

ORLANDO INTERNATIONAL AIRPORT

HANGAR FACILITY LEASE AGREEMENT

Orlando International Airport

Orlando, Florida

Executed as of _____, _____,
with an Effective Date as of _____

Lessee:

Silver Airways Corp., a Delaware Corporation

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ORLANDO INTERNATIONAL AIRPORT HANGAR FACILITY LEASE AGREEMENT

THIS HANGAR FACILITY LEASE AGREEMENT (“Lease”) is made to be effective as of the ____ day of _____, 2014 (the “Effective Date”), between the **GREATER ORLANDO AVIATION AUTHORITY**, a public entity that operates the Orlando International Airport (“Airport”) pursuant to that certain Operation and Use Agreement dated September 27, 1976, whose mailing address is One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399 (“**Authority**”), and Silver Airways Corp, a Delaware corporation (“**Lessee**”).

W I T N E S S E T H:

In consideration of the mutual covenants and agreements herein set forth, Authority and Lessee agree and covenant as follows:

DEFINITIONS

The following words, terms and phrases wherever used in this Lease shall, for purposes of this Lease, have the following meanings:

- (a) “Additional Rent” shall have the meaning set forth in Section 3.4 of this Lease.
- (b) “Adjustment Date(s)” shall have the meaning set forth in Section 3.2(a) of this Lease.
- (c) “Affiliate” shall have the meaning set forth in Section 12.6(a) of this Lease.
- (d) “Airport” shall have the meaning set forth above in the preamble to this Lease.
- (e) “Airport Design Guidelines” shall have the meaning set forth in Section 1.1 of this Lease.
- (f) “Annual Rent” shall have the meaning set forth in Section 3.1 of this Lease.
- (g) “Annual Rent Increase Limit” shall have the meaning set forth in Section 3.2(a) of this Lease.
- (h) “Applicable Laws” shall have the meaning set forth in Section 1.1 of this Lease.
- (i) “Authority” shall mean the Greater Orlando Aviation Authority, a public entity created pursuant to Chapter 57-1658, Special Laws of Florida 1957, as replaced by Chapter 98-492, Laws of Florida, as amended.
- (j) “Attorneys’ Fees” shall have the meaning set forth in Section 8.1 of this Lease.

(k) "Baseline Environmental Impact Investigation Report" shall have the meaning set forth in Section 7.1(c) of this Lease.

(l) "Build-Out" shall have the meaning set forth in Section 1.3(a) of this Lease.

(m) "CERCLA" shall have the meaning set forth in Section 8.1 of this Lease.

(n) "City" shall have the meaning set forth in Section 1.2 of this Lease.

(o) "Comair Lease" shall have the meaning set forth in Section 1.3(c) of this Lease.

(p) "Construction Schedule" shall have the meaning set forth in Section 1.3(a) of this Lease.

(q) "Construction Completion Date" shall have the meaning set forth in Sections 1.3(b) of this Lease.

(r) "Delta" shall have the meaning set forth in Section 1.3(d) of this Lease.

(s) "Delta Deferred Maintenance Payment" shall have the meaning set forth in Section 1.3(c) of this Lease.

(t) "Direct Pay Permit" shall have the same meaning set forth in Section 3.1 of this Lease.

(u) "Effective Date" shall mean the date set forth above in the preamble to this Lease.

(v) "Environmental Laws" shall have the meaning set forth in Section 7.1(a) of this Lease.

(w) "Environmental Study" shall have the meaning set forth in Section 7.1(c) of this Lease.

(x) "Event of Default" shall have the meaning set forth in Section 11.1 of this Lease

(y) "Equipment" shall have the meaning set forth in Section 12.2 of this Lease.

(z) "Expiration Date" shall have the meaning set forth in Section 2.1 of this Lease.

(aa) "Fair Market Rental" shall have the meaning set forth in Section 3.2(a) of this Lease.

(bb) "Fair Market Value" shall have the meaning set forth in Section 3.3 of this Lease.

(cc) "FDOT" shall have the meaning set forth in Section 1.3(d) of this Lease.

(dd) "First Appraiser" shall have the meaning set forth in Section 3.3 of this Lease.

