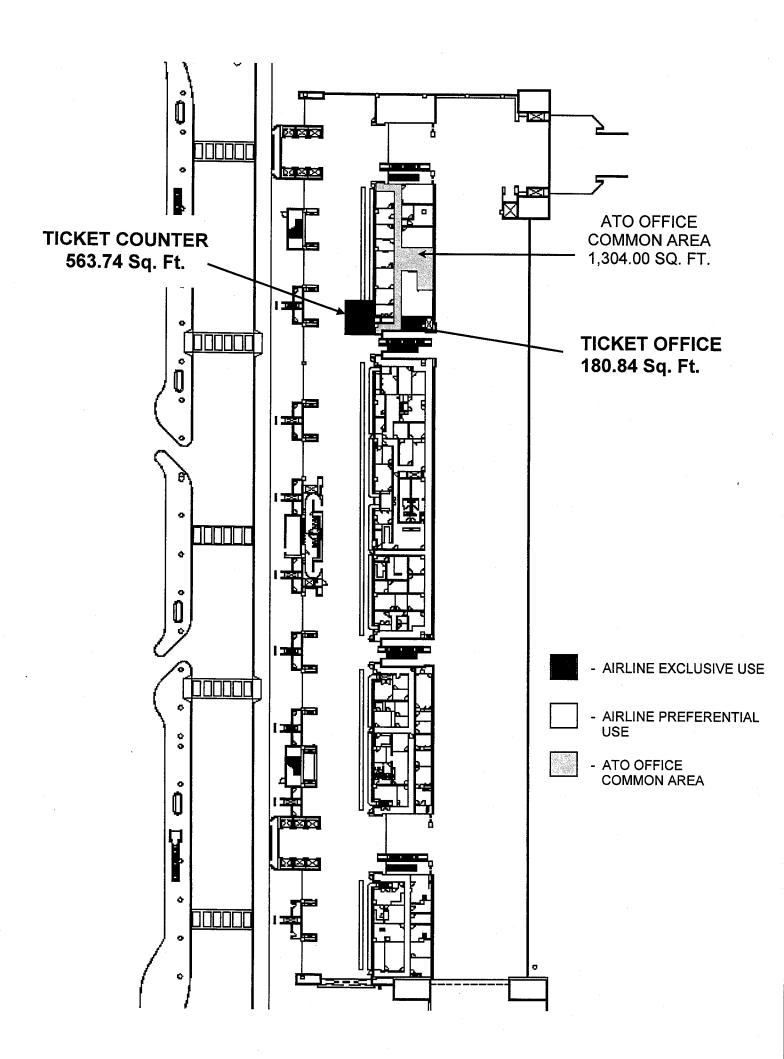


EXHIBIT "B" to Airline Operating and Lease Agreement AIR CANADA

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



#### **AFFIDAVIT OF POSTING**

#### STATE OF FLORIDA COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority personally appeared Ray Walter, ("Affiant"), an employee of the Palm Beach County Department of Airports ("DOA"), who being by me first duly sworn, deposes and states:

1. A copy of Resolution No. R-2010-1461, in the form attached hereto as Exhibit "A" (the "Resolution"), was posted at the Palm Beach County Courthouse and in public areas of the Palm Beach International Airport ("PBIA"), Palm Beach County Park Airport ("LNA"), Palm Beach County Glades Airport ("PHK") and the North County General Aviation Airport ("F45") as listed below:

Location	Location(s) Posted	Date Posted	Date Removed
Courthouse	Main Courthouse	9-17-2010	10-20-2010
PBIA	DOA Administration Building; Main Terminal	9-17-2010	10-19-2010
LNA	Main Terminal; DOA Field Office Trailer	9-17-2010	10-20-2010
PHK	Main Terminal	9-21-2010	10-27-2010
F45	Main Terminal	9-17-2010	10-21-2010

- 2. To the best of my knowledge, the Resolution was posted for four (4) consecutive weeks as required by Section 332.08(2)(b), Florida Statutes.
- 3. Under penalties of perjury, I declare that I have read the foregoing affidavit and the facts stated in it are true.

THIS AFFIDAVIT is made for the purpose of satisfying the requirements of Section 332.08(2)(B), Florida Statutes.

#### FURTHER AFFIANT SAYETH NAUGHT.

Signed, sealed and delivered in the presence of:

(Witness Signature)

Beebe Laura (Witness Name Printed)

(Winek ignature)

(Witness Name Printed) BOLTON

Ray V

**AFFIANT:** 

STATE OF FLORIDA COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of October, 2010, by Ray Walter, an employee of the Palm Beach County Department of Airports, who is personally known to me and who did not take an oath.

