

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Capital Expenditures	_____	_____	_____	_____	_____
Rent Credit	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>* See below</u>	_____	_____	_____	_____
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No _____
 Budget Account No.: Fund 4100 Department 120 Unit _____ RSource _____
 Reporting Category _____

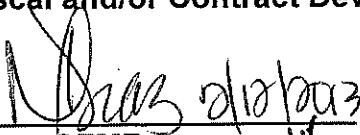
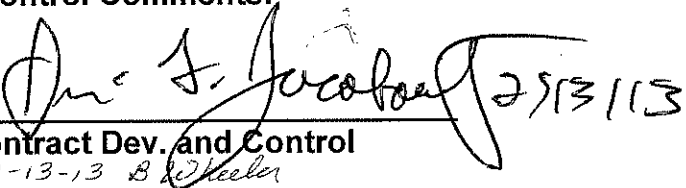
B. Recommended Sources of Funds/Summary of Fiscal Impact:

* No fiscal impact. The fiscal impact will be identified upon processing the Receive and File agenda items for executed leases.

C. Departmental Fiscal Review: M Simon

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

 _____ OFMB 2/11/13	 _____ Contract Dev. and Control 2-13-13 B. Wheeler
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B. Legal Sufficiency:



 Assistant County Attorney

C. Other Department Review:

 Department Director

RESOLUTION NO. 2013-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; ESTABLISHING STANDARD FORM LEASE AGREEMENTS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS DESIGNEE TO EXECUTE THE APPROVED STANDARD FORM AGREEMENTS; ESTABLISHING A METHODOLOGY FOR ESTABLISHING RENTAL RATES; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS DESIGNEE TO MAKE CERTAIN MODIFICATIONS TO THE APPROVED STANDARD FORM AGREEMENTS; PROVIDING FOR SEVERABILITY; REPEALING RESOLUTIONS R-2007-1755, R-2008-1845 AND R-2009-1073; AND PROVIDING FOR AN EFFECTIVE DATE.

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

WHEREAS, the Board of County Commissioners ("Board") authorized the County Administrator to execute certain standard form hangar lease agreements pursuant to Resolutions R-2008-1845 and R-2009-1073; and

WHEREAS, the Board established rental rates for certain hangar facilities at the North County General Aviation Airport pursuant to Resolution R-2007-1755, which have been assigned pursuant to that certain agreement between the County and Piedmont Hawthorne Aviation, LLC, d/b/a Landmark Aviation dated July 20, 2010 (R-2010-1109); and

WHEREAS, the Board desires to authorize the County Administrator or his or her designee to execute updated standard form hangar lease agreements for the lease of hangar facilities and a new standard form lease for the lease of office space within hangars and buildings located at County-owned general aviation airports; and

WHEREAS, the delegation to the County Administrator or his designee to execute standard form agreements eliminates delays caused by requiring the agreements to be brought before the Board for approval, which is consistent with the goal of the Board to streamline the agenda process.

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

Section 1. Recitals. The foregoing recitals are true and correct and are expressly incorporated herein by reference and made a part hereof.

Section 2. Standard Form Leases. The Board of County Commissioners hereby authorizes the County Administrator or his designee to execute the following standard form agreements on behalf of the Board of County Commissioners: (i) Commercial Hangar Lease Agreement, attached hereto and incorporated herein by reference as Attachment "A"; (ii) Non-Commercial Hanger Lease Agreement, attached hereto and incorporated as Attachment "B"; and (iii) Office Lease Agreement, attached hereto and incorporated as Attachment "C" (hereinafter collectively referred to as "Agreements"). The County Administrator or his designee is hereby authorized to execute standard form Agreements that include non-material changes. For purposes of this Resolution, "non-material changes" means changes that do not modify the substantive obligations of the County. In addition, the County Administrator or his designee may modify the insurance requirements provided in the standard form Agreements upon the advice of the Risk Management Department. For purposes of this Resolution, the Director of the Department of Airports shall be considered to be a designee of the County Administrator.

Section 3. Rental Rates. The initial rental rates for hangars and offices leased pursuant to the delegation of authority granted by this Resolution by the County shall be determined by an appraisal prepared by a qualified MIA appraiser; provided; however, promotional rental rates in an amount of no less than seventy-five percent (75%) of the appraised fair market rental value may be offered for a period not to exceed three years. Nothing herein shall be construed as establishing rental rates for the sublease of property by County's tenants.

Section 4. Repeal. This Resolution shall repeal Resolutions R-2007-1755, R-2008-1845; and R-2009-1073 in their entirety. Notwithstanding any provision of this Resolution to the contrary, the repeal of Resolutions R-2008-1845 and R-2009-1073 shall not affect any agreement entered into pursuant to those Resolutions prior to the effective date of this Resolution.

Section 5. Severability. If any section, sentence, clause, phrase, or word of this Resolution is held invalid or unconstitutional by a Court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Resolution.

Section 6. Effective Date. This Resolution shall become effective upon adoption.

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

Commissioner Steven L. Abrams, Mayor	-
Commissioner Priscilla A. Taylor, Vice Mayor	-
Commissioner Hal R. Valeche	-
Commissioner Paulette Burdick	-
Commissioner Shelley Vana	-
Commissioner Mary Lou Berger	-
Commissioner Jess R. Santamaria	-

Then the Mayor thereupon declared the Resolution duly passed and adopted this ____ day of _____, 2013.

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

Sharon R. Bock, Clerk & Comptroller, Palm Beach County

By: _____
Deputy Clerk

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

By: _____
County Attorney

ATTACHMENT "A"
COMMERCIAL HANGAR LEASE AGREEMENT

**COMMERCIAL OPERATOR
HANGAR LEASE AGREEMENT**

THIS COMMERCIAL OPERATOR HANGAR LEASE AGREEMENT (this "Lease") is made and entered into this _____, by and between **Palm Beach County**, a political subdivision of the State of Florida ("County"), and _____, a _____, having its office and principal place of business at _____ ("Tenant").

WITNESSETH:

WHEREAS, County, by and through its Department of Airports, owns and operates the [Select one: North County General Aviation Airport; Palm Beach County Glades Airport; Palm Beach County Park Airport] ("Airport"), located in Palm Beach County, Florida; and

WHEREAS, Tenant desires to lease real property at the Airport for the purpose of operating and maintaining an _____; and

WHEREAS, Tenant has indicated a willingness to properly keep and maintain the property and improvements 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 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 Lease, shall be defined as follows:

- 2.01 "**Additional Insured**" has the meaning set forth in Exhibit "B".
- 2.02 "**Adjustment Date**" means a rental adjustment date as set forth in Section 5.03.
- 2.03 "**Airport**" has the meaning set forth in the Recitals to this Agreement.
- 2.04 "**Airport Rules and Regulations**" means the Palm Beach County Airport Rules and Regulations adopted by Resolution No. R-98-220, as now or hereafter amended, and any successor ordinance or resolution regulating activities or operations on the Airport.
- 2.05 "**Base Rental**" means the annual rental established in Section _____ of the Lease.
- 2.06 "**Bond Resolution**" means the Palm Beach County Airport System Revenue Bond Resolution dated April 3, 1984 (R-84-427), as amended and supplemented, which is hereby incorporated herein by reference and made a part hereof.
- 2.07 "**Board**" means the Board of County Commissioners of Palm Beach County, Florida.
- 2.08 "**Commencement Date**" has the meaning set forth in Section 3.01.
- 2.09 "**Consumer Price Index**" shall have the meaning set forth in Section 5.03.
- 2.10 "**CPI Escalation**" shall have the meaning set forth in Section 5.03.

2.11 **“Department”** means the Palm Beach County Department of Airports.

2.12 **“Director”** means the Director or Acting Director of the Palm Beach County Department of Airports.

2.13 **“Derelict Aircraft”** means an aircraft, stored in the open, that:

- (A) Does not hold a current and valid airworthiness certificate issued by the FAA, or other appropriate aircraft certificating authority, together with necessary aircraft registration and maintenance records with a current endorsement by an appropriately rated certificate holder that the aircraft is in an airworthy condition;
- (B) Has been issued a condition notice by the FAA that specifies that the aircraft has one or more conditions which render it not airworthy; or
- (C) Has had major components, accessories, flight controls, portions of the airframe or engines removed so as to render the aircraft not airworthy.

2.14 **“Derelict Vehicle”** means a vehicle that is in a wrecked, dismantled or partially dismantled condition, or which is discarded and in an inoperable condition.

2.15 **“Effective Date”** means the date that this Lease is signed by all parties hereto.

2.16 **“FAA”** means the Federal Aviation Administration or any successor agency thereto.

2.17 **“Minimum Standards”** means the General Aviation Minimum Standards for the [redacted] Airport (R-[redacted]), as now or hereafter amended and any successor general aviation minimum standards adopted for the Airport.

2.18 **“NFPA”** means the National Fire Protection Association.

2.19 **“Plans”** have the meaning set forth in Section 6.02(A).

2.20 **“Premises”** means [redacted] as more particularly identified on Exhibit “A”, attached hereto and incorporated herein.

2.21 **“Risk Management Department”** means the Palm Beach County Risk Management Department.

2.22 **“Term”** means the initial term and any renewal terms as provided in Article 3.

2.23 **“TSA”** means the Transportation Security Administration or any successor agency responsible for airport security.

ARTICLE 3 TERM

3.01 **Initial Term.** The initial term of this Lease shall commence on [redacted] (“Commencement Date”) and [Select one: expire on [redacted]; or expire [redacted] year(s) thereafter.]

[Insert if applicable: 3.02 **Renewal.** Provided that Tenant has not been in default of this Lease beyond any applicable cure period, the term of this Lease shall automatically renew on a year-to-year basis thereafter upon the same terms and conditions, unless either party provides the other party with written notice of its intent not to renew this Lease, which notice shall be provided by the non-renewing party no less than ninety (90) days prior to the end of the then current term.]

ARTICLE 4

PREMISES AND PRIVILEGES

4.01 **Description of Premises.** County hereby demises and leases to Tenant, and Tenant rents from County the Premises, subject to the terms, conditions and covenants set forth herein.

4.02 **Description of Specific Privileges, Uses and Rights.** Tenant shall have the right to use the Premises for the purpose of _____.

4.03 **Prohibited Uses, Products and Services.** Tenant agrees that the Premises shall be utilized solely for the uses permitted herein and for no other purpose whatsoever. Tenant shall not provide any products or services that are not specifically authorized by this Lease. The Premises shall not be used for habitation. The parking of boats, motor homes, utility trailers, recreational vehicles, inoperable vehicles, or any other objects unrelated to the uses permitted herein are strictly prohibited. Additionally, the stockpiling or storage of equipment, and/or machinery on or within the Premises or any other area of the Airport is strictly prohibited. Painting of aircraft is strictly prohibited unless such use is specifically authorized in Section 4.02 above.

4.04 **Description of General Privileges, Uses and Rights.** In addition to the specific privileges, uses and rights granted in Section 4.02 above, County hereby grants to Tenant the following general privileges, uses, and rights, all of which shall be subject to the terms, conditions, and covenants set forth herein and all of which shall be non-exclusive on the Airport:

- (A) The general use, in common with others, of all public Airport facilities and improvements, which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access), to be used by Tenant, its agents and employees, patrons and invitees, suppliers of service, and furnishers of material, if any, in connection with its operations hereunder. For purposes of this paragraph, public "Airport facilities" shall include public roadways, sidewalks, or other public facilities appurtenant to the Airport that 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 for Tenant, its agents and employees, patrons and invitees, suppliers of service and furnishers of material. The right of ingress to and egress from 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 this Section 4.04, nothing in this Lease shall be construed to grant to Tenant the right to use any space or area improved or unimproved which is leased to a third party, or which County has not leased herein.

4.05 **Compliance with Minimum Standards.** Tenant agrees to comply with the requirements set forth in the Minimum Standards applicable to Tenant's operations at the Airport as a _____ Operator. In the event of a conflict between this Lease and the Minimum Standards, Tenant acknowledges and agrees that the more stringent requirement shall apply to Tenant's operations hereunder, as determined by the Department. *[Insert if applicable: County acknowledges and agrees that Tenant has been granted an exemption or variance from the following Minimum Standard requirements: _____]* **OR** County acknowledges and agrees that Tenant's operations on the Premises as a _____ are subject to the grandfathering provisions set forth in _____ of the Minimum Standards until such time as Tenant utilizes new or additional property for its operations or engages in new or additional Commercial Activities (as defined in the Minimum Standards)].

4.06 **Condition and Use of the Premises.** Tenant expressly acknowledges that Tenant has inspected the Premises and Airport and accepts both in their "AS IS CONDITION" and "WITH ALL FAULTS," together with all defects, latent and patent, if any. Tenant further acknowledges that County has made no representations or warranties of any nature whatsoever regarding the Airport or the Premises, including, but not limited to, the physical and/or

environmental condition of the Premises or any improvements located thereon; the value of the Premises or improvements; the zoning of the Premises; title to the Premises; the suitability of the Premises or any improvements for Tenant's intended use; or Tenant's legal ability to use the Premises for Tenant's intended use. Additionally, Tenant acknowledges that County shall not be responsible for any current or future maintenance that may need to be performed to or on the Premises.

ARTICLE 5
RENTAL, FEES, CHARGES AND SECURITY DEPOSIT

5.01 Rental. Tenant shall pay to County an initial annual rental of [REDACTED] Dollars (\$ [REDACTED]), payable in equal monthly installments of [REDACTED] Dollars (\$ [REDACTED]) plus any applicable sales taxes as may be required by law.

5.02 Commencement and Time of Payment. Payment of rental by Tenant to County shall commence upon the Commencement Date. Rental shall be payable in equal monthly installments, in advance, without demand and without any deduction, holdback or set off whatsoever, by the first day of each and every month throughout the Term and any extension thereof. If the Commencement Date occurs on a day other than the first (1st) day of a month, Tenant shall pay rent from the Commencement Date to the first (1st) 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. All sums due hereunder shall be delivered to the Palm Beach County Department of Airports, Fiscal Department, 846 Palm Beach International Airport, West Palm Beach, Florida 33406. County may change the payment procedure and/or the address to which payments are to be delivered from time to time. Department will provide thirty (30) days written notice to Tenant prior to any change in payment procedure or the address to which payments are to be delivered. Rental shall be deemed delinquent if payment is not received by the first (1st) business day of the month in which it is due.

5.03 Adjustment of Rentals.

[If a promotional rent is offered, indicate the specific dates/amounts of each increase:

- (A) The annual rental shall be increased as follows:]
- (B) Commencing on October 1, _____ and each October 1st thereafter (each such date, an "Adjustment Date"), the annual rental payable hereunder shall be increased by the greater of the CPI Escalation (as hereinafter defined) or three (3%) percent per year. The CPI Escalation shall be determined by multiplying Base Rental by a fraction, the numerator of which shall be the "Consumer Price Index" (as hereinafter defined) figure for May of the calendar year in which such adjustment is to become effective and the denominator of which shall be the Consumer Price Index figure for April of the calendar year in which this Lease became effective. Notwithstanding the foregoing, the CPI Escalation shall not exceed five percent (5%).
- (C) For the purposes hereof, the "Consumer Price Index" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers, United States city average, all items (1982 - 1984 = 100), not seasonally adjusted, or any successor thereto as promulgated by the Bureau of Labor Statistics of the United States Department of Labor. In the event that the Consumer Price Index ceases to use the 1982 - 1984 average of one hundred (100) as the standard reference index base period, the then current standard reference index base period shall be utilized. In the event the Consumer Price Index (or successor or substitute Consumer Price Index) is not available, a reliable governmental or other nonpartisan publication evaluating information theretofore used in determining the Consumer Price Index shall be used.

- (D) This Lease shall automatically be considered as amended to reflect the new annual rate, without formal amendment hereto, upon County's written notification to Tenant of the establishment of the new rental rate.
- (E) Notwithstanding anything to the contrary contained in this Lease, the annual rental rate shall be maintained at all times to ensure compliance with the provisions of Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.

5.04 Late Payments - Interest. Tenant shall pay to County interest at the rate of one and one-half percent (1½ %) per month on any late payments commencing ten (10) days after the amounts are due.