- (ee) “Force Majeure” shall have the meaning set forth in Exhibit “F”, Section 16, of this Lease.
- (ff) “Hazardous Substances” shall have the meaning set forth in Section 7.1(a) of this Lease.
- (gg) “Improvements” shall have the meaning set forth in Section 1.1 of this Lease.
- (hh) “Inducement Rent” shall have the meaning set forth in Section 3.2(b) of this Lease.
- (ii) “Initial Annual Rent” shall have the meaning set forth in Section 3.3 of this Lease.
- (jj) “Initial Term” shall have the meaning set forth in Section 2.2 of this Lease.
- (kk) “Insurance Requirements” shall have the meaning set forth in Section 6.5 of this Lease.
- (ll) “JPA” shall have the meaning set forth in Section 1.3(d) of this Lease.
- (mm) “Lease” shall have the meaning set forth above in the preamble to this Lease.
- (nn) “Leasehold Mortgage” shall have the meaning set forth in Section 12.5(a) of this Lease.
- (oo) “Lessee” shall have the meaning set forth in the preamble to this Lease.
- (pp) “Lessee's Intended Use” shall have the meaning set forth in Section 1.6 of this Lease.
- (qq) “Loss” shall have the meaning set forth in Section 8.1 of this Lease.
- (rr) “Master Plan” shall have the meaning set forth in Section 1.1 of this Lease.
- (ss) “Net Profit” shall have the meaning set forth in Section 12.6(a) of this Lease.
- (tt) “Offsite Drainage Improvements” shall have the meaning set forth in Section 4.1 of this Lease.
- (uu) “Partial Taking” shall have the meaning set forth in Section 10.3 of this Lease.
- (vv) “Permits” shall have the meaning set forth in Section 1.3(b) of this Lease
- (ww) "Permitted Transferees" shall have the meaning set forth in Section 12.6(a) of this Lease.
- (xx) “Permitted Uses” shall have the meaning set forth in Section 1.6 of this Lease.
- (yy) “Phase I EA” shall have the meaning set forth in Section 7.1(c) of this Lease.

- (zz) "Phase II EA" shall have the meaning set forth in Section 7.1(c) of this Lease.
- (aaa) "Plans" shall have the meaning set forth in Section 1.3(a), of this Lease.
- (bbb) "Premises" shall have the meaning set forth in Section 1.1 of this Lease.
- (ccc) "Renewal Term" shall have the meaning set forth in Section 2.3 of this Lease.
- (ddd) "Rent" shall have the meaning set forth in Section 3.4 of this Lease.
- (eee) "Rent Commencement Date" shall have the meaning set forth in Section 2.1 of this Lease.
- (fff) "Review Appraiser" shall have the meaning set forth in Section 3.3 of this Lease.
- (ggg) "Second Appraiser" shall have the meaning set forth in Section 3.3 of this Lease.
- (hhh) "Standards" shall have the meaning set forth in Section 4.1 of this Lease.
- (iii) "State" shall have the meaning set forth in Section 1.3(d) of this Lease.
- (jjj) "Substantial Completion" shall have the meaning set forth in Section 1.3 of this Lease.
- (kkk) "Survey" shall have the meaning set forth in **Exhibit "A-2"** of this Lease. .
- (lll) "Taking" shall have the meaning set forth in Section 10.1 of this Lease.
- (mmm) "Temporary Taking" shall have the meaning set forth in Section 10.5 of this Lease
- (nnn) "Term" or "Lease Term" shall have the meaning set forth in Section 2.3 of this Lease.

ARTICLE I

PREMISES AND PERMITTED USES

1.1 **Demise of Premises.** This Lease by and between the Authority and Lessee with respect to the Premises as defined hereinbelow. Subject to the terms and conditions set forth in this Lease, Authority hereby demises and leases to Lessee and Lessee hereby leases from Authority a parcel of land nine and ninety-nine (9.99) acres, more or less in size, located at the Airport ("Land") as generally depicted on the Boundary Survey by PEC, Inc., bearing Job No. 789058, dated May 10, 1989, a copy of which is attached hereto as Exhibit "A-1" and more particularly described on the survey attached as Exhibit "A-2" hereto and incorporated herein by reference, together with any buildings, structures, fixtures, fences, utility installations, parking facilities, landscaping and irrigation systems currently existing or hereafter located thereon, including Authority's Build-out of, as specified in Section 1.3 below, a hangar of approximately 21,000 square feet; 20,000 square feet of auto vehicle parking; a RUBB hangar of 12,000 square feet; and an approximately 80,000 square foot apron which shall be considered preferential to the Lease and Lessee shall be given priority and the first right to use during the Lease Term ("Improvements") (the Land and Improvements collectively referred to as the "Premises"). The Premises shall be more particularly defined and described in the updated Survey to be prepared by the Authority, at its expense, and provided to Lessee. The updated Survey shall be substituted for the description of the Premises hereunder and shall constitute what is being leased, at the rate set forth herein, by Lessee. Lessee leases the Premises subject to, and Lessee agrees to comply: (i) with all applicable building codes, zoning regulations, and municipal, county, state and federal laws, ordinances and regulations governing or regulating the Premises or its uses (collectively, the "Applicable Laws") (provided that Lessee shall have the right to contest Applicable Laws subject to the terms of Section 1.8 below), (ii) with all covenants, easements and restrictions of record, (iii) materially with all applicable conditions of the Greater Orlando Aviation Tenant Design Guidelines, dated January 1, 2000, as may be amended from time to time ("Airport Design Guidelines"), and (iv) materially with all applicable conditions of the Orlando International Airport Master Plan dated October 26, 2005, as may be amended from time to time (the "Master Plan").