۵J

Notary Public, State of Florida () Print Notary Name Commission Number My Commission Expires: 2 December 2013



(Stamp/Seal)

\* K AVERGHETTA NAP: COM SSION & DD 937625 C X PIE S: December 2, 2013

## Exhibit "A" to Affidavit of Posting

#### RESOLUTION NO. R-2010-1461

OF THE BOARD OF COUNTY RESOLUTION COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AMENDING THE AIRPORT RULES AND REGULATIONS (R-98-220, AS AMENDED) AS CODIFIED IN APPENDIX B OF THE PALM BEACH COUNTY CODE; AMENDING DEFINITIONS; PROVIDING FOR GENERAL COMPLIANCE; PROVIDING FOR **REGULATION**. OF GROUND TRANSPORTATION SERVICES; PROVIDING FOR PROMULGATION OF RULES AND REGULATIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS. Palm Beach County, through its Department of Airports, owns and operates the Palm Beach International Airport, Palm Beach County Park Airport, Palm Beach County Glades Airport, and the North County General Aviation Airport (hereinafter collectively referred to as the "Airports"); and

WHEREAS, Section 332.08, Florida Statutes, provides that where a County operates one or more airports, its regulation for the government thereof shall be by resolution of the Board of County Commissioners, shall be recorded in the Minutes of the Board and promulgated by posting a copy at the courthouse and at each such airport for four (4) consecutive weeks or by publication once a week in a newspaper published in the county for the same time period; and

WHEREAS, the Department of Airports regulates and controls commercial activities at the Airports in order to provide for fiscally sound and safe operations of the Airports; and

WHEREAS, the Board of County Commissioners has determined that it is necessary to amend the Airport Rules and Regulations, Resolution No. 98-220, as amended, to add general rules for the regulation of commercial activities to the Code of Laws and Ordinances and to the Airport Rules and Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

#### Section 1. <u>Amendment of Definitions.</u>

Please leave posted for four (4) consecutive weeks

Contact 561-471-7403 with any questions

Palm Beach County Department of Airports

Date:

Posted by:

Appendix B of the Palm Beach County Code, Article I, Section 1-1, Definitions, is hereby amended as follows:

- (z) "Ground transportation permit" shall mean a permit, agreement, decal or other authorization issued by the Department or Palm Beach County Division of Consumer Affairs, on behalf of the Department, to operators of passenger transportation ground transportation services, shared ride services, courtesy vehicles or vehicles for hire, for the right to utilize certain designated parking areas at Palm Beach International Airport for applicable fees for the use of such areas access the Airport's roadways for the purpose of picking up customers at the Airport on a pre-arranged basis or dropping off customers at the Airport.
- (vv) "Taxicab", "taxi" or "cab" shall mean any automobile that carries persons for a fare, determined by a meter, and that is appropriately licensed as a taxicab by the proper governmental-authority a motorized vehicle equipped with a taximeter that is engaged in the transportation of passengers for compensation where the route or destination is controlled by the passenger.

1

#### Section 2. <u>New Definitions.</u>

Appendix B of the Palm Beach County Code, Article I, Section 1-1, **Definitions**, is hereby amended to add the following:

- (ddd) "Ground transportation services" shall mean vehicle for hire services or any person engaged in the transportation of passengers to or from the Airport to such person's off-airport business location, including, without limitation, hotel and motel courtesy vehicles, rental car courtesy vehicles and off-airport parking lot operators.
- (eee) "Prearranged" shall mean a written, e-mail, facsimile or telephone reservation made in advance by a person requesting ground transportation services and may be in an electronic format. Reservations for vehicle for hire services shall be made at least thirty (30) minutes in advance of picking up a passenger at PBIA. Reservations shall be documented in writing and shall be made available immediately upon the request of authorized representatives of the Department, Palm Beach County Division of Consumer Affairs or law enforcement personnel.
- (fff) "Vehicle for Hire" shall mean any motorized, self-propelled vehicle engaged in the transportation of persons with the intent of receiving compensation for providing such transportation and shall include, without limitation, taxicabs, vans, shuttles, sedans, jitneys, non-medical transport vehicles, vehicles used for shared ride services, sports utility vehicles and limousines. The term shall not be construed to include ambulances.
- (ggg) <u>"Vehicle for Hire Ordinance" shall mean the Palm Beach County Vehicle for Hire</u> Ordinance 2008-043, as now or hereafter amended.

#### Section 3. General.

Appendix B of the Palm Beach County Code, Article I, Section 1-3, Compliance, is hereby

## amended to add the following:

(c) No person shall conduct a commercial activity on any Airport without first obtaining a written agreement, permit or other appropriate approval authorizing such activity from the Department or County.