5.05 Security Deposit. Prior to the Commencement Date of this Lease, Tenant shall post a security deposit with County [~~Select one: in the amount of \$~~ ~~or equal to~~ ~~() installments of monthly rental~~] ("Security Deposit"). The Security Deposit shall serve as security for the payment of all sums due to County and shall also secure the performance of all obligations of Tenant to County. The Security Deposit shall be either in the form of a cash deposit, clean, irrevocable letter of credit ("Letter of Credit") or a surety bond ("Bond") in form and substance satisfactory to County. In the event the Security Deposit is in the form of cash, the Security Deposit shall be held by County, without the obligation to pay or earn interest thereon, and may be commingled with other County funds. In the event of any failure by Tenant to pay any rentals or charges when due or upon any other failure to perform any of its obligations or other default under this Lease, then in addition to any other rights and remedies available to County at law or in equity, County shall be entitled to draw on the Security Deposit and apply same to all amounts owed. Upon notice of any such draw, Tenant shall immediately replace the Security Deposit with a new Letter of Credit, Bond or cash deposit in the full amount of the Security Deposit required hereunder. Tenant shall promptly increase the amount of the Security Deposit to reflect any increases in the sums payable hereunder. The Security Deposit shall be kept in full force and effect throughout the Term of this Lease and any extension thereof and for a period of three (3) months after the termination of this Lease. Not less than forty-five (45) days prior to any expiration date of a Letter of Credit or Bond, Tenant shall submit evidence in form satisfactory to County that such security instrument has been renewed. Failure to renew a Letter of Credit or Bond or to increase the amount of the Security Deposit as required by this Section 5.05 shall: (i) entitle County to draw down the full amount of such Security Deposit, and (ii) constitute a default of this Lease entitling County to all available remedies. The Security Deposit shall not be returned to Tenant until all obligations under this Lease are performed and satisfied.

5.06 Taxes. Tenant shall pay before delinquency all taxes and assessments which may be levied by any governmental authority against the Premises, on the property of Tenant located in the Premises and on additions and improvements upon the Premises belonging to Tenant. Tenant shall also pay to County all sales taxes assessed by governmental authority against the rental payable hereunder even though the taxing statute or ordinance may purport to impose such sales tax against County. The payment of sales tax shall be made by Tenant monthly, concurrent with the payment of rental.

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

5.08 Accord and Satisfaction. In the event Tenant pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. County may accept any check or payment without prejudice to County's right to recover the balance due or to pursue any other remedy available to County pursuant to this Lease or under the law.

5.09 Inspector General. Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, 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 to audit, investigate, monitor, and inspect the activities of the Consultant, 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 interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

ARTICLE 6
CONSTRUCTION OF IMPROVEMENTS

6.01 Tenant Construction Requirements. Tenant shall make no alterations or additions to the Premises or improvements constructed thereon, without the prior written consent of the Department. All improvements constructed or placed on the Premises, including drainage and landscaping, shall be of attractive construction and first-class design; comply with any and all applicable governmental laws, regulations, rules, and orders; follow standard construction methods; and be constructed in accordance with the requirements of this Article.

6.02 Construction Requirements.

- (A) Prior to constructing any improvements on the Premises, Tenant, without cost to County, shall prepare detailed preliminary construction plans and specifications for the improvements (hereinafter collectively referred to as the "Plans") in accordance with standards established by the Department and deliver the preliminary Plans to the Department for review, comment and adjustment. The Department shall review the preliminary Plans and provide a written response to Tenant after receipt of the preliminary Plans. In the event the Department does not approve the preliminary Plans, Tenant will be notified of the reasons for the disapproval and the necessary modifications and/or alterations to the Plans. Tenant shall resubmit modified Plans to the Department within thirty (30) days of the date of the Department's written notice of disapproval. Within one hundred twenty (120) days following approval of the preliminary Plans by the Department, Tenant shall prepare or cause to be prepared final working Plans in substantial conformity to the approved preliminary Plans and shall submit the final working Plans to the Department for approval. Upon approval of the final working Plans by the Department, Tenant shall obtain all permits and other government approvals required for the commencement of construction. Prior to commencement of construction, Tenant shall deliver to the Department one (1) complete set of the final working Plans as approved by the governmental agencies exercising jurisdiction thereover. Minor changes from the final working Plans shall be permitted if such changes may be reasonably inferred from the final working Plans, or if they are made to comply with requirements of any governmental agency exercising jurisdiction thereover.
- (B) Within sixty (60) days of Tenant's receipt of a certificate of occupancy or certificate of completion, as appropriate, for improvements constructed pursuant to this Article, Tenant, at its sole cost and expense, shall have prepared and deliver to the Department one (1) complete set of as-built Mylar drawings and one (1) set of Auto CADD files in the latest version acceptable by the Department.
- (C) All improvements constructed upon the Premises shall be completed at Tenant's sole cost and expense and shall be completed in accordance with the standards established by the Department.

6.03 Construction Bonds. Tenant shall ensure that all improvements are constructed

to completion in accordance with the approved Plans and that all persons or entities performing work or providing materials relating to such improvements including, without limitation, all contractors, subcontractors, laborers, materialmen, suppliers and professionals, are paid in full for such services and materials. Prior to the commencement of any improvements to the Premises, the estimated cost of which exceeds Fifty Thousand Dollars (\$50,000), Tenant shall cause to be made, executed and delivered to County at Tenant's sole cost a bond that is in a form and substance reasonably satisfactory to County, and issued by a company reasonably acceptable to County, and that guarantees Tenant's compliance with its obligations arising under this Section 6.03. Tenant may not subdivide improvements or phase projects for the purpose of avoiding the foregoing bond requirement. County shall be named as a dual obligee on the bond(s). In lieu of the bond required by this Section 6.03, Tenant may file with County an alternative form of security in the form of cash, a money order, cashier's check, clean irrevocable letter of credit, or security of a type listed in Part II of Chapter 625, Florida Statutes; provided, however, the form of the security and company issuing such security, if applicable, shall be subject to the prior written approval of County and shall be in accordance with County's standard policies and procedures. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bond required by this Section 6.03.

6.04 Contractor Requirements. Tenant shall require contractors to furnish for the benefit of County a public construction bond as required under Section 255.05, Florida Statutes, in a form approved by County. Tenant shall require its contractors to name County as a dual obligee on the bond(s). Tenant shall also require contractors to furnish satisfactory evidence of statutory Worker's Compensation insurance, comprehensive general liability insurance, comprehensive auto insurance, and physical damage insurance on a Builder's Risk form with the interest of County endorsed thereon, in such amounts and in such manner as the Risk Management Department may reasonably require. The Risk Management Department may require additional insurance for any alterations or improvements approved hereunder, in such amounts as the Risk Management Department reasonably determines to be necessary.

6.05 No Liens. Tenant agrees that nothing contained in this Lease shall be construed as consent by County to subject the estate of County to liability under the Construction Lien Law of the State of Florida and understands that County's estate shall not be subject to such liability. Tenant shall notify any and all parties or entities performing work or providing materials relating to any improvements made by Tenant of this provision of this Lease. If so requested by County, Tenant shall file a notice satisfactory to County in the Public Records of Palm Beach County, Florida, stating that County's estate shall not be subject to liens for improvements made by Tenant. In the event that a construction lien is filed against the Premises or other County property in connection with any work performed by or on behalf of Tenant, Tenant shall satisfy such claim, or transfer same to security, within thirty (30) days from the date of filing. In the event that Tenant fails to transfer or satisfy such claim within the thirty (30) day period, County may do so and thereafter charge Tenant all costs incurred by County in connection with the satisfaction or transfer of such claim, including attorneys' fees, and Tenant shall promptly pay to County all such costs upon demand, as Additional Rent.

ARTICLE 7 **OBLIGATIONS OF TENANT**

7.01 Compliance with Rules and Regulations. Tenant covenants and agrees to observe and obey, and to require its officers, employees, guests, invitees and those doing business with it to observe and obey, such rules and regulations of the Department and County regulating the conduct and operations of Tenant and others on the Premises, as now or hereafter amended or promulgated, including, without limitation, the Airport Rules and Regulations.

7.02 Conduct. Tenant shall conduct its operations hereunder in an orderly and commercially reasonable manner, considering the nature of such operations so as not to unreasonably annoy, disturb, endanger or be offensive to others on the Airport. Tenant shall control the conduct, demeanor and appearance of its employees, invitees and others doing business at the Premises and, upon objection from the Department concerning the conduct, demeanor and appearance of any such person, shall promptly take all reasonable steps necessary to remove the cause of such objection.

7.03 Noise & Vibrations. Tenant shall take all reasonable measures to:

- (A) Reduce to a minimum, vibrations tending to damage any equipment, structure, building or portion of a building that is on the Premises or is a part thereof, or is located elsewhere on the Airport; and
- (B) Keep the sound level of its operations as reasonably low as possible.

7.04 Garbage. Tenant shall remove from the Premises or otherwise dispose of in a manner approved by the Department all garbage, debris and other waste materials (whether solid or liquid) arising out of the use or occupancy of the Premises or out of any operations conducted thereon. Garbage, debris and other non-hazardous waste materials may be temporarily stored on the Premises in suitable garbage and waste receptacles. The placement of the receptacles shall be limited only to those areas as designated for such purpose by the Department. The Department reserves the right to limit the number of such receptacles.

7.05 Nuisance. Tenant shall not commit any nuisance, waste or injury on the Premises and shall not do, or permit to be done, anything which may result in the creation, commission or maintenance of such nuisance, waste or injury on the Premises.

7.06 Odors/Dust. Tenant shall not create, nor permit to be caused or created upon the Premises, any obnoxious odors, smoke, noxious gases or vapors; provided, however, that fumes resulting from the normal operations of properly certified and maintained trucks and other vehicles shall be excepted from this provision. Tenant shall ensure that emissions generated by any such trucks, and other vehicles shall comply with all provisions of applicable environmental emissions laws and regulations. Tenant shall make no use of any portion of the Premises in a manner that causes or results in excessive dust, debris or waste to be blown about or raised so as to be potentially dangerous to the operation of aircraft.

7.07 Utility Systems. Tenant shall not do, or permit to be done, anything that may interfere with the effectiveness or accessibility of the utilities systems installed or located on or about the Premises that are also used by other occupants, customers or users of the Airport.

7.08 Overloading. Tenant shall not overload any floor or paved area on the Premises and shall repair at its sole cost and expense, any floor, including supporting members, and any paved area damaged by overloading.

7.09 Hazardous Operations.

- (A) Tenant shall not do, or permit to be done, any act or thing upon the Premises that:
 - 1. Will invalidate or conflict with any insurance policies covering the Premises or the Airport; or
 - 2. May constitute a hazardous condition that would increase the risk normally attendant upon the operations permitted by this Lease.
- (B) Unless expressly authorized in Section 4.02, Tenant shall not perform the following activities upon the Premises: fuel transfer, welding, torch cutting, torch soldering, doping or spray painting. Notwithstanding any provision of this Lease to the contrary, Tenant shall not perform any activity upon the Premises that would result in a violation of applicable fire codes or NFPA Standards, including, without limitation NFPA 409.

7.10 Flammable Liquids. All flammable liquids that are kept or stored at the Premises must at all times be handled, stored and used in accordance with all applicable federal, state and local laws.

7.11 Derelict Aircraft. Tenant shall not permit the temporary or permanent storage (without an open work order being actively pursued) of any Derelict Aircraft on the Premises.

Derelict Aircraft shall be removed from the Airport within a period of ninety (90) days after written notice from County. Notwithstanding the foregoing, County may request Tenant to demonstrate that repairs to a Derelict Aircraft are actively being pursued. If Tenant fails to provide County with satisfactory evidence that repairs are actively being pursued within five (5) Business Days of the date requested, then such Derelict Aircraft shall be removed from the Premises within ninety (90) days from the date that County makes its request for proof that repairs are actively being pursued.

7.12 Derelict Vehicles. Tenant shall not permit the temporary or permanent storage of any Derelict Vehicles on the Premises. Tenant shall cause Derelict Vehicles to be removed from the Premises within twenty-four (24) hours after written notice from County.

7.13 Parking. Tenant and its employees, patrons, invitees, licensees, suppliers of service or furnishers of material, or any other persons whomsoever shall only park vehicles within designated parking areas. Parking on any grassed areas of the Airport is prohibited.

7.14 Animals. No pets or other animals are permitted on the Premises or Airport, with the exception of service animals as defined by the Americans with Disabilities Act.

ARTICLE 8 **MAINTENANCE AND REPAIR**

8.01 Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises, improvements, and appurtenances thereto, in a safe and presentable condition consistent with good business practice, industry standards and in accordance with all applicable laws, regulations and rules of any governmental entity. Tenant shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, licensees, 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 Tenant's operations thereon or Tenant's use of the Premises. Tenant hereby agrees that it shall abide by the decision of the Department with respect to maintenance or repair of the Premises.

8.02 Cleanliness of Premises. Tenant shall, at its sole cost and expense, keep the Premises neat and clean at all times and shall maintain and keep the through-way ramp area free of obstructions in order to permit unrestricted movement of aircraft and equipment. Tenant shall keep the hangar floor clean and clear of debris, oil, grease and/or toxic chemicals. Tenant shall not use any areas of the Airport in a manner that causes or results in dust, debris or waste of any kind to be blown about or raised so as to be ingested by aircraft or individuals, or otherwise interfere with or disturb the use or enjoyment by others of their premises or any non-leased areas of the Airport.

8.03 Notice of Noncompliance. The Department shall reasonably determine whether Tenant is in compliance with the maintenance obligations as provided for herein and shall provide Tenant with written notice of any violations of Tenant's maintenance obligations. Upon Tenant's receipt of County's written notice of violation, Tenant shall commence such corrective action as required by County or as may be necessary to remedy such non-compliance to the reasonable satisfaction of County. If corrective action is not initiated within in a reasonable period of time (not to exceed thirty (30) days) and pursued in a diligent manner to completion, the Department may cause the same to be accomplished and Tenant hereby expressly agrees that Tenant shall assume and be liable to County for payment of all the cleaning and grounds maintenance costs, plus twenty-five percent (25%) for administrative overhead. Such cleaning and grounds maintenance costs, plus the administrative cost, shall be due and payable to County within thirty (30) days of the date of County's written notice.

8.04 Inspections. Tenant acknowledges and agrees that representatives of County and any Federal, State or local governmental entity having jurisdiction over Tenant's operations or activities on the Premises shall have the right of access to the Premises at all reasonable times for the purposes of inspection for compliance with the provisions of this Lease and applicable laws.

ARTICLE 9
UTILITIES

9.01 Utility Costs. Tenant shall pay for all electric, garbage and other utilities charges for the Premises. The metering devices installed by Tenant for such utilities shall be installed at the cost of Tenant and shall become the property of County upon installation. Extension of utility mains or services to meet the needs of Tenant on the Premises shall be at the expense of Tenant and shall become the property of County upon installation.

9.02 Interruption of Service. No failure, delay or interruption in supplying any utility services for any reason whatsoever (whether or not a separate charge is made therefore) shall be construed to be an eviction of Tenant or grounds for any diminution or abatement of rental or shall be grounds for any claim by Tenant under this Lease for damages, consequential or otherwise.

9.03 Industrial Waste. Tenant shall provide, operate and maintain adequate facilities for separating, neutralizing and treating industrial waste and foreign materials generated within the Premises and the proper disposal thereof as required by all applicable Federal, State and local laws, regulation and rules, as now or hereafter amended.

ARTICLE 10
AIRPORT SECURITY PROGRAM

10.01 Compliance with Security Requirements. Tenant acknowledges and accepts full responsibility for the security and protection of the Premises and any and all personal property, inventory, equipment and facilities now existing or hereafter placed on or installed in or upon the Premises, and for the prevention of unauthorized access to its facilities. Tenant shall observe all security requirements and other requirements of the FAA, TSA, County and Department applicable to Tenant operations, as now or hereafter amended, to the extent applicable to Tenant and Tenant's activities hereunder. Tenant fully understands that the police security protection provided by County is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and improvements constructed thereon, shall be the sole responsibility of Tenant and shall involve no cost to County.

10.02 Criminal History Background Checks. Tenant acknowledges that Tenant and its employees, contractors and agents may be subject to federal and state criminal history record check requirements under federal, state and/or local laws, as may now exist or as may hereafter be enacted, including, but not limited to the Palm Beach County Criminal History Record Check Ordinance (Chapter 2, Article IX, Palm Beach County Code), which laws may require Tenant to remove or restrict access of individuals who are not in compliance with the requirements of such laws. Tenant agrees to comply with and to require its employees, contractors and agents to comply with all federal, state and local criminal history record check requirements, including, but not limited to, the Palm Beach County Criminal History Record Check Ordinance and any access restrictions imposed thereunder. Tenant acknowledges and agrees that its employees, contractors and agents, who will have access to a "critical facility", as defined in the Palm Beach County Criminal History Record Check Ordinance, will be subject to a national and state fingerprint based criminal history records check. Tenant shall be solely responsible for the financial, scheduling and staffing implications associated with complying with the Palm Beach County Criminal History Record Check Ordinance.