1.2 **Condition of Premises.** The City of Orlando (the "City") is the owner in fee simple of the Premises, and the Authority presently operates the Premises under an Operation and Use Agreement with the City dated September 27, 1976, as amended (such Operation and Use Agreement, as amended, is hereinafter the "Operation and Use Agreement"). Pursuant to the Operation and Use Agreement, the Authority warrants to Lessee that Authority has the full power and authority to enter into this Lease and perform its obligations hereunder. Upon completion of the Improvements as specified in Section 1.3 and as otherwise provided herein, Lessee accepts the Premises "AS-IS". Except for Authority's obligations for Build-out as provided hereinbelow, Lessee acknowledges that Authority has made no representations or warranties relating to the suitability of the Premises for any particular use. Except for the completion of the Improvements, the Authority shall have no obligation whatsoever to repair, maintain, renovate or otherwise incur any cost or expense with respect to the Premises. Authority represents and warrants to Lessee that, as of the Effective Date, and upon completion of the

Improvements, Lessee's Intended Use of the Premises is a Permitted Use and is allowed under the rules, regulations and policies promulgated by Authority. Lessee shall not permit any unlawful nuisance, waste or injury on the Premises. Lessee agrees to surrender the Premises upon the expiration of this Lease, or earlier termination hereof, in a condition substantially similar to the condition of the Premises on the Rent Commencement Date (as hereinafter defined), ordinary wear and tear and insured casualty excepted.

1.3 Construction of Improvements/Build-out by Authority.

(a) Subject to the conditions set forth herein and receipt of the funds described in Section 1.3(c) below, Authority shall be responsible for the design, permitting and construction of the Improvements required for Lessee's Intended Use ("Build-out"). Lessee shall be given the opportunity to work in good-faith with Authority to create the Build-out specifications, which shall be completed no later than June 30, 2014. Subject to the Authority's confirmation of a commitment of funding by the State as provided in Section 1.3(c) below, within forty-five (45) days from the completion of the Build-out specifications Authority shall retain an architectural and engineering firm in accordance with Authority's procedures, which shall complete the Build-out construction drawings within sixty (60) days from the date retained to prepare same. Authority shall notify Lessee in writing when it commences work on the design and Authority and Lessee work together in good-faith with such architectural and engineering firm and any other consultants selected by the Authority in its discretion to determine a mutually agreed upon time frame for construction of Build-out (the "Construction Schedule"), scope of work and project budget, and final plans for the Build-out. The Authority within fifteen (15) business days from the completion of the Build-out construction drawings shall commence to advertise, receive bids and qualify the contractor or contractors to perform such work and promptly award the bid based on the lowest responsive and responsible bid in accordance with the Authority's procedures. The Authority shall solicit input from Lessee throughout the design process and Lessee shall be afforded an opportunity to review and comment upon the Build-out bid plans and specifications before it is released. Further, Lessee shall be provided reasonable notice and shall be afforded an opportunity to attend and to provide input at any and all meetings relating to the selection of a contractor and any and all meetings with the contractor once selected. The final design plans and specifications for the Build-out (the "Plans") shall be submitted to the Lessee for review and comment prior to commencement of construction. Lessee shall be specifically named as an intended third party beneficiary on all warranties issued by Authority for the Build-out.

(b) Upon completion of the Plans, Authority will diligently pursue all necessary permits and approvals for the Build-out (the "Permits"). Upon receipt of the Permits, Authority shall expeditiously commence and diligently pursue construction of the Build-out to completion in accordance with the Construction Schedule, the Plans, Permits and all Applicable Laws, subject to the receipt of the funds described in Section 1.3(c) below and events of Force Majeure. The Authority shall be deemed in compliance if the Authority has substantially completed the Build-out by in accordance with the Construction Schedule. "Substantial Completion" shall be defined as and mean that the Build-out is fully performed except for minor "punch list" items, the appropriate governmental authorities have issued any necessary approvals and the certificate of occupancy for the Build-out of the Premises, and Lessee has been notified in writing by

Authority that it may use the Premises for Lessee's Intended Use. Such date shall be referred to herein as the "Construction Completion Date."

(c) Notwithstanding anything herein the contrary, provided that the Authority has not already commenced procurement of design and and construction of the Build-out, Lessee may elect to accept the Lease and pursue design and construction of the Build-out by any procurement and project delivery method, including design-build, which complies with all Applicable Laws (including, without limitation Chapter 287 and 255, Florida Statutes) and Authority's requirements. In such event, the Rent Commencement date shall be the earlier of the date when both (i) the Comair Lease has expired or been earlier terminated and the Build-out completed, (ii) the date when both the Comair Lease has expired or been earlier terminated and one (1) year from the Effective Date, or (iii) the date when Lessee occupies the Premises for the Permitted Uses. Lessee shall be responsible to design, permit and construct the Build-out in accordance with all Applicable Laws, Permits, plans and specifications approved in writing by the Authority and the terms and conditions set forth in this Lease, including without limitation, **Exhibit "C"** . In the event the Lessee elects to pursue this option, and in the event the funds delineated in Subsection 1.3(d) below have been received by the Authority for expenses of Build-out, Authority shall reimburse the Lessee (or, at Lessee's direction, directly pay Lessee's contractor) Build-out expenditures. Lessee shall provide Authority with a detailed statement and supporting documentation of Build-out expenses incurred for such reimbursement request, in such form, content and format as required by State law and conditions relating to the State funding, and Authority shall reimburse such costs solely out of the State funds and/or the Delta Deferred Maintenance Paymen, if any, received by Authority as provided in Subsection 1.3(d) below and shall make such reimbursement payment promptly in accordance with applicable State law and conditions and requirements imposed by the State related to said funding.