## Section 4. <u>Commercial Ground Transportation.</u>

Appendix B of the Palm Beach County Code, Article X, Section 10-2, Commercial Vehicles, is hereby amended as follows:

## Sec. 10-2. Ground Transportation. Commercial vehicles.

Only those taxicabs, busses, limos, shuttles, courtesy vehicles or other for hire vehicles, licensed and operating in accordance with the Code, which hold a valid ground transportation permit issued by the department or are a party to the department's ground transportation concession agreement, shall have the right to transport persons and/or their baggage from areas designated as "ground transportation parking zones." The "ground transportation parking zones." Shall not be used for any other purpose, unlessprior authorization is given by the director.

- (a) No person shall engage in ground transportation services on PBIA, including, without limitation, taxicabs, limousines, courtesy vehicles, shuttles, busses or vehicles for hire, without a ground transportation permit authorizing such ground transportation services.
- (b) Persons engaging in ground transportation services on PBIA shall:

- (1) Not solicit passengers, customers, employees or any other person on PBIA property, including, without limitation, the PBIA commercial passenger terminal, for ground transportation services. With the exception of the PBIA's ground transportation concessionaire, ground transportation services shall be provided on a pre-arranged basis only.
- (2) Load and unload its passengers in its vehicles only in those areas designated by the Department for such purposes. Drivers shall remain in their vehicles within such designated areas, except to assist customers with the loading or unloading of their baggage.
- (3) Not park or loiter on PBIA's roadways or other public airport facilities. Notwithstanding the foregoing, persons engaging in ground transportation services at PBIA shall be permitted to park in PBIA's public parking facilities and other areas designated by the Department for use by ground transportation service providers, subject to payment of applicable fees and charges and compliance with the requirements of these Rules and Regulations.
- (4) Comply with the requirements of the Vehicle for Hire Ordinance.
- (5) Obtain and clearly display all required vehicle decal(s) authorizing access to PBIA issued by the Department or Palm Beach County Division of Consumer Affairs on behalf of the Department. Vehicle decals shall be displayed in the manner required by the Vehicle for Hire Ordinance. Display of a fraudulent vehicle decal shall be a violation of these Rules and Regulations.
- (6) Pay all applicable fees and charges.
- (7) Comply with all ground transportation permit requirements.
- (c) Fees and charges for ground transportation permits may be approved and amended from time to time by separate resolution of the Board.
- (d) <u>Ground transportation permits shall only be issued to those persons engaging in</u> ground transportation services who are in compliance with the requirements of the Vehicle for Hire Ordinance.
- (e) In addition to any other remedies available at law or under a ground transportation permit, the Director, or his designee, may suspend or revoke any ground transportation permit issued pursuant to this Section for failure to comply with the requirements of this Section or any terms or conditions of any ground transportation permit. Failure to comply with the terms and conditions of any ground transportation permit shall be considered a violation of these Rules and Regulations.

#### Section 5. <u>Promulgation of Rules and Regulations.</u>

The Board of County Commissioners hereby directs that a copy of this Resolution be recorded in the Minutes of the Board and promulgated in accordance with the requirements of Section 332.08(2)(b), Florida Statutes.

#### Section 6. <u>Severability.</u>

If any section, paragraph, sentence clause or word of this Resolution is for any reason held by the Court to be unconstitutional, inoperative, or void, such holding shall not affect the remainder of this Resolution.

3

Section 7. <u>Codification.</u>

The provisions of this Resolution shall become and be made a part of the Code of Laws and Ordinances of Palm Beach County, Florida. The Sections of the resolution may be renumbered or relettered to accomplish such, and the word "resolution" may be changed to "section", "article", or other appropriate word.

Section 8. <u>Effective Date.</u>

This Resolution shall be effective January 1, 2011.

The foregoing Resolution was offered by Commissioner	Marcus	, who
moved its adoption. The motion was seconded by Commissioner	Vana	, and
upon being put to a vote, the vote was as follows:		

The Chair thereupon declared the Resolution duly passed and adopted this <u>14th</u> day of <u>September</u>, 2010.

Commissioner Burt Aaronson, Chair	-	
Commissioner Karen T. Marcus, Vice Chair	-	Aye Aye
District 2	-	Ауе
Commissioner Shelley Vana	-	Aye
Commissioner Steven L. Abrams	-	Aye
Commissioner Jess R. Santamaria	-	Aye
Commissioner Priscilla A. Taylor	-	Aye

4

#### PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

SHARON R. BOCK, CLERK COMPTROLLER

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: <u>Anne Velgant</u> Assistant County Attorney