10.03 Security Deficiency. Tenant agrees to rectify any security deficiency or other deficiency as may be determined as such by the Department, County, FAA or TSA. In the event Tenant fails to remedy any such deficiency, County may do so at the cost and expense of Tenant. Tenant acknowledges and agrees that County shall have the right to take whatever action is necessary to rectify any security deficiency or other deficiency as may be determined by the Department, County, FAA or TSA.

ARTICLE 11
INSURANCE REQUIREMENTS

Tenant shall, at its sole expense, maintain in full force and effect at all times during the Term, the insurance limits, coverages and endorsements required set forth in Exhibit "B" attached hereto and incorporated herein. Tenant acknowledges and agrees that the requirements contained in Exhibit "B", and County's review or acceptance of insurance shall not in any manner limit or qualify the liabilities and obligations assumed by Tenant under this Lease.

ARTICLE 12
DAMAGE TO OR DESTRUCTION OF PREMISES

12.01 Removal of Debris. If the Premises, or any portion thereof, is damaged by fire, the elements or other casualty, Tenant shall promptly remove all debris resulting from such damage from the Premises and shall take such actions and cause such repairs to be made to the Premises as will place the Premises in a neat and orderly condition within a commercially reasonable period of time and as are necessary for the safety of persons entering upon the Premises. If Tenant fails to promptly comply with the provisions of this Section 12.01, County may take such measures as it deems necessary to render the Premises in a neat, orderly, and safe condition. Tenant agrees that Tenant shall fully assume and be liable to County for payment of any costs incurred by County, plus a twenty-five percent (25%) administrative overhead fee, which costs and administrative overhead fee, shall be due and payable to County within thirty (30) days from the date of written notice provided by the Department.

12.02 Damage or Destruction. Tenant 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 Tenant or by or with the consent of any person acting for or on behalf of Tenant. If the Premises, improvements, or any part thereof, are damaged in any way whatsoever by the act, default or negligence of Tenant or its contractors, employees, officers, licensees, agents or invitees, Tenant shall, at its sole cost and expense, restore the Premises to the condition existing prior to such damage. Tenant 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 Tenant in accordance with the construction requirements established by the Department. If Tenant fails to restore the Premises as required above, County shall have the right to enter the Premises and perform the necessary restoration, and Tenant hereby expressly agrees that it shall fully assume and be liable to County for payment of the costs incurred by County, plus twenty-five percent (25%) administrative overhead. Such restoration cost, plus the administrative cost, shall be due and payable within thirty (30) days from date of County's written notice.

12.03 Partial Destruction. If any of the improvements on the Premises are partially damaged or destroyed in part by fire or other casualty, County may terminate this Lease upon written notice to Tenant within ninety (90) days after the date of any such damage or destruction or commence restoration of the Premises within a commercially reasonable period of time subject to the limitations set forth herein. In the event of restoration of the Premises by County pursuant to this paragraph, Tenant's obligation to pay rental shall be abated proportionately on a square footage basis as to that portion of the Premises rendered unusable by reason of casualty commencing on the date of the casualty. Such abatement shall continue until thirty (30) days after notice by County to Tenant that the Premises have been substantially repaired or restored. Notwithstanding any provision of this Lease to the contrary, County shall have no obligation under this Lease to restore the Premises nor shall Tenant be entitled to abatement of rental in the event the casualty was the result of the act, default or negligence of Tenant or its contractors, employees, officers, licensees, agents or invitees. In such event, Tenant shall be obligated to restore the Premises in accordance with Section 12.02 above with no abatement in rental.

12.04 Total Casualty. In the event of a total casualty to the Premises, which renders the Premises unusable, as reasonably determined by the Department, either party shall have the right to terminate this Lease within ninety (90) days of the date of the casualty by delivering a written notice of termination to the other party in accordance with the notice provisions in this Lease; provided, however, Tenant shall not have the right to terminate in the event the casualty was the result of the act, default or negligence of Tenant or Tenant's contractors, employees, officers, licensees, agents or invitees. In such event, Tenant shall be obligated to restore the Premises in accordance with Section 12.02 above with no abatement in rental. In the event

neither party terminates this Lease pursuant to this Section 12.04 and County elects to restore the Premises, Tenant's obligation to pay rental shall be abated until thirty (30) days after notice by County to Tenant that the Premises have been substantially repaired or restored.

12.05 Waiver. Tenant hereby waives any claim against County for damages or compensation in the event this Lease is terminated pursuant to Sections 12.03 or 12.04 above.

12.06 Limitations. Notwithstanding any provision of this Lease to the contrary, County shall have no obligation to repair, rebuild or restore Tenant's personal property or fixtures or any improvements made by Tenant to the Premises. In the event County elects to restore or rebuild the Premises following a casualty, County's obligation to restore, rebuild or restore the Premises pursuant to this Lease shall exist only to the extent of the insurance proceeds received by County as a result of such casualty. Tenant shall not be entitled to and hereby waives any claims against County for any compensation or damage for any loss of use of the Premises, in whole or in part, or for any inconvenience or annoyance occasioned by any such damage, destruction, repair or restoration. In addition, County shall not be liable for any damage or inconvenience or interruption of the business of Tenant occasioned by fire or other casualty.

12.07 Insurance Proceeds. Upon receipt by Tenant of the proceeds of any applicable insurance policy or policies, the proceeds shall be deposited in an escrow account approved by the Department so as to be available to pay for the cost of such repair, replacement or rebuilding. Any insurance proceeds shall be disbursed during construction to pay the costs of such work. If the amount of the insurance proceeds is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged improvements and the damage was caused by Tenant or its contractors, employees, officers, licensees, agents or invitees, Tenant shall pay any additional sums required into said escrow account. If the amount of the insurance proceeds is in excess of the costs of repair, replacement or rebuilding, the amount of such excess shall be remitted to Tenant.

ARTICLE 13 **ENCUMBRANCES**

Tenant shall not, in any manner, mortgage, pledge or otherwise encumber this Lease, the Premises or any improvements now existing or hereinafter erected or constructed upon the Premises. Tenant shall cause to be removed any and all liens of any nature arising out of or resulting out of or resulting from the performance of any work or labor performed upon the Premises or the furnishing of any materials for use upon the Premises, by, on behalf of or at the direction of Tenant, its employees, agents, contractors or subcontractors. This provision shall be construed to include a prohibition against any mortgage, pledge, or encumbrance by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

ARTICLE 14 **TITLE TO IMPROVEMENTS**

14.01 Title to Improvements. Tenant acknowledges and agrees that all improvements located, constructed or placed upon the Premises as of the Effective Date are the absolute property of County. Notwithstanding any provision of this Lease to the contrary, upon expiration or earlier termination of this Lease, all improvements constructed or placed upon the Premises by Tenant, title to which has not previously vested in County hereunder, shall become the absolute property of County, and County shall have every right, title, and interest therein, free and clear of any liens, mortgages, and other encumbrances. Upon the request of County, Tenant shall provide County with a bill of sale or other evidence of the transfer of ownership of the improvements together with evidence satisfactory to County that the improvements are free from liens, mortgages and other encumbrances.

14.02 Removal of Improvements. Notwithstanding any provision of this Lease to the contrary, County shall be entitled, at its option, to have the Premises returned to County free and clear of some or all of the improvements constructed by Tenant during the Term, at Tenant's sole cost and expense. In such event, County shall provide timely notification to Tenant of its election to require removal of improvements and, to the extent possible, County shall notify Tenant at least sixty (60) days prior to the expiration or termination of this Lease. Tenant shall

have sixty (60) days from date of notice within which to remove the improvements. If Tenant fails to remove the improvements, County may remove the improvements. Tenant agrees that Tenant shall fully assume and be liable to County for payment of all costs of removal of the improvements incurred by County, plus a twenty-five percent (25%) administrative overhead fee, which costs and administrative overhead fee shall be due and payable to County within thirty (30) days from the date of the written notice provided by the County.

14.03 Survival. The provisions of this Article 14 shall survive expiration or termination of this Lease

ARTICLE 15
EXPIRATION OF LEASE, DEFAULTS, REMEDIES AND TERMINATION

15.01 Expiration. This Lease shall expire in the manner provided in Article 3.

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

- (A) The vacating or abandonment of the Premises by Tenant.
- (B) The failure by Tenant to make payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice from County.
- (C) The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant where such failure continues for a period of thirty (30) days after written notice thereof from County to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion. Nothing contained in this paragraph shall be deemed to alter or affect the cure period for performance of any covenant, condition or provision for which a specific time period is provided elsewhere in this Lease.
- (D) To the extent permitted by law, (i) the making by Tenant or any guarantor thereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such attachment, execution or seizure is not discharged within thirty (30) days.

Notwithstanding any provision of this Lease, Tenant acknowledges and agrees that the Department may require Tenant to immediately cease any activity, which could result in an airport hazard or endanger safety of any other Airport user, as determined by the Department.

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

- (A) Declare the entire rent for the balance of the term or any part thereof due and payable forthwith, and bring an action for the recovery thereof.
- (B) Terminate Tenant's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of Tenant, in which

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

- (C) Treat this Lease as terminated and re-enter and re-take possession of the Premises for the account of County, thereby terminating any further liability under this Lease on the part of Tenant and County. Notwithstanding the foregoing, County shall have a cause of action to recover any rent remaining unpaid when County retakes possession of the Premises for the account of County.
- (D) Stand by and do nothing, holding Tenant liable for the rent as it comes due.
- (E) Pursue any other remedy now or hereinafter available to County under the laws of the State of Florida.

Notwithstanding anything in this Lease to the contrary, County shall have the right to bring an action for its damages upon the occurrence of a default by Tenant and County reserves all rights which laws of the State of Florida confer upon a landlord against a tenant in default. Tenant hereby waives any additional notice Tenant may be entitled to pursuant to Florida law.

15.04 Termination by Tenant. Tenant may terminate this Lease, if Tenant is not in default of this Lease (including, but not limited to, its payments to County hereunder), by giving County ninety (90) days advance written notice, 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 for the purposes permitted hereunder, which injunction remains in force for a period of at least ninety (90) days.
- (B) The default by County in the performance of any covenant or agreement herein required to be performed by County and the failure of County to remedy such default for a period of thirty (30) days after receipt from Tenant of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if County shall have remedied the default prior to receipt of Tenant's notice of cancellation; or in the event the same cannot be cured within such thirty (30) day period and County has commenced such cure and thereafter diligently pursues the same until completion.
- (C) The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of Tenant, for a period of at least ninety (90) days.

15.05 Default by County. County shall not be in default unless County fails to perform obligations imposed upon County hereunder within a reasonable time, but in no event later than sixty (60) days after written notice by Tenant to County, specifying wherein County has failed to perform such obligations; provided, however, that if the nature of County's obligations is such that more than sixty (60) days are required for performance then County shall not be in default if County commences performance within such sixty (60) day period and thereafter diligently

prosecutes the same to completion. Tenant shall have, in the event of default by County, any remedy now or hereafter available to Tenant under the laws of the State of Florida.

15.06 Surrender of Premises. Tenant expressly agrees that it shall immediately surrender the Premises to County in good 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. In the event Tenant shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, Tenant shall be liable to County for any and all damages, and in addition thereto, Tenant shall also be strictly liable to pay to County during the entire time period of such holdover, double rental, as provided for in Section 83.06, Florida Statutes. Tenant shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of Tenant not removed by Tenant shall, at the option of County, become the property of County.

ARTICLE 16 **ASSIGNMENT, TRANSFER AND SUBLETTING**

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

16.02 Assignment by County. County may freely assign this Lease at any time without the consent of Tenant, and County shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by County, Tenant agrees that it shall recognize County's assignee as its new landlord under this Lease upon the effective date of such assignment. Tenant acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between County and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. Tenant acknowledges and agrees that County may transfer any security deposit held by County pursuant to Article 5 above to County's assignee.

ARTICLE 17 **INDEMNIFICATION**

Tenant agrees to protect, defend, reimburse, indemnify and hold County, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which County is named or joined, arising out of this Lease or Tenant'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 Tenant's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of Tenant, or any breach of the terms of this Lease; provided, however, Tenant shall not be responsible to County for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of County its respective agents, servants, employees and officers. Tenant 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 Tenant's activities or operations or use of the Premises whether or not Tenant 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, on behalf of, or at the request of Tenant. Tenant acknowledges the broad nature of this indemnification and hold-harmless clause and that County would not enter into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by County in support of this indemnification in accordance with laws of the State of Florida. The obligations arising under this Article shall survive the expiration or termination of this Lease.

ARTICLE 18 SIGNS

No signs, posters, or similar devices shall be erected, displayed, or maintained by Tenant on the Premises, without the written consent of the Department. All signs not approved by the Department shall be immediately removed at the sole cost and expense of Tenant upon written demand therefore by the Department.

ARTICLE 19 LAWS, REGULATIONS AND PERMITS

19.01 General. Tenant agrees that throughout the Term and any extension thereof, Tenant shall at all times be and shall 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, as now or hereafter amended, including, without limitation, FAA Advisory Circulars, Palm Beach County Airport Rules and Regulations (Appendix B, Palm Beach County Code) and Environmental Laws. For purposes of this Article 19, the term "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, Safe Drinking Water Act, Clean Air Act, Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation and Liability Act of 1980.

19.02 Permits and Licenses. Tenant agrees that it shall, at its sole cost and expense, obtain, maintain current, and fully comply with, any and all permits, licenses and other governmental authorizations, as may be required by law, any federal, state or local governmental entity, or any court of law having jurisdiction over Tenant or Tenant's operations and activities, for any activity of Tenant conducted on the Premises and/or Airport. Upon the written request of the Department, Tenant shall provide the Department with certified copies of any and all permits and licenses.

19.03 Air and Safety Regulation. Tenant shall conduct its operations and activities under this Lease in a safe manner, shall comply with all safety regulations of the Department, and with safety standards imposed by applicable federal, state and local laws and regulations, and shall require the observance thereof by all employees, contractors, business invitees and all other persons transacting business with or for Tenant resulting from, or in any way related to, the conduct of Tenant's business on the Premises. Tenant 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 at the Airport. Tenant agrees that neither Tenant nor any employee or contractor or any person working for or on behalf of Tenant shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health or safety, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as now or hereafter amended, as well as all state and local laws, regulations, and orders relative to occupational safety and health.

19.04 Assumption of Liability. Tenant shall be strictly liable for and hereby expressly assumes all responsibility for the cost of all citations, fines, penalties, environmental controls, monitoring, clean up, disposal, restoration and corrective measures resulting from or in any way connected to the handling, storage and/or disposal by Tenant or its employees, invitees, licensees, suppliers of service or materials or contractors of any pollutants or hazardous materials regulated by Environmental Laws. Tenant's obligations under this paragraph shall survive the expiration or termination of this Lease.

19.05 Environmental Indemnification. Tenant hereby expressly agrees to indemnify and hold County harmless from and against any and all liability for fines and physical damage to property or injury or death to persons, including, without limitation, reasonable expenses and attorneys fees, arising from or resulting out of, or in any way caused by, Tenant's failure to comply with any and all Environmental Laws. Tenant understands that this indemnification is in addition to and is a supplement of Tenant's indemnification agreement set forth in Article 17 of this Lease and that Tenant fully understands the broad extent of this indemnification and hereby expressly acknowledges that it has received full and adequate consideration from County to legally support this indemnification agreement. Tenant's obligations under this paragraph shall survive expiration or termination of this Lease.

ARTICLE 20
AMERICANS WITH DISABILITIES ACT

Tenant shall comply with the applicable requirements of the Americans with Disabilities Act and the State of Florida Accessibility Requirements Manual, and any similar or successor laws, ordinances, rules, and regulations, including cooperation with County, concerning the same subject matter.

ARTICLE 21
DISCLAIMER OF LIABILITY

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

ARTICLE 22
GOVERNMENTAL RESTRICTIONS

22.01 Federal Right to Reclaim. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the Premises are located for public purposes for a period in excess of ninety (90) days, either party may terminate this Lease by providing written notice of such termination to the other party and the parties shall thereupon be released and fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section 22.01 shall not act or be construed as a waiver of any rights Tenant may have against the United States as a result of such taking.

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

22.03 Height Restriction. Tenant expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Title 14, Part 77 of the Code of Federal Regulations, as now or hereafter amended.

22.04 Right of Flight. County reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the 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, said airspace for landing on, taking off from, or operating on the Airport.