(d) Delta Deferred Maintenance Payment – Delta Airlines ("Delta"), as successor to Comair, Inc., is the prior tenant of the Premises pursuant to a lease between the Authority and Comair, Inc. (the "Comair Lease"). Delta is responsible for returning the Premises to good working and acceptable condition. The Authority agrees to designate all funds received, if any, from Delta for deferred maintenance, repairs and replacements the "Delta Deferred Maintenance Payment") for Build-out of the Premises, including, without limitation, any ramp repairs and/or alterations. Any grant funds received through a joint project agreement ("JPA") or other State of Florida alternative governmental agency or fund for the cost of the Build-out including but not limited to the Florida Department of Transportation ("FDOT") or other State of Florida alternative governmental agency or fund (hereinafter the "State") together with the Delta Deferred Maintenance Payment shall be used by the Authority to pay contractors and others entitled to receive payment under terms and conditions contained herein and in accordance with federal and state law. In no event shall the Authority be obligated to spend any funds for the Build-out other than the State and the Delta Deferred Maintenance Payment funds received by the Authority for the Build-out. Notwithstanding anything herein the contrary, if at least \$3,500,000.00 for the Build-out is not approved by the State for funding in Fiscal Year 2015 and subsequently signed by the Governor and funded in accordance with the State's requirements, and if at least \$1,000,000.00 is not approved by the State for relocation costs owed by Lessee, then Lessee may (a) terminate this Lease without any recourse by written notice to Authority at any time prior to the Authority's written notice commencement of work as set forth in Section 1.3(b) above, (b) elect to accept the Lease and have up to two (2) years from final execution and

approval of the Lease to perform and complete at Lessee's expense the Build-out provided Lessee shall pay Rent at the Inducement Rent rate pursuant to Section 3.2 and Lessee is not otherwise in default under the Lease, or (c) in the event that only the \$3,500,000.00 and the Delta Deferred Maintenance Payment is funded, elect to accept the Lease and to have Authority commence the Build-out as delineated in this Section and Sections 1.3(a) and 1.3(b) above. In the event Lessee continues with the Lease, Lessee shall be responsible to design, permit and construct the Build-out in accordance with all Applicable Laws, Permits, plans and specifications approved in writing by the Authority and the terms and conditions set forth in this Lease, including without limitation, **Exhibit "C"**. In the event that the State provides funding, and in the unlikely event, as a result of value engineering and the Delta Deferred Maintenance Payment, that not all of the State funds are necessary for the Build-out, Authority shall request the state to allocate the remaining funds for improvements to the Premises as mutually agreed by the parties in good faith, but such allocation shall be subject to approval by the State. Without limiting anything contained herein, it is a condition precedent to any of the Authority's obligations to design, permit and construct the Build-out that Authority receives funds from the State to cover such costs, as contemplated herein, and Authority shall not be obligated to provide any other funding of such costs. Any future construction on the Premises by Lessee shall be subject to the prior written consent and approval of Authority and shall be performed in accordance with all Applicable Laws, Permits, plans and specifications approved in writing by the Authority and the terms and conditions set forth in this Lease, including without limitation, **Exhibit "C"**.

1.4 Quiet Enjoyment. Authority agrees that, so long as no Event of Default (as hereinafter defined) has occurred and is continuing after written notice, Lessee shall peaceably and quietly have, hold and enjoy the Premises and other rights granted hereunder in accordance with the terms and conditions of this Lease.

1.5 Permitted Uses. Lessee intends to use the Premises only for purposes of a commercial aircraft hangar with attached administrative offices and the adjacent RUBB hangar shall be used for support purposes and storage of aircraft and for activities related to aircraft maintenance, airline operations support, and the operations of Lessee's or Lessee's Affiliates' aircraft ("Lessee's Intended Use"). Lessee may also perform maintenance services on aircrafts of other airlines (provided any such airline is a Part 91 or 121 certificated carrier as designated by the Federal Aviation Administration) in which event Lessee shall pay Authority a fee based on a percentage of any receipts arising therefrom equal to the then applicable percentage fee being charged for such services being performed by other airlines providing such similar services at the Airport. The uses set forth herein are the only uses allowed under this Lease without the Authority's prior written consent in its sole and absolute discretion (the "Permitted Uses"). Lessee acknowledges and agrees that any use of the Premises for purposes other than the Permitted Uses may result in tax-related consequences to Lessee, which consequences shall be the exclusive responsibility of Lessee.

1.6 Signage. All signage on the Premises shall comply with the Airport Design Guidelines regarding signage (a copy of which Airport Design Guidelines has been or shall be provided to Lessee no later than the date of execution hereof), as such guidelines may be amended from time to time, and must be approved in writing by the Authority before being installed. Such approval shall not be unreasonably withheld, conditioned or delayed.

1.7 **Contest of Applicable Laws.** Lessee may exercise any rights provided by law to contest the Applicable Laws and shall not thereby be deemed in default under this Lease, provided: (i) no Event of Default has occurred and is continuing hereunder; (ii) upon request by the Authority, Lessee shall provide security reasonably satisfactory to the Authority assuring compliance with such Applicable Laws and protecting Authority and the Premises against any penalty, fine, charge or other expense which may arise as a result of any delay in compliance therewith; (iii) such contest shall operate to suspend enforcement of compliance with the Applicable Laws; and (iv) such contest is maintained and prosecuted by Lessee, at Lessee's cost, with due diligence.

ARTICLE II

TERM OF LEASEHOLD

2.1 **Initial Term, Rent Commencement Date, & Expiration Date.** The commencement of the term of this Lease is expressly contingent and conditioned upon the expiration or earlier termination of Comair Lease. The Initial Term of this Lease is defined as the period commencing on the date when both (i) the Comair Lease has expired or upon the earlier termination thereof, and (ii) the Construction Completion Date has occurred (the "Rent Commencement Date") and ending on the date that ten (10) years from the Rent Commencement Date unless sooner terminated in accordance with the terms and provisions hereof, subject to renewal as provided in Section 2.2 below (the "Expiration Date").

2.2 **Renewal Terms.** Provided that (i) no Event of Default has occurred and is continuing at the time Lessee exercises each of its options to renew set forth herein, and (ii) no Event of Default has occurred and is continuing at the time any such option would otherwise become effective, Lessee shall have the option to extend the term of this Lease for four (4) consecutive additional terms of five (5) years each (each, a "Renewal Term") by notifying the Authority in writing of Lessee's exercise of the option at least one hundred twenty (120) days prior to the expiration of the Initial Term or applicable Renewal Term, the rental for each such Renewal Term to be calculated pursuant to Section 3.2 below.

2.3 **Term.** References in this Lease to the "Term" or "Lease Term" of this Lease shall mean the Initial Term and any Renewal Term, as applicable.

ARTICLE III

ANNUAL RENT

3.1 **Annual Rent.** Lessee shall pay to the Authority initial annual rent (the "Initial Annual Rent") for each twelve-(12) month period or portion thereof during the Initial Term and any Renewal Term of this Lease, beginning on the Rent Commencement Date, in the amount detailed below, which Annual Rent shall be payable on or before the first day of each calendar month (or partial calendar month) thereafter, in amounts equal to one-twelfth (1/12) of the Annual Rent then due, in advance, in lawful money of the United States, without deduction or set-off (except as otherwise expressly provided in this Lease), at the office of the Authority's Chief Financial Officer. Annual Rent for a partial month during the Initial Term or any Renewal

Term of this Lease shall be prorated based on the number of days in such month. Lessee represents and warrants to Authority that Lessee has obtained a direct pay permit from the State of Florida which allows Lessee to pay any applicable sales tax on Annual Rent directly to the State of Florida (the "Direct Pay Permit"), and that such Direct Pay Permit was in full force and effect as of the Effective Date. Upon execution of this Lease, Lessee shall furnish a copy of the Direct Pay Permit to the Authority and shall furnish Authority with a copy of a current Direct Pay Permit at least annually and upon request by the Authority from time to time throughout the Term. Furthermore, for so long as the Direct Pay Permit is in effect, Lessee shall timely pay all sales or rental tax due in conjunction with this Lease directly to the State of Florida prior to delinquency in accordance with Applicable Laws and the Direct Pay Permit. Lessee shall promptly provide written notice to the Authority in the event the Direct Pay Permit is suspended, revoked, not renewed or otherwise no longer in effect, upon which event Lessee shall pay applicable sales or rent tax on each installment of Annual Rent to Authority together with each installment of Annual Rent. Lessee shall indemnify and hold Authority and City harmless from any tax, imposition, loss, cost or expense that Authority or City may incur, together with any penalties and interest thereon, as a result of Lessee's failure to pay any sales or rent tax due on the Annual Rent in accordance with the Direct Pay Permit or otherwise.

3.2 Calculation of Annual Rent.

(a) Beginning on the Rent Commencement Date and during the initial five (5) years of the Term of this Lease, Lessee shall pay to the Authority Annual Rent in the amount of \$130,500.00 per year payable in monthly installments of \$10,875.00. Beginning on the fifth (5th) anniversary of the Rent Commencement Date, and every five (5) years thereafter through the end of the Initial Term and, except as set forth in Section 3.2(b) below, each Renewal Term, as applicable (the "Adjustment Date(s)"), the Annual Rent shall be increased to the Fair Market Value (as defined in Section 3.3. below) for property comparable to the Land, including the Improvements, as established by appraisal as provided in Section 3.3 below ("Fair Market Rental"); provided, however, in no event shall the amount of the Annual Rent ever be decreased except as otherwise provided in this Lease, and no individual increase in Annual Rent as a result of the appraisal process set forth in Section 3.3 below shall exceed ten (10%) percent over the amount of Annual Rent for the previous five (5) year period (the "Annual Rent Increase Limit").

(b) During the first twelve (12) months of the Initial Term, an inducement rent shall be in effect in the amount of fifty (50%) percent of the Annual Rent which is \$65,250.00 per year, payable in monthly installments of \$5,437.50 (the "Inducement Rent").