22.05 Operation of Airport. Tenant expressly agrees for itself, its sublessees, 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.

22.06 Release. Tenant acknowledges that noise and vibration are inherent to the operation of Airport and hereby releases County from any and all liability relating to the same.

22.07 Exclusive Rights. Notwithstanding any provision of this Lease to the contrary, Tenant understands and agrees that the rights granted under this Lease are nonexclusive, other than the exclusive right of use of the Premises, and that County may grant similar privileges to another lessee or other lessees on other parts of the Airport.

22.08 Hazardous Wildlife Attractants. Tenant shall be prohibited from using the Premises in a manner which attracts, or has the potential to attract, hazardous wildlife to or in the vicinity of the Airport. Tenant acknowledges that water detention and retention areas are considered wildlife attractants and shall request the approval of the Department prior to constructing a water detention or retention area within the Premises. If approved by the Department, water detention or retention areas shall be in compliance with the siting, design and construction requirements of the Department. Tenant further agrees to comply with the provisions of Federal Aviation Administration Advisory Circular No. 150/5200-33, as now or hereafter amended, as such circular is interpreted by the Department.

ARTICLE 23 **NON-DISCRIMINATION**

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

ARTICLE 24

COUNTY NOT LIABLE

County shall not be responsible or liable to Tenant for any claims for compensation or any losses, damages or injury whatsoever sustained by Tenant resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of County. All personal property placed on or moved on to the Premises shall be at the sole risk of Tenant. County shall not be liable for any damage or loss of any personal property placed or moved on to the Premises.

ARTICLE 25 AUTHORIZED USES ONLY

Notwithstanding anything to the contrary herein, Tenant shall not use or permit the use of the Premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for County or Tenant.

ARTICLE 26 MISCELLANEOUS

26.01 Waiver. The failure of either party 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 either party may have for any subsequent breach, default, or non-performance, and neither parties' right to insist on strict performance of this Lease shall be affected by any previous waiver or course of dealing.

26.02 Subordination.

- (A) **Subordination to Bond Resolution.** This Lease and all rights granted to Tenant hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by County in the Bond Resolution, and County and Tenant agree that to the extent permitted by authorizing legislation, the holders of the bonds or their designated representatives shall exercise any and all right of County hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by Tenant and County with the terms and provisions of this Lease and Bond Resolution.
- (B) **Subordination to Federal/State Agreements.** This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which County acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Tenant understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between County and the United States of America or 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 state or federal funds for the development of the Airport.

26.03 Easement. Nothing in this Lease shall impair any existing utility easements, nor impair the right of access to any existing utility lines. County reserves the right to grant utility easements, licenses and rights-of way to others over, under, through, across or on the Premises; provided, however, that such grant is not materially detrimental to the proper conduct of Tenant's operations.

26.04 Independent Contractor. Tenant or any successor in interest to this Lease, is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and County shall in no way be responsible therefor.

26.05 Governmental Authority. Nothing in this Lease shall be construed to waive or limit the County's governmental authority as a political subdivision of the State of Florida to regulate Tenant or its operations. The County's obligations under this Lease are made in a proprietary capacity, rather than in a governmental capacity and such agreements shall not be construed as limiting, prohibiting or eliminating the obligation of the parties to comply with all applicable rules, regulations, ordinances, statues and laws, nor alter or impair the County's governmental functions, including, without limitation, the County's right to lawfully exercise its regulatory authority over the development of the Premises, nor as enabling, permitting, or creating any cause of action or claim arising out of the lawful exercise of the County's governmental authority.

26.06 Rights Reserved to the County. All rights not specifically granted Tenant by this Lease are reserved to County.

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

26.08 Governing Law. This Lease shall be governed by and in accordance with the laws of the State of Florida.

26.09 Venue. Venue in any action, suit or proceeding in connection with this Lease shall be filed and held in a State court of competent jurisdiction located in Palm Beach County, Florida.

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

Tenant:

Fax:() _____

Any 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.

26.11 Annual Appropriation. Nothing in this Lease shall obligate County, during any fiscal year, to expend money or incur any liability that involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. County's obligations under this Lease, which involve the expenditure of money, shall be subject to annual budgetary funding and appropriations by the Palm Beach County Board of County Commissioners in accordance with Chapter 129, Florida Statutes, as it may be amended.

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

26.13 No Recording. Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida, without the prior written consent of the Department.

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

26.15 Performance. The parties expressly agree that time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

26.16 Non-Exclusivity of Remedies. No remedy herein conferred upon any 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 inequity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

26.17 Construction. No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final Lease. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof, shall be held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and effect.

26.18 No Broker. Tenant represents and warrants that Tenant has not dealt with any real estate salesperson, agent, finder or broker in connection with this Lease and further agrees to indemnify, defend and hold harmless County from and against any claims or demands of any such salesperson, agent, finder or broker claiming to have dealt with Tenant. The foregoing indemnification shall include all costs, expenses and fees, including reasonable attorney's fees plus cost at trial and all appellate levels, expended or incurred in the defense of any such claim or demand. The obligations set forth in this paragraph shall survive the termination of this Lease.

26.19 Public Entity Crimes. As provided in Section 287.132-133, Florida Statutes, by entering into this Lease or performing any work in furtherance hereof, Tenant 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.

26.20 Approvals. In the event this Lease is silent as to the standard for any consent,

approval, determination, or similar discretionary action, the standard shall be at the sole, absolute and unfettered discretion of County or the Department, rather than any implied standard of good faith, fairness or reasonableness. Wherever this Lease requires County's or the Department's consent or approval or permits County or the Department to act, such consent, approval or action may be given or performed by the Director. If Tenant requests County or the Department's consent or approval pursuant to any provision of this Lease and County or the Department fails or refuses to give such consent, Tenant shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.

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

26.22 No Third Party Beneficiaries. No provision of this Lease is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Lease, including but not limited to any citizen or employees of County and/or Tenant.

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

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

26.25 Survival. Notwithstanding any early termination of this Lease, Tenant shall remain obligated hereunder to perform any duty, covenant or obligation imposed upon Tenant hereunder arising prior to the date of such termination.

(Remainder of page left blank intentionally.)

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

WITNESSES:

Signature

Print Name

Signature

Print Name

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

By: _____
Director, Department of Airports

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

By: _____
County Attorney

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

Signature

Print Name

Signature

Print Name

TENANT:

By: _____
Signature

Print Name

Title

(Seal)

EXHIBIT "A"
PREMISES

EXHIBIT "B"
INSURANCE

[Amounts and types of insurance applicable to each Commercial Hangar Lease Agreement will be determined by General Aviation Minimum Standards & the County's Risk Management Department]

A. Commercial General Liability/Airport Liability. Tenant shall maintain Commercial General Liability/Airport Liability Insurance with limits of liability not less than \$ [REDACTED] each occurrence, including coverage for, but not limited to, Premises/Operations, Products/Completed Operations, Contractual Liability, Personal/Advertising Injury and Cross Liability. This coverage shall be provided on a primary basis.

B. Hangarkeeper's Legal Liability. Tenant shall maintain Hangarkeeper's Legal Liability Insurance providing coverage for property damage to aircraft that are the property of others while in the care, custody, or control of the Tenant (when such aircraft are not in flight), in an amount not less than \$ [REDACTED] each aircraft and \$ [REDACTED] each occurrence.

C. Aircraft Liability. In the event Tenant owns, leases or operates any aircraft that will be stored on the Premises, Tenant shall maintain Aircraft Liability Insurance with respect to such aircraft for bodily injury (including death) and property damage liability in a Combined Single Limit Amount of not less than \$ [REDACTED] per occurrence, including a Passenger Liability sub-limit not less than \$ [REDACTED] per passenger.

D. Business Auto Liability. Tenant shall maintain Business Automobile Liability Insurance with limits of liability not less than \$ [REDACTED] each occurrence for owned, non-owned and hired automobiles. In the event Tenant has no owned automobiles, Tenant shall maintain only Hired & Non-Owned Auto Liability Insurance. This coverage may be satisfied by way of endorsement to the Commercial General Liability/Airport Liability policy, or a separate Business Auto Liability policy. This coverage shall be provided on a primary basis.

E. Worker's Compensation & Employers Liability. Tenant shall maintain Worker's Compensation & Employers Liability in accordance with Chapter 440, Florida Statutes, and Federal law. This coverage shall be provided on a primary basis.

F. Umbrella or Excess Liability. If necessary, Tenant may satisfy the minimum limits required above for Commercial General Liability/Airport Liability and/or Business Auto Liability and/or Aircraft Liability coverage under Umbrella or Excess Liability Insurance. The Umbrella or Excess Liability policy shall have an aggregate limit not less than the highest "each occurrence" limit for the Commercial General Liability/Airport Liability, Business Auto Liability or Aircraft Liability policy. County shall be specifically endorsed as an "Additional Insured" on the Umbrella or Excess Liability policy, unless the Certificate of Insurance notes the Umbrella or Excess Liability policy provides coverage on a "Follow-Form" basis.

G. Additional Insured Endorsement. Tenant shall endorse County as an Additional Insured on each liability insurance policy required to be maintained by Tenant, except for Worker's Compensation and Business Auto Liability policies. The CG 2011 Additional Insured - Managers or Lessors of Premises or its equivalent, shall be an endorsement to the Commercial General Liability policy. Other policies, when required, shall provide a standard "Additional Insured" endorsement offered by the insurer. The "Additional Insured" endorsements shall provide coverage on a primary basis. "Additional Insured" endorsements 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, Florida 33406," or as otherwise acceptable to County's Risk Management Department.

H. Certificates of Insurance. 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 or any extension thereof, Tenant 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," or as otherwise acceptable to County's Risk Management Department.

I. Waiver of Subrogation. By entering into this Lease, Tenant agrees to a Waiver of Subrogation for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, Tenant shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. The requirements of this paragraph shall not apply to any policy, a condition to which the policy specifically prohibits such an endorsement, or voids coverage if Tenant enters into such an agreement on a pre-loss basis.

J. Deductibles, Coinsurance, & Self-Insured Retention. Tenant 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.

K. Right to Review or Adjust Insurance. The County's Risk Management Department may review, modify, reject or accept any required policies of insurance, including, but not limited to, limits, coverages or endorsements, required by this Exhibit from time to time throughout the Term and any extension thereof. 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 Tenant a written notice of rejection, and Tenant shall comply within thirty (30) days of receipt of the notice.

L. No Representation of Coverage Adequacy. Tenant acknowledges the limits, coverages and endorsements required by this Exhibit are intended to minimize liability for County. Tenant agrees that it will not rely upon the requirements of this Exhibit when assessing the extent or determining appropriate types or limits of insurance coverage to protect Tenant against any loss exposures, whether as a result of this Lease or otherwise.

ATTACHMENT "B"
NON-COMMERCIAL HANGAR LEASE AGREEMENT

**NON-COMMERCIAL OPERATOR
HANGAR LEASE AGREEMENT**

This Non-Commercial Operator Hangar Lease Agreement (this "Lease"), is made and entered into this _____, (the "Effective Date") by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and _____, whose address is _____ ("Tenant").

WITNESSETH:

WHEREAS, County, by and through its Department of Airports, owns and operates the [Select one: North County General Aviation Airport; Palm Beach County Glades Airport; Palm Beach County Park Airport] ("Airport"), located in Palm Beach County, Florida; and

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

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

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

1. **Term.** The initial term of this Lease shall commence [on _____] ("Commencement Date") and [Select one: expire on _____, 20____; or expire _____ year(s) thereafter.] [Insert if applicable: Provided that Tenant has not been in default of this Lease beyond any applicable cure period, the term of this Lease shall automatically renew on a year-to-year basis thereafter upon the same terms and conditions, unless either party provides the other party with written notice of its intent not to renew this Lease, which notice shall be provided by the non-renewing party no less than thirty (30) days prior to the end of the then current term.]

2. **Premises.** County hereby leases to Tenant and Tenant hereby rents from County that certain hangar identified as Hangar No. _____, containing approximately _____ square feet, located at the Airport, all as more particularly identified on Exhibit "A", attached hereto and made a part hereof (the "Premises").

3. **Rental.**

A. Tenant shall pay to County an initial annual rental of _____ Dollars (\$_____), payable in equal monthly installments of _____ Dollars (\$_____), plus any applicable sales taxes as may be required by law.

B. Payment of rental by Tenant to County shall commence upon the Commencement Date. Rental shall be payable in equal monthly installments, in advance, without demand and without any deduction, holdback or set off whatsoever, by the first day of each and every month throughout the Term and any extension thereof. If the Commencement Date occurs on a day other than the first (1st) day of a month, Tenant shall pay rent from the Commencement Date to the first (1st) 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.

C. All sums due hereunder shall be delivered to the Palm Beach County Department of Airports, Fiscal Department, 846 Palm Beach International Airport, West Palm Beach, Florida 33406. County may change the payment procedure and/or the address to which payments are to be delivered from time to time. Department will provide thirty (30) days written notice to Tenant prior to any change in payment procedure or the address to which payments are to be delivered. Rental shall be deemed

delinquent if payment is not received by the first (1st) business day of the month in which it is due.

- D. Tenant shall pay to County interest at the rate of one and one-half percent (1½ %) per month on any late payments commencing ten (10) days after the amounts are due.

4. **Payment of Taxes.** Tenant 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. Tenant 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 Tenant'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, Tenant shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

5. **Adjustment of Rent.**

[If a promotional rent is offered, indicate the specific dates/amounts of each increase.]

A. *[The annual rental shall be increased as follows:]*

- B. Commencing on October 1, _____ and each October 1st thereafter (each such date, an "Adjustment Date"), the annual rental payable hereunder shall be increased by the greater of the CPI Escalation (as hereinafter defined) or three percent (3%) per year. The CPI Escalation shall be determined by multiplying [Insert Base Rental Amount] by a fraction, the numerator of which shall be the "Consumer Price Index" (as hereinafter defined) figure for May of the calendar year in which such adjustment is to become effective and the denominator of which shall be the Consumer Price Index figure for April of the calendar year in which this Lease became effective. Notwithstanding the foregoing, the CPI Escalation shall not exceed five percent (5%).
- C. For the purposes hereof, the "Consumer Price Index" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers, United States city average, all items (1982 - 1984 = 100), not seasonally adjusted, or any successor thereto as promulgated by the Bureau of Labor Statistics of the United States Department of Labor. In the event that the Consumer Price Index ceases to use the 1982 - 1984 average of one hundred (100) as the standard reference index base period, the then current standard reference index base period shall be utilized. In the event the Consumer Price Index (or successor or substitute Consumer Price Index) is not available, a reliable governmental or other nonpartisan publication evaluating information theretofore used in determining the Consumer Price Index shall be used.
- D. This Lease shall automatically be considered as amended to reflect the new annual rate, without formal amendment hereto, upon County's written notification to Tenant of the establishment of the new rental rate.
- E. Notwithstanding anything to the contrary contained in this Lease, the annual rental rate shall be maintained at all times to ensure compliance with the provisions of Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.

6. **Security Deposit.** Tenant shall pay to County, prior to the Commencement Date of this Lease, and shall deliver to and maintain at all times during the term of this Lease, a refundable security deposit, by cashier's check, [**Select one:** in the amount of \$ _____ or equal to _____ () installments of monthly rental due hereunder]. The security deposit shall be held by County, without the obligation to pay or earn interest thereon, and may be commingled with other County funds. The security deposit shall be held by County and will be refunded to Tenant upon termination of this Lease provided that Tenant is not in default of any of the provisions of this Lease; the Premises are left in good and serviceable condition, to be determined in the sole discretion of the Department; all rentals, fees, and taxes due are paid in full by Tenant; and Tenant has returned all Airport access cards and hangar keys to the Department. If there is a rental or fee deficiency or if the Premises require maintenance or repair in order to be returned to serviceable condition, or if any Airport access cards or hangar key are not returned to Department, the Department may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by County, plus any applicable administrative overhead.

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

8. **Description of Specific Privileges, Uses and Rights.** County hereby grants to Tenant, 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. Tenant shall use the Premises to store the following aircraft, which are owned by or leased to Tenant and registered with the Department in accordance with the provisions of this Lease (the "Registered Aircraft").

FAA Registration No. _____

Make: _____

Model: _____

Tenant shall promptly register all aircraft being stored within the Premises with the Department, and shall promptly notify the County in writing of any changes in registration or aircraft. Tenant 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. Tenant shall not store or park aircraft within the Premises, which are not owned or leased by Tenant and registered with the Department in accordance with the provisions of this Section.

- B. Tenant 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. Tenant shall not perform repairs or maintenance to its Aircraft on any ramp, apron, taxiway, runway or other public area of the Airport. **Tenant shall not perform any of the following activities upon the Premises: fuel transfer, welding, torch cutting, torch soldering, doping, spray painting or any activity that involves open flames.**
- C. Tenant agrees that use of the Premises shall be in accordance with all applicable 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. Tenant's aircraft shall not be parked or positioned in 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. Tenant 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 on the Premises is prohibited.
- F. Tenant shall not store automobiles upon the Premises; provided however, Tenant may park one (1) operable automobile within the Premises, but only while the Registered Aircraft is in use. Tenant shall not perform automobile repairs or maintenance of any kind within the Premises.
- G. Tenant may store within the Premises a motorized towing vehicle to assist with maneuvering and hangaring of aircraft.
- H. Tenant shall not use the Premises to store furniture, boats, motor homes, recreational vehicles, hang gliders, ultralights, inoperative or unregistered aircraft, utility trailers, or any other objects unrelated to the purposes for which the Premises have been leased.
- I. Tenant shall install and maintain an appropriate fire extinguisher within the Premises at all times. Tenant shall not engage in any activity upon the Premises that would result in a violation of applicable fire codes, including, but not limited to, National Fire Protection Association Standard 409.
- J. No running water or washing of aircraft, vehicles, or equipment shall take place within the Premises, or any other Airport location that has not been specifically designated by the Department for such activity.
- K. Tenant shall not use the Premises for habitation. Tenant shall not remain on the Premises overnight.
- L. No pets or other animals are permitted on the Premises or Airport, with the exception of service animals as defined by the Americans with Disabilities Act.

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

- A. The general use, in common with others, of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access). For purposes of this Lease, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, which are not specifically leased to or under the contractual control of others.
- B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

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

10. **Condition of Premises.** Tenant acknowledges that County has made no representations or warranties of any nature whatsoever regarding the Premises including, without limitation, the physical and/or environmental condition of the Premises, or any improvements

located thereon, or the value of such Premises or improvements, or the suitability of the Premises for Tenant's intended use thereof. Additionally, Tenant acknowledges that County shall not be responsible for any current or future maintenance that may need to be performed to or on the Premises.

11. **Utilities.** Tenant shall pay for all electric, garbage and other utilities charges for the Premises. The metering devices installed by Tenant for such utilities shall be installed at the cost of Tenant and shall become the property of County upon installation. Extension of utility mains or services to meet the needs of Tenant on the Premises shall be at the expense of Tenant and shall become the property of County upon installation.

12. **Obligations of Tenant.**

A. **Maintenance.** Tenant 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. Tenant 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 Tenant's operations thereon or Tenant's use of the Premises. Tenant hereby agrees that it shall abide by the decision of the Department with respect to any and all such maintenance or repair. Upon written notice by the Department to Tenant, Tenant shall perform the required maintenance or repair in accordance with the Department's decision. If Tenant has not made a good faith effort, as determined by the Department, to begin to perform the required maintenance or repair within twenty (20) days after written notice and to diligently pursue the same to completion, County shall have the right to enter the Premises and perform the necessary maintenance or repair, and Tenant hereby expressly agrees that it shall fully assume and be liable to County for payment of any costs incurred by County, plus a twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's billing therefore.

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

C. **Security.** Tenant acknowledges and accepts full responsibility for the security and protection of the Premises and any and all of Tenant's property placed upon the Premises. Tenant fully understands that the police security protection provided by County is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and property thereon, shall be the sole responsibility of Tenant and shall involve

no cost to County. County shall have the right to review, change, alter, or revise any security policy or procedure at any time based on the County's responsibility to operate the Airport in a safe and secure manner, including the right to restrict access to the Airport, including the Premises, if required by the FAA or any agency of the Department of Homeland Security, including the TSA.

- D. Vehicle Operations. Tenant 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 below. Tenant acknowledges that vehicle access to certain areas of the AOA, including, but not limited to, those areas designated as runways, taxiways and other restricted or limited areas, as designated by the Department, requires prior approval by the Department. Conditions of approval of vehicle access within such areas of the AOA may include, but shall not be limited to, lighting and radio requirements for each vehicle, as well as proof of Automobile Liability Insurance coverage for each vehicle, in such amounts and coverage determined by the Department.

13. Indemnification. Tenant agrees to protect, defend, reimburse, indemnify and hold County, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which County is named or joined, arising out of this Lease or Tenant'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 Tenant's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of Tenant or any breach of the terms of this Lease; provided, however, Tenant shall not be responsible to County for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of County, its respective agents, servants, employees and officers. Tenant 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 Tenant's activities or operations or use of the Premises whether or not Tenant 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 Tenant. Tenant recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that County would not have entered into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by County in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.

14. Insurance. Tenant shall, at its sole expense, maintain in full force and effect at all times during the Term, the insurance limits, coverages and endorsements required set forth in Exhibit "B" attached hereto and incorporated herein. Tenant acknowledges and agrees that the requirements contained Exhibit "B" and County's review or acceptance of insurance shall not in any manner limit or qualify the liabilities and obligations assumed by Tenant under this Lease.

15. Assignment by Tenant. Tenant shall not assign an interest in this Lease, or any part thereof. Any attempted assignment shall be null and void. Tenant is expressly prohibited from subleasing, mortgaging or otherwise encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered a material default of this Lease and shall be grounds for immediate termination of this Lease notwithstanding any provision of this Lease to the contrary.

16. Assignment by County. County may freely assign this Lease at any time without the consent of Tenant, and County shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by County, Tenant agrees that it shall recognize County's assignee as its new landlord under this Lease upon the effective date of

such assignment. Tenant acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between County and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. Tenant acknowledges and agrees that County may transfer any security deposit held by County pursuant to Section 6 above to County's assignee.

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

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

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

- (A) The vacating or abandonment of the Premises by Tenant.
- (B) The failure by Tenant to make payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice from County.
- (C) The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant where such failure continues for a period of thirty (30) days after written notice thereof from County to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within such fifteen (15) day period and thereafter diligently pursues such cure to completion. Nothing contained in this paragraph shall be deemed to alter or affect the cure period for performance of any covenant, condition or provision for which a specific time period is provided elsewhere in this Lease.
- (D) To the extent permitted by law, (i) the making by Tenant or any guarantor thereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this

Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such attachment, execution or seizure is not discharged within thirty (30) days.

Notwithstanding any provision of this Lease, Tenant acknowledges and agrees that the Department may require Tenant to immediately cease any activity, which could result in an airport hazard or endanger safety of any other Airport user, as determined by the Department.

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

- A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.
- B. Terminate Tenant's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of Tenant, in which case the rent and other sums due hereunder shall be accelerated and due in full and Tenant shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what County is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by Tenant. Upon such reletting, all rentals received by County shall be applied, first to the payment of any indebtedness other than rent due under this Lease from Tenant; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by County due to Tenant's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by County relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to Tenant.
- C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of County, thereby terminating any further liability under this Lease on the part of Tenant and County. Notwithstanding the foregoing, County shall have a cause of action to recover any rent remaining unpaid when County retakes possession of the Premises for the account of County.
- D. Stand by and do nothing, holding Tenant liable for the rent as it comes due.
- E. Pursue any other remedy now or hereafter available to County under the laws and judicial decisions of the State of Florida.

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

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

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

- B. The default by County in the performance of any covenant or agreement required to be performed by County and the failure of County to remedy such default for a period of ninety (90) days after receipt from Tenant of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if County shall have remedied the default prior to receipt of Tenant's notice of termination; or in the event the same cannot be cured within such ninety (90) day period and County has commenced such cure and thereafter diligently pursues the same until completion.
- C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of Tenant, for a period of at least ninety (90) days.

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

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

23. Inspection. County, its agents and employees and any federal, state or local governmental entity having jurisdiction shall have the right to enter the Premises at any time for the purpose of inspecting the Premises for compliance with the provisions of this Lease and/or applicable laws. Tenant agrees that County may take such action and to make such repairs or alterations as are, in the sole opinion of the County, desirable or necessary, and to take such materials into or out of the Premises for the safe and economical accomplishment of said purposes without in any way being deemed guilty of an actual or constructive eviction of the Tenant.

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

25. Remedies Cumulative. The rights and remedies of the parties with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

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

County:

Attn: Deputy Director, Airports Business Affairs
Department of Airports

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

With a copy to:

Attn: Airport Attorney
Palm Beach County Attorney's Office
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401

Tenant:

E-mail Address:

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

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

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

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

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

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

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

34. **Non-discrimination.** Tenant for itself, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, sex, color, religion, creed,

ancestry, national origin, disability, familial status, sexual orientation, age, marital status, or gender identity or expression 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, sex, color, religion, creed, ancestry, national origin, disability, familial status, sexual orientation, age, marital status, or gender identity or expression shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, County shall have the right to terminate this Lease and to reenter and repossess said Premises and the facilities hereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.

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

36. Partial Destruction. If any of the improvements on the Premises are partially damaged or destroyed in part by fire or other casualty, County may terminate this Lease upon written notice to Tenant within ninety (90) days after the date of any such damage or destruction or commence restoration of the Premises within a commercially reasonable period of time subject to the limitations set forth herein. In the event of restoration of the Premises by County pursuant to this paragraph, Tenant's obligation to pay rental shall be abated proportionately on a square footage basis as to that portion of the Premises rendered unusable by reason of casualty commencing on the date of the casualty. Such abatement shall continue until thirty (30) days after notice by County to Tenant that the Premises have been substantially repaired or restored. Notwithstanding any provision of this Lease to the contrary, County shall have no obligation under this Lease to restore the Premises nor shall Tenant be entitled to abatement of rental in the event the casualty was the result of the act, default or negligence of Tenant or its employees, officers, licensees, agents or invitees. In such event, Tenant shall be obligated to restore the Premises in accordance with Section 35 above with no abatement in rental.

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

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

39. **Limitations.** Notwithstanding any provision of this Lease to the contrary, County shall have no obligation to repair, rebuild or restore Tenant's personal property or fixtures or any improvements made by Tenant to the Premises. In the event County elects to restore or rebuild the Premises following a casualty, County's obligation to restore, rebuild or restore the Premises pursuant to this Lease shall exist only to the extent of the insurance proceeds received by County as a result of such casualty. Tenant shall not be entitled to and hereby waives any claims against County for any compensation or damage for any loss of use of the Premises, in whole or in part, or for any inconvenience or annoyance occasioned by any such damage, destruction, repair or restoration. In addition, County shall not be liable for any damage or inconvenience or interruption of the business of Tenant occasioned by fire or other casualty.

40. **County Not Liable.** County shall not be responsible or liable to Tenant for any claims for compensation or any losses, damages or injury whatsoever sustained by Tenant including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of County. County shall have the right to limit or restrict Tenant's access to all or portions of the Airport, including the Premises, prior to, during and after certain emergencies, including, but not limited to, severe weather events such as hurricanes or tropical storms, acts of terrorism, aircraft incursions and other similar emergencies. County shall have no liability whatsoever for limiting access to the Airport or Premises prior to, during or after an emergency. Tenant shall cooperate with the Department to ensure the safety and security of the Airport and the Premises prior to, during and after an emergency event. All personal property placed on or moved onto the Premises shall be at the sole risk of Tenant. County shall not be liable for any damage or loss of said personal property.

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

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

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

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

45. **Exclusive Rights.** Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that the rights granted under this Lease are nonexclusive, other than the exclusive right of use of the Premises, and that County may grant similar privileges to another lessee or other lessees on other parts of the Airport.

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

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

48. **Rights Reserved to the County.** All rights not specifically granted Tenant by this Lease are reserved to the County.

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

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

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

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

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

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

55. **No Broker.** Tenant warrants to County that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease and agrees to indemnify and hold County harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by County as a result of any claim arising out of the acts of Tenant (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 Tenant. The terms of this section shall survive the expiration or earlier termination of this Lease.

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

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

58. **Negotiated Agreement.** The parties agree that they have had meaningful discussion and/or negotiation of the provisions, terms and conditions contained in this Lease.

Therefore, doubtful or ambiguous provisions, of any, contained in this Lease shall not be construed against the party who physically prepared this Lease.

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

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

61. **Inspector General.** Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Sections 2-421 - 2-440, 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 to audit, investigate, monitor, and inspect the activities of the Consultant, 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 interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Sections 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

62. **No Third Party Beneficiaries.** No provision of this Lease is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Lease, including but not limited to any citizen or employees of County and/or Tenant.

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

Witnesses:

Signature

Print Name

Signature

Print Name

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

By: _____
Director, Department of Airports

Witnesses:

Signature

Print Name

Signature

Print Name

Tenant:

By: _____

Print Name

Title: _____

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

By: _____
County Attorney

EXHIBIT "A"
PREMISES

EXHIBIT "B"
INSURANCE

[Amounts and types of insurance applicable to each Non-Commercial Operator Hangar Lease Agreement will be determined by the County's Risk Management Department]

A. **Commercial General Liability/Airport Liability.** Tenant shall maintain Commercial General Liability/Airport Liability Insurance with limits of liability not less than \$ [REDACTED] each occurrence, including coverage for, but not limited to, Property/Operations, Products/Completed Operations, Contractual Liability, Personal/Advertising Injury and Cross Liability. This coverage shall be provided on a primary basis.

B. **Aircraft Liability.** In the event Tenant owns, leases or operates any aircraft, Tenant shall maintain Aircraft Liability Insurance with respect to such aircraft for bodily injury (including death) and property damage liability in a Combined Single Limit Amount of not less than \$ [REDACTED] per occurrence, including a Passenger Liability sub-limit not less than \$ [REDACTED] per passenger.

C. **Auto Liability.** Tenant shall maintain a policy of Automobile Liability Insurance coverage insuring each vehicle operating within the AOA, other than those areas of the AOA designated as runways, taxiways and other restricted or limited areas as designated by the Department, with minimum limits of \$ [REDACTED] per person, \$ [REDACTED] per accident for bodily injury, and \$ [REDACTED] per accident for property damage. For vehicle operations within those areas of the AOA designated as runways, taxiways and other restricted or limited areas as designated by the Department, a policy of Automobile Liability Insurance coverage with higher minimum limits of coverage shall be provided in accordance with Section 12(D) of this Lease.

D. **Additional Insured Endorsement.** Tenant shall endorse County as an Additional Insured on each liability insurance policy required to be maintained by Tenant, except for Auto Liability policies. The CG 2011 Additional Insured - Managers or Lessors of Property or its equivalent, shall be an endorsement to the Commercial General/Airport Liability policy. Other policies, when required, shall provide a standard "Additional Insured" endorsement offered by the insurer. The "Additional Insured" endorsements shall provide coverage on a primary basis. "Additional Insured" endorsements 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, Florida 33406," or as otherwise acceptable to County's Risk Management Department.

E. **Certificates of Insurance.** 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 or any extension thereof, Tenant 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," or as otherwise acceptable to County's Risk Management Department.

F. **Waiver of Subrogation.** By entering into this Lease, Tenant agrees to a Waiver of Subrogation for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, Tenant shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. The requirements of this paragraph shall not apply to any policy, a condition to which the policy specifically prohibits such an endorsement, or voids coverage if Tenant enters into such an agreement on a pre-loss basis.

G. **Deductibles, Coinsurance, & Self-Insured Retention.** Tenant 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.

H. Right to Review or Adjust Insurance. The 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 this Article from time to time throughout the Term and any extension thereof. 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 Tenant a written notice of rejection, and Tenant shall comply within thirty (30) days of receipt of the notice.

I. No Representation of Coverage Adequacy. Tenant acknowledges the limits, coverages and endorsements required by this Article are intended to minimize liability for County. Tenant agrees that it will not rely upon the requirements of this Article when assessing the extent or determining appropriate types or limits of insurance coverage to protect Tenant against any loss exposures, whether as a result of this Lease or otherwise.

J. Umbrella or Excess Liability. If necessary, Tenant may satisfy the minimum limits required above for Commercial General Liability/Airport Liability and/or Business Auto Liability and/or Aircraft Liability coverage under Umbrella or Excess Liability Insurance. The Umbrella or Excess Liability policy shall have an aggregate limit not less than the highest "each occurrence" limit for the Commercial General Liability/Airport Liability, Business Auto Liability or Aircraft Liability policy. County shall be specifically endorsed as an "Additional Insured" on the Umbrella or Excess Liability policy, unless the Certificate of Insurance notes the Umbrella or Excess Liability policy provides coverage on a "Follow-Form" basis.