(c) The savings from the Inducement Rent shall be invested by Lessee in the Premises for proprietary improvements, systems or equipment, spread over the first five (5) years of the Initial Term.

3.3 Fair Market Value. The Fair Market Value (as hereinafter defined) of: (a) the Land and the Improvements, in the case of any adjustment of Annual Rent pursuant to Section 3.2(a) above; or (b) the Land and all Improvements, in the case of any adjustment of Annual Rent pursuant to Section 3.2(a) above, shall be determined by appraisal: (i) within six (6) months of the date on which an adjustment to the Annual Rent is to become effective pursuant to Section 3.2(a); or (ii) within thirty (30) days of the date on which an adjustment to Annual Rent becomes

effective, and shall be based on the value of comparable property in the Orlando area, and shall not be restricted to the consideration of properties located at the Airport (the "Fair Market Value"). The Authority hereby advises Lessee that, as of the Effective Date, the appraised value of the Premises for aviation use is \$0.60 per square foot. The Authority shall select a qualified appraiser ("First Appraiser") and notify Lessee of such selection, and the First Appraiser shall proceed to determine the then Fair Market Value and shall provide Lessee and Authority with a copy of such appraisal. If Lessee is not satisfied with the First Appraiser's appraisal, Lessee, within thirty (30) days after receipt of such appraisal, shall notify Authority of Lessee's selection of a second appraiser ("Second Appraiser"). Within thirty (30) days after selection of the Second Appraiser, Lessee shall furnish Authority with the Second Appraiser's appraisal. If Lessee does not so select a Second Appraiser and notify Authority of such selection within such thirty (30) day period and/or does not deliver the Second Appraiser's appraisal to Authority within thirty (30) days after selection of the Second Appraiser, the First Appraiser's appraisal shall be conclusive as to the then Fair Market Value. If a Second Appraiser is so selected, the First and Second Appraisers shall meet within fifteen (15) days after the Second Appraiser has completed its appraisal and, if the First and Second Appraisers cannot agree, within fifteen (15) days after such meeting, on the then Fair Market Value, then the First and Second Appraisers shall select a qualified third appraiser (the "Review Appraiser") to provide a review appraisal with respect to the First Appraiser's appraisal and the Second Appraiser's appraisal. (If the First and Second Appraisers cannot agree upon a Review Appraiser within fifteen (15) days, Lessee shall select an independent Review Appraiser from the Authority's list of approved appraisers). The Review Appraiser shall determine the Fair Market Value, which may not exceed the highest appraisal or be less than the lowest appraisal of the First Appraiser and Second Appraiser. The Fair Market Value as determined by the Review Appraiser shall be conclusive, and the Fair Market Rental or the Renewal Fair Market Rental, as the case may be, will be based upon the Fair Market Value as certified by the Review Appraiser.

Each party shall pay the fees and expenses of each appraiser appointed by such party, and the fees and expenses of the Review Appraiser and all other expenses, if any, shall be borne equally by both parties. Any appraiser designated to serve in accordance with the provisions of this Lease shall be designated as an "MAI" appraiser by the American Institute of Real Estate Appraisers or shall be comparably qualified to appraise commercial real estate, shall be disinterested and shall have been actively engaged in the appraisal of real estate for a period of not less than five (5) years immediately preceding his appointment.

In the event the then Fair Market Rental or Renewal Fair Market Rental, as the case may be, has not been determined in accordance with the provisions of this Section until after the date upon which the required adjustment is to become effective, the Annual Rent shall be based upon the Fair Market Value (subject to the Annual Rent Increase Limit in the case of any adjustment pursuant to Section 3.2(a) above, as determined by the First Appraiser appointed by the Authority as described above, or in the event such appraisal has not yet occurred, the Annual Rent previously in effect shall continue in effect, until such Fair Market Value and new Annual Rent is determined in accordance with the provisions of this Section. Once determined, the new Annual Rent shall become effective, retroactive to the date upon which such adjustment was required, and within thirty (30) days after the Lessee has received notice of the new Annual Rent, Lessee shall pay to Authority any additional Annual Rent that is due and owing, or if applicable,

the Authority shall reimburse Lessee for the amount of any overpayment of Annual Rent. Authority's obligation to so reimburse Lessee shall survive termination of this Lease.

3.4 Additional Rent. Any amounts specified herein as part of the rent due from Lessee under this Lease shall be in addition to the amount of Annual Rent due from Lessee (the "Additional Rent") (Annual Rent and Additional Rent, collectively, "Rent"). For any amount of Additional Rent due under this Lease, Authority shall furnish Lessee with an invoice setting forth the nature and amount of such Additional Rent, and payment of such Additional Rent shall be made in full within ten (10) days following the receipt of such invoice.

3.5 Delinquent Rent. Any installment of Annual Rent, Additional Rent, or other amounts due from Lessee under this Lease, that is not received within ten (10) days after written notice from Authority to Lessee of Authority's failure to receive such amount, shall bear interest from the date when the same was due until paid by Lessee at the interest rate of twelve (12%) per annum.

ARTICLE IV

MAINTENANCE AND UTILITIES

4.1 Maintenance. During the entire Term of this Lease, Lessee shall, at its sole cost and expense, keep and maintain the Premises (other than the offsite drainage improvements, if any, serving the Premises, referred to herein as "Offsite Drainage Improvements," which shall be the Authority's obligation to maintain at its expense in accordance with the terms of this Lease), including, without limitation, the roof, exterior walls and foundation of any buildings, the electrical, HVAC, plumbing and security systems, fixtures, trade fixtures, machinery, furnishings, signage and all other portions of the Improvements (other than the Offsite Drainage Improvements, which shall be the Authority's obligation to maintain at its expense in accordance with the terms of this Lease), in good repair and working order (reasonable wear and tear and insured casualty excepted), and in a clean, properly maintained and safe condition. The Land and exterior of the Improvements shall be maintained by Lessee in a high quality condition consistent with other facilities at the Airport and in accordance with applicable City and Authority regulations. All maintenance, repairs and replacements shall be of quality at least equal to the original in materials and workmanship. The Authority shall assign any existing warranties or maintenance agreements for the Premises to Lessee. Lessee shall promptly repair, at its expense and in a manner reasonably acceptable to Authority, any damage to Authority's property or to the property of others caused by Lessee or its officers, agents, employees, and contractors. Lessee shall keep and maintain all grass and landscaping on the Premises in a neat and attractive manner consistent with other facilities at the Airport. Authority shall maintain the Offsite Drainage Improvements in accordance with standards and requirements promulgated by the Authority and any governmental agencies having jurisdiction over such Offsite Drainage Improvements, including but not limited to the Federal Aviation Administration, the City and the South Florida Water Management District ("Standards"). Upon not less than twenty-four (24) hours prior notice (except in cases of emergency), during business hours and accompanied by a representative of Lessee, the Authority shall have the right to enter the Premises to determine whether or not Lessee is complying with its maintenance obligations hereunder.

4.2 Trash and Garbage. During the entire Term of this Lease, Lessee shall be responsible for the storage, collection and removal from the Premises of all trash, garbage and other refuse resulting from Lessee's activities on the Premises. Lessee shall provide appropriate, covered, metal receptacles for trash, garbage and other refuse, will maintain the receptacles in a safe and sanitary manner, and will store receptacles in inconspicuous places on the Premises that are screened from public view in accordance with the Airport Design Guidelines.

4.3 Utilities. During the entire Term of this Lease, Lessee shall be responsible, at Lessee's sole cost and expense, for costs related to utility services on or within the Premises; provided, however, Lessee shall not be responsible for the maintenance of any utilities located off the Premises. Except as otherwise provided herein, Lessee agrees that Authority shall have no liability to Lessee arising out of any failure or interruption of utility service to the Premises, unless such failure or interruption was caused by the negligence or willful misconduct of the Authority. For purposes of this Section 4.3, the acts of a third party shall not constitute acts within the control of Authority unless such acts were authorized by Authority. If any failure or interruption of utilities to the Premises is caused by actions of the Authority, its employees, contractors or agents within the reasonable control of Authority, and, as a result, the Premises is rendered unusable by Lessee for a continuous period of five (5) consecutive days after Lessee gives Authority written notice thereof, then Lessee shall be entitled to an abatement of Annual Rent for the period beginning on the day after such five (5) day period ends and continuing until the date that such utility service is restored to the Premises. In the event that such failure or interruption of utility service is a result of Force Majeure or acts of a third party not authorized by Authority (including, without limitation, other tenants or licensees of the Authority), Lessee shall not be entitled to any abatement of Annual Rent, and Authority shall have no liability to Lessee in connection therewith.

ARTICLE V

TAXES

5.1 Property Taxes and Assessments. There are currently no ad valorem taxes or assessments imposed on the Premises. In the event ad valorem taxes or assessments are subsequently imposed on the Premises, Lessee shall pay when due all taxes (including, without limitation, ad valorem taxes, if any are required to be paid), assessments (including, without limitation, stormwater utility charges) and impact fees levied against or in connection with the Premises, Lessee's leasehold interest therein, and any Improvements thereto, and shall pay when due all taxes and assessments levied against Lessee's personal property located on the Premises or otherwise arising out of Lessee's occupation, use of or operations on the Premises. Notwithstanding the foregoing, Lessee shall have no obligation with respect to ad valorem taxes with respect to the Offsite Drainage Improvements. In the event Lessee fails to pay such taxes and assessments when due, Lessee shall be obligated to pay all resulting interest and penalties on such delinquent taxes and assessments. To avoid delinquency, Authority shall have the right, but not the obligation, to pay any such taxes or assessments on behalf of Lessee and to collect the amount of such payment from Lessee, together with interest assessed by any taxing authority having jurisdiction, as Additional Rent. If the Term of this Lease expires or is earlier terminated prior to the close of the tax year for which any such tax is payable, or if the Term of this Lease commences on a date other than the first day of such tax year, Lessee shall be responsible for

paying a percentage of the tax calculated by dividing the number of days that this Lease was in effect during such tax year by the total number of days in such tax year. If this Lease is in effect for a period less than any entire period for which an assessment other than a tax is imposed, Lessee shall pay a percentage of the assessment calculated by dividing the number of days this Lease was in effect during that assessment period by the total number of days in the assessment period.