ATTACHMENT "C"
OFFICE LEASE AGREEMENT

**OFFICE SPACE
LEASE AGREEMENT**

THIS OFFICE SPACE LEASE AGREEMENT (this "Lease") is made and entered into this _____, _____, by and between **Palm Beach County**, a political subdivision of the State of Florida ("County"), and _____, a _____, having its office and principal place of business at _____ ("Tenant").

WITNESSETH:

WHEREAS, County, by and through its Department of Airports, owns and operates the ~~[Select one: North County General Aviation Airport; Palm Beach County Glades Airport; Palm Beach County Park Airport]~~ ("Airport"), located in Palm Beach County, Florida; and

WHEREAS, Tenant desires to lease office space at the Airport for general office purposes related to Tenant's operations as a _____; and

WHEREAS, Tenant has indicated a willingness to properly keep and maintain the property and improvements 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 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 Lease, shall be defined as follows:

- 2.01 "Additional Insured" has the meaning set forth in Exhibit "B".
- 2.02 "Adjustment Date" has the meaning set forth in Section 5.03.
- 2.03 "Airport" has the meaning set forth in the Recitals to this Agreement.
- 2.04 "Airport Rules and Regulations" means the Palm Beach County Airport Rules and Regulations adopted by Resolution No. R-98-220, as now or hereafter amended, and any successor ordinance or resolution regulating activities or operations on the Airport.
- 2.05 "Bond Resolution" means the Palm Beach County Airport System Revenue Bond Resolution dated April 3, 1984 (R-84-427), as amended and supplemented, which is hereby incorporated herein by reference and made a part hereof.
- 2.06 "Board" means the Board of County Commissioners of Palm Beach County, Florida.
- 2.07 "Department" means the Palm Beach County Department of Airports.
- 2.08 "Director" means the Director or Acting Director of the Palm Beach County Department of Airports.

2.09 **“Effective Date”** means the date that this Lease is signed by all parties hereto.

2.10 **“FAA”** means the Federal Aviation Administration or any successor agency thereto.

2.11 **“Minimum Standards”** means the General Aviation Minimum Standards for the _____ Airport (R-_____), as now or hereafter amended and any successor general aviation minimum standards adopted for the Airport.

2.12 **“Plans”** have the meaning set forth in Section 6.02.

2.13 **“Premises”** have the meaning set forth in Section 4.01.

2.14 **“Risk Management Department”** means the Palm Beach County Risk Management Department.

2.15 **“Term”** means the initial term and any renewal terms as provided in Article 3.

2.16 **“TSA”** means the Transportation Security Administration or any successor agency responsible for airport security.

ARTICLE 3 **TERM**

3.01 **Initial Term.** The initial term of this Lease shall commence on _____ (“Commencement Date”) and **[Select one: shall expire on _____ or expire _____ year(s) thereafter.]**

[Insert if applicable: 3.02 Renewal. Provided that Tenant has not been in default of this Lease beyond any applicable cure period, the term of this Lease shall automatically renew on a **[Select one: year-to-year or month-to-month]** basis thereafter upon the same terms and conditions, unless either party provides the other party with written notice of its intent not to renew this Lease, which notice shall be provided by the non-renewing party no less than **[Select one: ninety (90) or fifteen (15)]** days prior to the end of the then current term.]

ARTICLE 4 **PREMISES AND PRIVILEGES**

4.01 **Description of Premises.** County hereby demises and leases to Tenant, and Tenant hereby rents from County that certain office space containing approximately _____ square feet, identified as _____, as more particularly identified on Exhibit "A", attached hereto and made a part hereof (the “Premises”).

4.02 **Description of Specific Privileges, Uses and Rights.** Tenant shall have the right to use the Premises for the purpose of _____.

4.03 **Prohibited Uses, Products and Services.** Tenant agrees that the Premises shall be utilized solely for the uses permitted herein and for no other purpose whatsoever. Tenant shall not provide any products or services that are not specifically authorized by this Lease. The Premises shall not be used for habitation.

4.04 **Description of General Privileges, Uses and Rights.** In addition to the specific privileges, uses and rights granted in Section 4.02 above, County hereby grants to Tenant the following general privileges, uses, and rights, all of which shall be subject to the terms, conditions, and covenants set forth herein and all of which shall be non-exclusive on the Airport:

- (A) The general use, in common with others, of all public Airport facilities and improvements, which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access), to be used by Tenant, its agents and employees, patrons and invitees, suppliers of service, and furnishers of material, if any, in connection with its operations hereunder. For purposes of this paragraph,

public "Airport facilities" shall include public roadways, sidewalks, or other public facilities appurtenant to the Airport that 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 for Tenant, its agents and employees, patrons and invitees, suppliers of service and furnishers of material. The right of ingress to and egress from 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 this Section 4.04, nothing in this Lease shall be construed to grant to Tenant the right to use any space or area improved or unimproved which is leased to a third party, or which County has not leased herein.

4.05 Compliance with Minimum Standards. Tenant agrees to comply with the requirements set forth in the Minimum Standards applicable to Tenant's operations at the Airport as a [REDACTED]. In the event of a conflict between this Lease and the Minimum Standards, Tenant acknowledges and agrees that the more stringent requirement shall apply to Tenant's operations hereunder, as determined by the Department. *[Insert if applicable: County acknowledges and agrees that Tenant has been granted an exemption or variance from the following Minimum Standard requirements: _____ or County acknowledges and agrees that Tenant's operations on the Premises as _____ are subject to the grandfathering provisions set forth in _____ of the Minimum Standards until such time as Tenant utilizes new or additional property for its operations or engages in new or additional Commercial Activities (as defined in the Minimum Standards)].*

4.06 Condition and Use of the Premises. Tenant expressly acknowledges that Tenant has inspected the Premises and Airport and accepts both in their "AS IS CONDITION" and "WITH ALL FAULTS," together with all defects, latent and patent, if any. Tenant further acknowledges that County has made no representations or warranties of any nature whatsoever regarding the Airport or the Premises, including, but not limited to, the physical and/or environmental condition of the Premises or any improvements located thereon; the value of the Premises or improvements; the zoning of the Premises; title to the Premises; the suitability of the Premises or any improvements for Tenant's intended use; or Tenant's legal ability to use the Premises for Tenant's intended use. Additionally, Tenant acknowledges that County shall not be responsible for any current or future maintenance that may need to be performed to or on the Premises.

ARTICLE 5
RENTAL, FEES, CHARGES AND SECURITY DEPOSIT

5.01 Rental. Tenant shall pay to County an initial annual rental of \$[REDACTED], payable in equal monthly installments plus any applicable sales taxes as may be required by law.

5.02 Commencement and Time of Payment. Payment of rental by Tenant to County shall commence upon the Commencement Date. Rental shall be payable in equal monthly installments, in advance, without demand and without any deduction, holdback or set off whatsoever, by the first day of each and every month throughout the Term and any extension thereof. If the Commencement Date occurs on a day other than the first (1st) day of a month, Tenant shall pay rent from the Commencement Date to the first (1st) 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. All sums due hereunder shall be delivered to the Palm Beach County Department of Airports, Fiscal Department, 846 Palm Beach International Airport, West Palm Beach, Florida 33406. County may change the payment procedure and/or the address to which payments are to be delivered from time to time. Department will provide thirty (30) days written notice to Tenant prior to any change in payment procedure or the address to which payments are to be delivered. Rental shall be deemed delinquent if payment is not received by the first (1st) business day of the month in which it is due.

5.03 Adjustment of Rentals.

[If a promotional rent is offered, indicate the specific dates/amounts of each increase:

- (A) *[The annual rental shall be increased as follows:]*
- (B) Commencing on October 1, [REDACTED] and each October 1st thereafter (each such date, an "Adjustment Date"), the annual rental payable hereunder shall be increased by the greater of the CPI Escalation (as hereinafter defined) or three (3%) percent per year. The CPI Escalation shall be determined by multiplying [Insert Base Rental Amount] by a fraction, the numerator of which shall be the "Consumer Price Index" (as hereinafter defined) figure for May of the calendar year in which such adjustment is to become effective and the denominator of which shall be the Consumer Price Index figure for April of the calendar year in which this Lease became effective. Notwithstanding the foregoing, the CPI Escalation shall not exceed five percent (5%).
- (C) For the purposes hereof, the "Consumer Price Index" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers, United States city average, all items (1982 - 1984 = 100), not seasonally adjusted, or any successor thereto as promulgated by the Bureau of Labor Statistics of the United States Department of Labor. In the event that the Consumer Price Index ceases to use the 1982 - 1984 average of one hundred (100) as the standard reference index base period, the then current standard reference index base period shall be utilized. In the event the Consumer Price Index (or successor or substitute Consumer Price Index) is not available, a reliable governmental or other nonpartisan publication evaluating information theretofore used in determining the Consumer Price Index shall be used.
- (D) This Lease shall automatically be considered as amended to reflect the new annual rate, without formal amendment hereto, upon County's written notification to Tenant of the establishment of the new rental rate.
- (E) Notwithstanding anything to the contrary contained in this Lease, the annual rental rate shall be maintained at all times to ensure compliance with the provisions of Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.

5.04 Late Payments - Interest. Tenant shall pay to County interest at the rate of one and one-half percent (1 ½%) per month on any late payments commencing ten (10) days after the amounts are due.

5.05 Security Deposit. Prior to the Commencement Date of this Lease, Tenant shall post a security deposit with County equal to \$ [REDACTED] *or* [REDACTED] monthly installments of rental ("Security Deposit"). The Security Deposit shall serve as security for the payment of all sums due to County and shall also secure the performance of all obligations of Tenant to County. The Security Deposit shall be either in the form of a cash deposit, clean, irrevocable letter of credit ("Letter of Credit") or a surety bond ("Bond") in form and substance satisfactory to County. In the event the Security Deposit is in the form of cash, the Security Deposit shall be held by County, without the obligation to pay or earn interest thereon, and may be commingled with other County funds. In the event of any failure by Tenant to pay any rentals or charges when due or upon any other failure to perform any of its obligations or other default under this Lease, then in addition to any other rights and remedies available to County at law or in equity, County shall be entitled to draw on the Security Deposit and apply same to all amounts owed. Upon notice of any such draw, Tenant shall immediately replace the Security Deposit with a new Letter of Credit, Bond or cash deposit in the full amount of the Security Deposit required hereunder. Tenant shall promptly increase the amount of the Security Deposit to reflect any increases in the sums payable hereunder. The Security Deposit shall be kept in full force and effect throughout the Term of this Lease and any extension thereof and for a period of three (3) months after the termination of this Lease. Not less than forty-five (45) days prior to any

expiration date of a Letter of Credit or Bond, Tenant shall submit evidence in form satisfactory to County that such security instrument has been renewed. Failure to renew a Letter of Credit or Bond or to increase the amount of the Security Deposit as required by this Section 5.05 shall: (i) entitle County to draw down the full amount of such Security Deposit, and (ii) constitute a default of this Lease entitling County to all available remedies. The Security Deposit shall not be returned to Tenant until all obligations under this Lease are performed and satisfied. Prior to consent from County to any assignment of this Lease by Tenant, Tenant's assignee shall be required to provide a Security Deposit to County in accordance with the terms and conditions of this Section 5.05.

5.06 Taxes. Tenant shall pay before delinquency all taxes and assessments which may be levied by any governmental authority against the Premises, on the property of Tenant located in the Premises and on additions and improvements upon the Premises belonging to Tenant. Tenant shall also pay to County all sales taxes assessed by governmental authority against the rental payable hereunder even though the taxing statute or ordinance may purport to impose such sales tax against County. The payment of sales tax shall be made by Tenant monthly, concurrent with the payment of rental.

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

5.08 Accord and Satisfaction. In the event Tenant pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. County may accept any check or payment without prejudice to County's right to recover the balance due or to pursue any other remedy available to County pursuant to this Lease or under the law.

5.09 Inspector General. Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, 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 to audit, investigate, monitor, and inspect the activities of the Consultant, 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 interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

ARTICLE 6 **CONSTRUCTION OF IMPROVEMENTS**

6.01 Tenant Construction Requirements. Tenant shall make no alterations or additions to the Premises or improvements constructed thereon, without the prior written consent of the Department. All improvements constructed or placed on the Premises, including drainage and landscaping, shall be of attractive construction and first-class design; comply with any and all applicable governmental laws, regulations, rules, and orders; follow standard construction methods; and be constructed in accordance with the requirements of this Article.

6.02 Construction Requirements.

- (A) Prior to constructing any improvements on the Premises, Tenant, without cost to County, shall prepare detailed preliminary construction plans and specifications for the improvements (hereinafter collectively referred to as the "Plans") in accordance with standards established by the Department and deliver the preliminary Plans to the Department for review, comment and adjustment. The Department shall review the preliminary Plans and provide a written response to Tenant after receipt of the preliminary Plans.

In the event the Department does not approve the preliminary Plans, Tenant will be notified of the reasons for the disapproval and the necessary modifications and/or alterations to the Plans. Tenant shall resubmit modified Plans to the Department within thirty (30) days of the date of the Department's written notice of disapproval. Within one hundred twenty (120) days following approval of the preliminary Plans by the Department, Tenant shall prepare or cause to be prepared final working Plans in substantial conformity to the approved preliminary Plans and shall submit the final working Plans to the Department for approval. Upon approval of the final working Plans by the Department, Tenant shall obtain all permits and other government approvals required for the commencement of construction. Prior to commencement of construction, Tenant shall deliver to the Department one (1) complete set of the final working Plans as approved by the governmental agencies exercising jurisdiction thereover. Minor changes from the final working Plans shall be permitted if such changes may be reasonably inferred from the final working Plans, or if they are made to comply with requirements of any governmental agency exercising jurisdiction thereover.

- (B) Within sixty (60) days of Tenant's receipt of a certificate of occupancy or certificate of completion, as appropriate, for improvements constructed pursuant to this Article, Tenant, at its sole cost and expense, shall have prepared and deliver to the Department one (1) complete set of as-built Mylar drawings and one (1) set of Auto CADD files in the latest version acceptable by the Department.
- (C) All improvements constructed upon the Premises shall be completed at Tenant's sole cost and expense and shall be completed in accordance with the standards established by the Department.

6.03 Construction Bonds. Tenant shall ensure that all improvements are constructed to completion in accordance with the approved Plans and that all persons or entities performing work or providing materials relating to such improvements including, without limitation, all contractors, subcontractors, laborers, materialmen, suppliers and professionals, are paid in full for such services and materials. Prior to the commencement of any improvements to the Premises, the estimated cost of which exceeds Fifty Thousand Dollars (\$50,000), Tenant shall cause to be made, executed and delivered to County at Tenant's sole cost a bond that is in a form and substance reasonably satisfactory to County, and issued by a company reasonably acceptable to County, and that guarantees Tenant's compliance with its obligations arising under this Section 6.03. Tenant may not subdivide improvements or phase projects for the purpose of avoiding the foregoing bond requirement. County shall be named as a dual obligee on the bond(s). In lieu of the bond required by this Section 6.03, Tenant may file with County an alternative form of security in the form of cash, a money order, cashier's check, clean irrevocable letter of credit, or security of a type listed in Part II of Chapter 625, Florida Statutes; provided, however, the form of the security and company issuing such security, if applicable, shall be subject to the prior written approval of County and shall be in accordance with County's standard policies and procedures. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bond required by this Section 6.03.

6.04 Contractor Requirements. Tenant shall require contractors to furnish for the benefit of County a public construction bond as required under Section 255.05, Florida Statutes, in a form approved by County. Tenant shall require its contractors to name County as a dual obligee on the bond(s). Tenant shall also require contractors to furnish satisfactory evidence of statutory Worker's Compensation insurance, comprehensive general liability insurance, comprehensive auto insurance, and physical damage insurance on a Builder's Risk form with the interest of County endorsed thereon, in such amounts and in such manner as the Risk Management Department may reasonably require. The Risk Management Department may require additional insurance for any alterations or improvements approved hereunder, in such amounts as the Risk Management Department reasonably determines to be necessary.

6.05 No Liens. Tenant agrees that nothing contained in this Lease shall be construed as consent by County to subject the estate of County to liability under the Construction Lien Law of the State of Florida and understands that County's estate shall not be subject to such liability. Tenant shall notify any and all parties or entities performing work or providing materials relating to any improvements made by Tenant of this provision of this Lease. If so requested by County, Tenant shall file a notice satisfactory to County in the Public Records of Palm Beach County, Florida, stating that County's estate shall not be subject to liens for improvements made by Tenant. In the event that a construction lien is filed against the Premises or other County property in connection with any work performed by or on behalf of Tenant, Tenant shall satisfy such claim, or transfer same to security, within thirty (30) days from the date of filing. In the event that Tenant fails to transfer or satisfy such claim within the thirty (30) day period, County may do so and thereafter charge Tenant all costs incurred by County in connection with the satisfaction or transfer of such claim, including attorneys' fees, and Tenant shall promptly pay to County all such costs upon demand, as Additional Rent.

ARTICLE 7 **OBLIGATIONS OF TENANT**

7.01 Compliance with Rules and Regulations. Tenant covenants and agrees to observe and obey, and to require its officers, employees, guests, invitees and those doing business with it to observe and obey, such rules and regulations of the Department and County regulating the conduct and operations of Tenant and others on the Premises, as now or hereafter amended or promulgated, including, without limitation, the Airport Rules and Regulations.

7.02 Conduct. Tenant shall conduct its operations hereunder in an orderly and commercially reasonable manner, considering the nature of such operations so as not to unreasonably annoy, disturb, endanger or be offensive to others on the Airports. Tenant shall control the conduct, demeanor and appearance of its employees, invitees and others doing business at the Premises and, upon objection from the Department concerning the conduct, demeanor and appearance of any such person, shall promptly take all reasonable steps necessary to remove the cause of such objection.

7.03 Noise & Vibrations. Tenant shall take all reasonable measures to keep the sound level of its operations as reasonably low as possible.

7.04 Garbage. Tenant shall remove from the Premises or otherwise dispose of in a manner approved by the Department all garbage, debris and other waste materials (whether solid or liquid) arising out of the use or occupancy of the Premises or out of any operations conducted thereon. Garbage, debris and other non-hazardous waste materials may be temporarily stored on the Premises in suitable garbage and waste receptacles. The placement of the receptacles shall be limited only to those areas as designated for such purpose by the Department. The Department reserves the right to limit the number of such receptacles.

7.05 Nuisance. Tenant shall not commit any nuisance, waste or injury on the Premises and shall not do, or permit to be done, anything which may result in the creation, commission or maintenance of such nuisance, waste or injury on the Premises.

7.06 Odors/Dust. Tenant shall not create, nor permit to be caused or created upon the Premises, any obnoxious odors, smoke, noxious gases or vapors; provided, however, that fumes resulting from the normal operations of properly certified and maintained trucks and other vehicles shall be excepted from this provision. Tenant shall ensure that emissions generated by any such trucks, and other vehicles shall comply with all provisions of applicable environmental emissions laws and regulations. Tenant shall make no use of any portion of the Premises in a manner that causes or results in excessive dust, debris or waste to be blown about or raised so as to be potentially dangerous to the operation of aircraft.

7.07 Utility Systems. Tenant shall not do, or permit to be done, anything that may interfere with the effectiveness or accessibility of the utilities systems installed or located on or about the Premises that are also used by other occupants, customers or users of the Airport.

7.08 **Overloading.** Tenant shall not overload any floor on the Premises and shall repair at its sole cost and expense, any floor, including supporting members, and any area damaged by overloading.

7.09 **Hazardous Operations.** Tenant shall not do, or permit to be done, any act or thing upon the Premises that:

- (A) Will invalidate or conflict with any insurance policies covering the Premises or the Airport; or
- (B) May constitute a hazardous condition that would increase the risk normally attendant upon the operations permitted by this Lease.

7.10 **Parking.** Tenant and its employees, patrons, invitees, licensees, suppliers of service or furnishers of material, or any other persons whomsoever shall only park vehicles within designated parking areas. Parking on any grassed areas of the Airport is prohibited.

7.11 **Animals.** No pets or other animals are permitted on the Premises or Airport, with the exception of service animals as defined by the Americans with Disabilities Act.

ARTICLE 8 **MAINTENANCE AND REPAIR**

8.01 **Maintenance.** Tenant shall, at its sole cost and expense, maintain the Premises, improvements, and appurtenances thereto, in a safe and presentable condition consistent with good business practice, industry standards and in accordance with all applicable laws, regulations and rules of any governmental entity. Tenant shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, licensees, 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 Tenant's operations thereon or Tenant's use of the Premises. Tenant hereby agrees that it shall abide by the decision of the Department with respect to maintenance or repair of the Premises.

8.02 **Cleanliness of Premises.** Tenant shall, at its sole cost and expense, keep the Premises neat and clean at all times.

8.03 **Notice of Noncompliance.** The Department shall reasonably determine whether Tenant is in compliance with the maintenance obligations as provided for herein and shall provide Tenant with written notice of any violations of Tenant's maintenance obligations. Upon Tenant's receipt of County's written notice of violation, Tenant shall commence such corrective action as required by County or as may be necessary to remedy such non-compliance to the reasonable satisfaction of County. If corrective action is not initiated within in a reasonable period of time (not to exceed thirty (30) days) and pursued in a diligent manner to completion, the Department may cause the same to be accomplished and Tenant hereby expressly agrees that Tenant shall assume and be liable to County for payment of all costs incurred by County, plus twenty-five percent (25%) for administrative overhead. Such costs, plus the administrative cost, shall be due and payable to County within thirty (30) days of the date of County's written notice.

8.04 **Inspections.** Tenant acknowledges and agrees that representatives of County and any Federal, State or local governmental entity having jurisdiction over Tenant's operations or activities on the Premises shall have the right of access to the Premises at all reasonable times for the purposes of inspection for compliance with the provisions of this Lease and applicable laws.

ARTICLE 9 **UTILITIES**

9.01 **Utility Costs.** [Select one: Tenant shall pay for all electric, garbage and other utilities charges for the Premises. The metering devices installed by Tenant for such utilities shall be installed at the cost of Tenant and shall become the property of County upon installation. Extension of utility mains or services to meet the needs of Tenant on the Premises shall be at the expense of Tenant and shall become the property of County upon installation. *or*

County shall provide [electric/water] service to the Premises without additional cost to Tenant, provided; however, County reserves the right to collect, as Additional Rent, fees for consumption of utilities beyond normal office requirements as determined by County. Utility charges shall be paid to County by Tenant within thirty (30) days from the date of Department's invoice. Notwithstanding the foregoing, County may require Tenant to obtain a separate utility meter(s) to serve the Premises, at Tenant's sole cost. Tenant shall be responsible for direct payment of all separately metered utilities, including [electric/water]. All metering devices installed by Tenant shall become the property of County upon installation.]

9.02 Interruption of Service. No failure, delay or interruption in supplying any utility services for any reason whatsoever (whether or not a separate charge is made therefore) shall be or be construed to be an eviction of Tenant or grounds for any diminution or abatement of rental or shall be grounds for any claim by Tenant under this Lease for damages, consequential or otherwise.

ARTICLE 10 **AIRPORT SECURITY PROGRAM**

10.01 Compliance with Security Requirements. Tenant acknowledges and accepts full responsibility for the security and protection of the Premises and any and all personal property, inventory, equipment and facilities now existing or hereafter placed on or installed in or upon the Premises, and for the prevention of unauthorized access to its facilities. Tenant shall observe all security requirements and other requirements of the FAA, TSA, County and Department applicable to Tenant operations, as now or hereafter amended, to the extent applicable to Tenant and Tenant's activities hereunder. Tenant fully understands that the police security protection provided by County is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and improvements constructed thereon, shall be the sole responsibility of Tenant and shall involve no cost to County.

10.02 Criminal History Background Checks. Tenant acknowledges that Tenant and its employees, contractors and agents may be subject to federal and state criminal history record check requirements under federal, state and/or local laws, as may now exist or as may hereafter be enacted, including, but not limited to the Palm Beach County Criminal History Record Check Ordinance (Chapter 2, Article IX, Palm Beach County Code), which laws may require Tenant to remove or restrict access of individuals who are not in compliance with the requirements of such laws. Tenant agrees to comply with and to require its employees, contractors and agents to comply with all federal, state and local criminal history record check requirements, including, but not limited to, the Palm Beach County Criminal History Record Check Ordinance and any access restrictions imposed thereunder. Tenant acknowledges and agrees that its employees, contractors and agents, who will have access to a "critical facility", as defined in the Palm Beach County Criminal History Record Check Ordinance, will be subject to a national and state fingerprint based criminal history records check. Tenant shall be solely responsible for the financial, scheduling and staffing implications associated with complying with the Palm Beach County Criminal History Record Check Ordinance.

10.03 Security Deficiency. Tenant agrees to rectify any security deficiency or other deficiency as may be determined as such by the Department, County, FAA or TSA. In the event Tenant fails to remedy any such deficiency, County may do so at the cost and expense of Tenant. Tenant acknowledges and agrees that County shall have the right to take whatever action is necessary to rectify any security deficiency or other deficiency as may be determined by the Department, County, FAA or TSA.

ARTICLE 11 **INSURANCE REQUIREMENTS**

Tenant shall, at its sole expense, maintain in full force and effect at all times during the Term, the insurance limits, coverages and endorsements required set forth in Exhibit "B" attached hereto and incorporated herein. Tenant acknowledges and agrees that the requirements

contained Exhibit "B" and County's review or acceptance of insurance shall not in any manner limit or qualify the liabilities and obligations assumed by Tenant under this Lease.

ARTICLE 12
DAMAGE TO OR DESTRUCTION OF PREMISES

12.01 Damage or Destruction. Tenant 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 Tenant or by or with the consent of any person acting for or on behalf of Tenant. If the Premises, improvements, or any part thereof, are damaged in any way whatsoever by the act, default or negligence of Tenant or its subtenants, contractors, employees, officers, licensees, agents or invitees, Tenant shall, at its sole cost and expense, restore the Premises to the condition existing prior to such damage. Tenant 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 Tenant in accordance with the construction requirements established by the Department. If Tenant fails to restore the Premises as required above, County shall have the right to enter the Premises and perform the necessary restoration, and Tenant hereby expressly agrees that it shall fully assume and be liable to County for payment of the costs incurred by County, plus twenty-five percent (25%) administrative overhead. Such restoration cost, plus the administrative cost, shall be due and payable within thirty (30) days from date of County's written notice.

12.02 Partial Destruction. If any of the improvements on the Premises are partially damaged or destroyed in part by fire or other casualty, County may terminate this Lease upon written notice to Tenant within ninety (90) days after the date of any such damage or destruction or commence restoration of the Premises within a commercially reasonable period of time subject to the limitations set forth herein. In the event of restoration of the Premises by County pursuant to this paragraph, Tenant's obligation to pay rental shall be abated proportionately on a square footage basis as to that portion of the Premises rendered unusable by reason of casualty commencing on the date of the casualty. Such abatement shall continue until thirty (30) days after notice by County to Tenant that the Premises have been substantially repaired or restored. Notwithstanding any provision of this Lease to the contrary, County shall have no obligation under this Lease to restore the Premises nor shall Tenant be entitled to abatement of rental in the event the casualty was the result of the act, default or negligence of Tenant or its subtenants, contractors, employees, officers, licensees, agents or invitees. In such event, Tenant shall be obligated to restore the Premises in accordance with Section 12.01 above with no abatement in rental.

12.03 Total Casualty. In the event of a total casualty to the Premises, which renders the Premises unusable, as reasonably determined by the Department, either party shall have the right to terminate this Lease within ninety (90) days of the date of the casualty by delivering a written notice of termination to the other party in accordance with the notice provisions in this Lease; provided, however, Tenant shall not have the right to terminate in the event the casualty was the result of the act, default or negligence of Tenant or Tenant's subtenants, contractors, employees, officers, licensees, agents or invitees. In such event, Tenant shall be obligated to restore the Premises in accordance with Section 12.01 above with no abatement in rental. In the event neither party terminates this Lease pursuant to this Section 12.03 and County elects to restore the Premises, Tenant's obligation to pay rental shall be abated until thirty (30) days after notice by County to Tenant that the Premises have been substantially repaired or restored.

12.04 Waiver. Tenant hereby waives any claim against County for damages or compensation in the event this Lease is terminated pursuant to Sections 12.02 or 12.03 above.

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

restoration. In addition, County shall not be liable for any damage or inconvenience or interruption of the business of Tenant occasioned by fire or other casualty.

12.06 Insurance Proceeds. Upon receipt by Tenant of the proceeds of any applicable insurance policy or policies, the proceeds shall be deposited in an escrow account approved by the Department so as to be available to pay for the cost of such repair, replacement or rebuilding. Any insurance proceeds shall be disbursed during construction to pay the costs of such work. If the amount of the insurance proceeds is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged improvements and the damage was caused by Tenant or its subtenants, contractors, employees, officers, licensees, agents or invitees, Tenant shall pay any additional sums required into said escrow account. If the amount of the insurance proceeds is in excess of the costs of repair, replacement or rebuilding, the amount of such excess shall be remitted to Tenant.

ARTICLE 13 **ENCUMBRANCES**

Tenant shall not, in any manner, mortgage, pledge or otherwise encumber this Lease, the Premises or any improvements now existing or hereinafter erected or constructed upon the Premises. Tenant shall cause to be removed any and all liens of any nature arising out of or resulting out of or resulting from the performance of any work or labor performed upon the Premises or the furnishing of any materials for use upon the Premises, by, on behalf of or at the direction of Tenant, its employees, agents, contractors or subcontractors. This provision shall be construed to include a prohibition against any mortgage, pledge, or encumbrance by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

ARTICLE 14 **TITLE TO IMPROVEMENTS**

14.01 Title to Improvements. Tenant acknowledges and agrees that all improvements located, constructed or placed upon the Premises as of the Effective Date are the absolute property of County. Notwithstanding any provision of this Lease to the contrary, upon expiration or earlier termination of this Lease, all improvements constructed or placed upon the Premises by Tenant, title to which has not previously vested in County hereunder, shall become the absolute property of County, and County shall have every right, title, and interest therein, free and clear of any liens, mortgages, and other encumbrances. Upon the request of County, Tenant shall provide County with a bill of sale or other evidence of the transfer of ownership of the improvements together with evidence satisfactory to County that the improvements are free from liens, mortgages and other encumbrances.

14.02 Removal of Improvements. Notwithstanding any provision of this Lease to the contrary, County shall be entitled, at its option, to have the Premises returned to County free and clear of some or all of the improvements constructed by Tenant during the Term, at Tenant's sole cost and expense. In such event, County shall provide timely notification to Tenant of its election to require removal of improvements and, to the extent possible, County shall notify Tenant at least sixty (60) days prior to the expiration or termination of this Lease. Tenant shall have sixty (60) days from date of notice within which to remove the improvements. If Tenant fails to remove the improvements, County may remove the improvements. Tenant agrees that Tenant shall fully assume and be liable to County for payment of all costs of removal of the improvements incurred by County, plus a twenty-five percent (25%) administrative overhead fee, which costs and administrative overhead fee shall be due and payable to County within thirty (30) days from the date of the written notice provided by the County.

14.03 Survival. The provisions of this Article 14 shall survive expiration or termination of this Lease

ARTICLE 15 **EXPIRATION OF LEASE, DEFAULTS, REMEDIES AND TERMINATION**

15.01 Expiration. This Lease shall expire in the manner provided in Article 3.

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

- (A) The vacating or abandonment of the Premises by Tenant.
- (B) The failure by Tenant to make payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice from County.
- (C) The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant where such failure continues for a period of fifteen (15) days after written notice thereof from County to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within such fifteen (15) day period and thereafter diligently pursues such cure to completion. Nothing contained in this paragraph shall be deemed to alter or affect the cure period for performance of any covenant, condition or provision for which a specific time period is provided elsewhere in this Lease.
- (D) To the extent permitted by law, (i) the making by Tenant or any guarantor thereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such attachment, execution or seizure is not discharged within thirty (30) days.

Notwithstanding any provision of this Lease, Tenant acknowledges and agrees that the Department may require Tenant to immediately cease any activity, which could result in an airport hazard or endanger safety of any other Airport user, as determined by the Department.

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

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

- (C) Treat this Lease as terminated and re-enter and re-take possession of the Premises for the account of County, thereby terminating any further liability under this Lease on the part of Tenant and County. Notwithstanding the foregoing, County shall have a cause of action to recover any rent remaining unpaid when County retakes possession of the Premises for the account of County.
- (D) Stand by and do nothing, holding Tenant liable for the rent as it comes due.
- (E) Pursue any other remedy now or hereinafter available to County under the laws of the State of Florida.

Notwithstanding anything in this Lease to the contrary, County shall have the right to bring an action for its damages upon the occurrence of a default by Tenant and County reserves all rights which laws of the State of Florida confer upon a landlord against a tenant in default. Tenant hereby waives any additional notice Tenant may be entitled to pursuant to Florida law.

15.04 Termination by Tenant. Tenant may terminate this Lease, if Tenant is not in default of this Lease (including, but not limited to, its payments to County hereunder), by giving County ninety (90) days advance written notice, 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 for the purposes permitted hereunder, which injunction remains in force for a period of at least ninety (90) days.
- (B) The default by County in the performance of any covenant or agreement herein required to be performed by County and the failure of County to remedy such default for a period of thirty (30) days after receipt from Tenant of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if County shall have remedied the default prior to receipt of Tenant's notice of cancellation; or in the event the same cannot be cured within such thirty (30) day period and County has commenced such cure and thereafter diligently pursues the same until completion.
- (C) The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of Tenant, for a period of at least ninety (90) days.

15.05 Surrender of Premises. Tenant expressly agrees that it shall immediately surrender the Premises to County in good 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. In the event Tenant shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, Tenant shall be liable to County for any and all damages, and in addition thereto, Tenant shall also be strictly liable to pay to County during the entire time period of such holdover, double rental, as provided for in Section 83.06, Florida Statutes. Tenant shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of Tenant not removed by Tenant shall, at the option of County, become the property of County.

ARTICLE 16 **ASSIGNMENT, TRANSFER AND SUBLETTING**

16.01 Assignment by Tenant. Tenant shall not assign an interest in this Lease, or any part thereof, without the prior written consent of the Department, which consent may be granted or withheld at the Department's sole and absolute discretion for any reason or no reason at all. Any attempted assignment without Department approval shall be null and void. In the event the Department provides such consent, Tenant shall have the right only to the extent permitted by the Department's consent to assign all or any portion of the Premises, provided that any such assignment shall be limited to only the same purposes as are permitted under this Lease. Tenant

is expressly prohibited from subleasing, mortgaging or otherwise encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered grounds for immediate termination of this Lease.

16.02 Assignment by County. County may freely assign this Lease at any time without the consent of Tenant, and County shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by County, Tenant agrees that it shall recognize County's assignee as its new landlord under this Lease upon the effective date of such assignment. Tenant acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between County and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. Tenant acknowledges and agrees that County may transfer any security deposit held by County pursuant to Article 5 above to County's assignee.

ARTICLE 17 **INDEMNIFICATION**

Tenant agrees to protect, defend, reimburse, indemnify and hold County, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which County is named or joined, arising out of this Lease or Tenant'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 Tenant's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of Tenant, or any breach of the terms of this Lease; provided, however, Tenant shall not be responsible to County for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of County its respective agents, servants, employees and officers. Tenant 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 Tenant's activities or operations or use of the Premises whether or not Tenant 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, on behalf of, or at the request of Tenant. Tenant acknowledges the broad nature of this indemnification and hold-harmless clause and that County would not enter into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by County in support of this indemnification in accordance with laws of the State of Florida. The obligations arising under this Article shall survive the expiration or termination of this Lease.

ARTICLE 18 **SIGNS**

No signs, posters, or similar devices shall be erected, displayed, or maintained by Tenant on the Premises, without the written consent of the Department. All signs not approved by the Department shall be immediately removed at the sole cost and expense of Tenant upon written demand therefore by the Department.

ARTICLE 19 **LAWS, REGULATIONS AND PERMITS**

19.01 General. Tenant agrees that throughout the Term and any extension thereof, Tenant shall at all times be and shall 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, as now or hereafter amended, including, without limitation, FAA Advisory

Circulars, Palm Beach County Airport Rules and Regulations (Appendix B, Palm Beach County Code) and Environmental Laws. For purposes of this Article 19, the term "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, Safe Drinking Water Act, Clean Air Act, Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation and Liability Act of 1980.

19.02 Permits and Licenses. Tenant agrees that it shall, at its sole cost and expense, obtain, maintain current, and fully comply with, any and all permits, licenses and other governmental authorizations, as may be required by law, any federal, state or local governmental entity, or any court of law having jurisdiction over Tenant or Tenant's operations and activities, for any activity of Tenant conducted on the Premises and/or Airport. Upon the written request of the Department, Tenant shall provide the Department with certified copies of any and all permits and licenses.

19.03 Air and Safety Regulation. Tenant shall conduct its operations and activities under this Lease in a safe manner, shall comply with all safety regulations of the Department, and with safety standards imposed by applicable federal, state and local laws and regulations, and shall require the observance thereof by all employees, contractors, business invitees and all other persons transacting business with or for Tenant resulting from, or in any way related to, the conduct of Tenant's business on the Premises. Tenant 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 at the Airport. Tenant agrees that neither Tenant nor any employee or contractor or any person working for or on behalf of Tenant shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health or safety, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as now or hereafter amended, as well as all state and local laws, regulations, and orders relative to occupational safety and health.

19.04 Assumption of Liability. Tenant shall be strictly liable for and hereby expressly assumes all responsibility for the cost of all citations, fines, penalties, environmental controls, monitoring, clean up, disposal, restoration and corrective measures resulting from or in any way connected to the handling, storage and/or disposal by Tenant or its employees, invitees, licensees, suppliers of service or materials or contractors of any pollutants or hazardous materials regulated by Environmental Laws. Tenant's obligations under this paragraph shall survive the expiration or termination of this Lease.

19.05 Environmental Indemnification. Tenant hereby expressly agrees to indemnify and hold County harmless from and against any and all liability for fines and physical damage to property or injury or death to persons, including, without limitation, reasonable expenses and attorneys fees, arising from or resulting out of, or in any way caused by, Tenant's failure to comply with any and all Environmental Laws. Tenant understands that this indemnification is in addition to and is a supplement of Tenant's indemnification agreement set forth in Article 17 of this Lease and that Tenant fully understands the broad extent of this indemnification and hereby expressly acknowledges that it has received full and adequate consideration from County to legally support this indemnification agreement. Tenant's obligations under this paragraph shall survive expiration or termination of this Lease.

ARTICLE 20 **AMERICANS WITH DISABILITIES ACT**

Tenant shall comply with the applicable requirements of the Americans with Disabilities Act and the State of Florida Accessibility Requirements Manual, and any similar or successor laws, ordinances, rules, and regulations, including cooperation with County, concerning the same subject matter.

ARTICLE 21 **DISCLAIMER OF LIABILITY**

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

ARTICLE 22 GOVERNMENTAL RESTRICTIONS

22.01 Federal Right to Reclaim. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the Premises are located for public purposes for a period in excess of ninety (90) days, either party may terminate this Lease by providing written notice of such termination to the other party and the parties shall thereupon be released and fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section 22.01 shall not act or be construed as a waiver of any rights Tenant may have against the United States as a result of such taking.

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

22.03 Height Restriction. Tenant expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Title 14, Part 77 of the Code of Federal Regulations, as now or hereafter amended.

22.04 Right of Flight. County reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the 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, said airspace for landing on, taking off from, or operating on the Airport.

22.05 Operation of Airport. Tenant expressly agrees for itself, its sublessees, 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.

22.06 Release. Tenant acknowledges that noise and vibration are inherent to the operation of Airport and hereby releases County from any and all liability relating to the same.

22.07 Exclusive Rights. Notwithstanding any provision of this Lease to the contrary, Tenant understands and agrees that the rights granted under this Lease are nonexclusive, other than the exclusive right of use of the Premises, and that County may grant similar privileges to another lessee or other lessees on other parts of the Airport.

22.08 Hazardous Wildlife Attractants. Tenant shall be prohibited from using the Premises in a manner which attracts, or has the potential to attract, hazardous wildlife to or in the vicinity of the Airport.

ARTICLE 23
NON-DISCRIMINATION

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

ARTICLE 24
COUNTY NOT LIABLE

County shall not be responsible or liable to Tenant for any claims for compensation or any losses, damages or injury whatsoever sustained by Tenant resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of County. All personal property placed on or moved on to the Premises shall be at the sole risk of Tenant. County shall not be liable for any damage or loss of any personal property placed or moved on to the Premises.

ARTICLE 25
AUTHORIZED USES ONLY

Notwithstanding anything to the contrary herein, Tenant shall not use or permit the use of the Premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for County or Tenant.

ARTICLE 26
MISCELLANEOUS

26.01 Waiver. The failure of either party 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 either party may have for any subsequent breach, default, or non-performance, and neither parties' right to insist on strict performance of this Lease shall be affected by any previous waiver or course of dealing.

26.02 Subordination.

- (A) **Subordination to Bond Resolution.** This Lease and all rights granted to Tenant hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by County in the Bond Resolution, and County and Tenant agree that to the extent permitted by authorizing legislation, the holders of the bonds or their designated representatives shall exercise any and all right of County hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by Tenant and County with the terms and provisions of this Lease and Bond Resolution.
- (B) **Subordination to Federal/State Agreements.** This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which County acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Tenant understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between County and the United States of America or 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 state or federal funds for the development of the Airport.

26.03 Easement. Nothing in this Lease shall impair any existing utility easements, nor impair the right of access to any existing utility lines. County reserves the right to grant utility easements, licenses and rights-of way to others over, under, through, across or on the Premises; provided, however, that such grant is not materially detrimental to the proper conduct of Tenant's operations.

26.04 Independent Contractor. Tenant or any successor in interest to this Lease, is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and County shall in no way be responsible therefor.

26.05 Governmental Authority. Nothing in this Lease shall be construed to waive or limit the County's governmental authority as a political subdivision of the State of Florida to regulate Tenant or its operations. The County's obligations under this Lease are made in a proprietary capacity, rather than in a governmental capacity and such agreements shall not be construed as limiting, prohibiting or eliminating the obligation of the parties to comply with all applicable rules, regulations, ordinances, statues and laws, nor alter or impair the County's governmental functions, including, without limitation, the County's right to lawfully exercise its regulatory authority over the development of the Premises, nor as enabling, permitting, or creating any cause of action or claim arising out of the lawful exercise of the County's governmental authority.

26.06 Rights Reserved to the County. All rights not specifically granted Tenant by this Lease are reserved to County.

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

26.08 Governing Law. This Lease shall be governed by and in accordance with the laws of the State of Florida.

26.09 Venue. Venue in any action, suit or proceeding in connection with this Lease shall be filed and held in a State court of competent jurisdiction located in Palm Beach County, Florida.

26.10 Notices. All notices and elections (collectively, "Notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party

giving such notice) hand delivered by messenger, courier service or overnight mail, telecopied or faxed (provided in each case a receipt is obtained), or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services or overnight mail, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby 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
Department of Airports
Palm Beach County
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

Tenant:

Fax:() _____

Any 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.

26.11 Annual Appropriation. Nothing in this Lease shall obligate County, during any fiscal year, to expend money or incur any liability that involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. County's obligations under this Lease, which involve the expenditure of money, shall be subject to annual budgetary funding and appropriations by the Palm Beach County Board of County Commissioners in accordance with Chapter 129, Florida Statutes, as it may be amended.

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

26.13 No Recording. Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida, without the prior written consent of the Department.

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

26.15 Performance. The parties expressly agree that time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

26.16 Non-Exclusivity of Remedies. No remedy herein conferred upon any 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 inequity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

26.17 Construction. No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final Lease. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof, shall be held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and effect.

26.18 No Broker. Tenant represents and warrants that Tenant has not dealt with any real estate salesperson, agent, finder or broker in connection with this Lease and further agrees to indemnify, defend and hold harmless County from and against any claims or demands of any such salesperson, agent, finder or broker claiming to have dealt with Tenant. The foregoing indemnification shall include all costs, expenses and fees, including reasonable attorney's fees plus cost at trial and all appellate levels, expended or incurred in the defense of any such claim or demand. The obligations set forth in this paragraph shall survive the termination of this Lease.

26.19 Public Entity Crimes. As provided in Section 287.132-133, Florida Statutes, by entering into this Lease or performing any work in furtherance hereof, Tenant 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.

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

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

26.22 No Third Party Beneficiaries. No provision of this Lease is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Lease, including but not limited to any citizen or employees of County and/or Tenant.

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

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

26.25 Survival. Notwithstanding any early termination of this Lease, Tenant shall remain obligated hereunder to perform any duty, covenant or obligation imposed upon Tenant hereunder arising prior to the date of such termination.

(Remainder of page left blank intentionally.)

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

WITNESSES:

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

Signature

By: _____
Director, Department of Airports

Print Name

Signature

Print Name

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

By: _____
County Attorney

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

TENANT:

Signature

By: _____
Signature

Print Name

Print Name

Signature

Title

Print Name

(Seal)

EXHIBIT "A"
PREMISES

EXHIBIT "B"
INSURANCE

[Amounts and types of insurance applicable to each Commercial Office Space Lease Agreement will be determined by General Aviation Minimum Standards & the County's Risk Management Department]

A. Commercial General Liability/Airport Liability. Tenant shall maintain Commercial General Liability/Airport Liability Insurance with limits of liability not less than \$ [REDACTED] each occurrence, including coverage for, but not limited to, Premises/Operations, Products/Completed Operations, Contractual Liability, Personal/Advertising Injury and Cross Liability. This coverage shall be provided on a primary basis.

B. Aircraft Liability. In the event Tenant owns, leases or operates any aircraft, Tenant shall maintain Aircraft Liability Insurance with respect to such aircraft for bodily injury (including death) and property damage liability in a Combined Single Limit Amount of not less than \$ [REDACTED] per occurrence, including a Passenger Liability sub-limit not less than \$ [REDACTED] per passenger.

C. Business Auto Liability. Tenant shall maintain Business Automobile Liability Insurance with limits of liability not less than \$ [REDACTED] each occurrence for owned, non-owned and hired automobiles. In the event Tenant has no owned automobiles, Tenant shall maintain only Hired & Non-Owned Auto Liability Insurance. This coverage may be satisfied by way of endorsement to the Commercial General Liability/Airport Liability policy, or a separate Business Auto Liability policy. This coverage shall be provided on a primary basis.

D. Premises Insurance. Tenant shall maintain property insurance in an amount not less than 100% of the total replacement cost of any betterments and improvements made by or on behalf of Tenant as well as Tenant's contents located on the Premises. The settlement clause shall be on a Replacement Cost basis. Coverage shall be written with a Special - Cause of Loss (All-Risk) form. Coverage shall be provided on a primary basis.

E. Worker's Compensation & Employers Liability. Tenant shall maintain Worker's Compensation & Employers Liability in accordance with Chapter 440, Florida Statutes, and Federal law. This coverage shall be provided on a primary basis.

F. Umbrella or Excess Liability. If necessary, Tenant may satisfy the minimum limits required above for Commercial General Liability/Airport Liability and/or Business Auto Liability and/or Aircraft Liability coverage under Umbrella or Excess Liability Insurance. The Umbrella or Excess Liability policy shall have an aggregate limit not less than the highest "each occurrence" limit for the Commercial General Liability/Airport Liability, Business Auto Liability or Aircraft Liability policy. County shall be specifically endorsed as an "Additional Insured" on the Umbrella or Excess Liability policy, unless the Certificate of Insurance notes the Umbrella or Excess Liability policy provides coverage on a "Follow-Form" basis.

G. Additional Insured Endorsement. Tenant shall endorse County as an Additional Insured on each liability insurance policy required to be maintained by Tenant, except for Worker's Compensation and Business Auto Liability policies. The CG 2011 Additional Insured - Managers or Lessors of Premises or its equivalent, shall be an endorsement to the Commercial General Liability policy. Other policies, when required, shall provide a standard "Additional Insured" endorsement offered by the insurer. The "Additional Insured" endorsements shall provide coverage on a primary basis. "Additional Insured" endorsements 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, Florida 33406," or as otherwise acceptable to County's Risk Management Department.

H. Certificates of Insurance. 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 or any extension thereof, Tenant 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," or as otherwise acceptable to County's Risk Management Department.

I. Waiver of Subrogation. By entering into this Lease, Tenant agrees to a Waiver of Subrogation for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, Tenant shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. The requirements of this paragraph shall not apply to any policy, a condition to which the policy specifically prohibits such an endorsement, or voids coverage if Tenant enters into such an agreement on a pre-loss basis.

J. Deductibles, Coinsurance, & Self-Insured Retention. Tenant 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.

K. Right to Review or Adjust Insurance. The 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 this Article from time to time throughout the Term and any extension thereof. 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 Tenant a written notice of rejection, and Tenant shall comply within thirty (30) days of receipt of the notice.

L. No Representation of Coverage Adequacy. Tenant acknowledges the limits, coverages and endorsements required by this Article are intended to minimize liability for County. Tenant agrees that it will not rely upon the requirements of this Article when assessing the extent or determining appropriate types or limits of insurance coverage to protect Tenant against any loss exposures, whether as a result of this Lease or otherwise.