5.2 Taxes. Lessee may exercise any and all rights provided by law to contest or pay under protest any taxes and shall not thereby be deemed in default under this Lease, provided that such contest or payment under protest does not result in the imposition of a lien for delinquent taxes on the Premises or any Improvements and Lessee promptly pays all taxes and assessments (and any interest and penalties with respect thereto) ultimately determined to be due. No provision of this Lease shall be construed as a release or waiver on the part of Authority or the City of the right to assess, levy or collect any license, personal property, intangible, occupation or other tax which they, or either of them, may lawfully assess, levy or collect on the business or property of Lessee. Lessee's obligations under this Article shall survive the expiration or earlier termination of the term of this Lease.

5.3 Payment of Sales Tax. Lessee shall be liable, at its sole cost and expense, for any sales, use or similar taxes if imposed by law with respect to all Annual Rent, Additional Rent, and other payments made by Lessee in accordance with the provisions of this Lease. Lessee shall indemnify, defend and hold Authority completely harmless from and against any liability, including any interest and penalties, which might arise in connection with Lessee's failure to timely remit any such taxes, whether remitted directly to the State of Florida or remitted to Authority as provided in Section 3.1 above.

ARTICLE VI

INSURANCE

6.1 Hazard Insurance. Lessee shall, at its sole expense, and/or shall cause its contractors and subcontractors at their sole expense to obtain and maintain throughout the Term of this Lease, property insurance on and for all Improvements, now or hereafter erected, installed or used at the Premises above the foundation thereof, on a replacement cost basis in an amount of not less than \$3,100,000.00 (without deduction for depreciation), for the benefit of Authority, the City, and Lessee as their interests may appear, with such coverages, in such form, and with such company or companies as Authority shall approve (which approval shall not be unreasonably withheld, conditioned or delayed), including coverage for damage by fire, the elements or other casualty with standard extended endorsements. Lessee is not required to maintain such casualty insurance as to the Offsite Drainage Improvements or any Improvements located more than 1,000 feet from the Premises. Lessee is responsible for insuring its real and personal property located at the Premises. Lessee alone will be responsible for the sufficiency of its own insurance program. Lessee, on behalf of itself and its insurance carriers, hereby waives any and all rights of recovery which it may have against Authority or the City, or any other party who it is required to indemnify in accordance with the provisions of Article VIII below, for any loss of or damage to property it may suffer as a result of any fire or other peril insured under an insurance policy which it is required to obtain hereunder, except to the extent such loss or damage was caused by

the misconduct or negligence of Authority or City, or any other party who it is required to indemnify in accordance with the provisions of Article VIII below. All insurance obligations under this Section 6.1 shall likewise be applicable to any and all subtenants, contractors or licensees of Lessee.

6.2 Liability Insurance. Lessee shall, at its sole expense, and/or shall cause its contractors and subcontractors at their sole expense to obtain and maintain throughout the Term of this Lease, (i) automobile liability insurance on all automobiles used in connection with its or their operations with policy limits of not less than \$1,000,000 Combined Single Limit covering each motor vehicle operated and (ii) commercial general liability insurance in the amount of not less than \$5,000,000 per occurrence protecting the Authority, the City, and Lessee (including, without limitation, all members of the governing board of Authority, the Orlando City Council and the citizens advisory committees of each), officers, agents and employees of each, from and against any and all liabilities arising out of or relating to Lessee's Permitted Uses, or the conduct of its or their operations on the Premises (except to the extent that any loss or damage is caused by the willful misconduct or gross negligence of Authority or City), with self-insured retention or deductible not to exceed \$50,000, in such form and with such company or companies as Authority shall approve, which approval shall not be unreasonably withheld, conditioned or delayed, and, with respect only to such insurance maintained by Lessee, with insurance companies that are insurers of internationally recognized reputation in the aviation market. Subject to such policy terms, conditions, limitations and exclusions in accordance with Authority Policy 1130, such insurance shall include contractual liability coverage for Lessee's covenants to indemnify the Authority, the City and the other parties as required under this Lease, except contractual liability coverage shall not apply to indemnity relating to Hazardous Substances, environmental matters or security issues as set forth in Section 13 of **Exhibit "F"** hereto, and shall provide that it is primary insurance as respects any other valid and collectible insurance the Authority or any of the other additional insureds may possess, including any self-insured retention or deductible any of them may have, and that any other insurance carried by any of them shall be considered excess insurance only. All insurance obligations under this Section 6.2 shall likewise be applicable to any and all subtenants, contractors or licensees of Lessee.

6.3 Workers' Compensation. Lessee shall keep in force, at its sole expense, workers' compensation or similar insurance affording the required statutory coverage and requisite statutory limits. Lessee shall also maintain throughout the term of this Lease employer's liability insurance with limits of liability of not less than \$500,000 for each of the "each accident," "disease policy limit," and "disease each employee coverage," or a self-insured program with comparable coverage. Such workers' compensation and employer's liability insurance or self-insured program shall contain a waiver of any right of subrogation against Authority or the City or any members (including without limitation, any members of the governing board of the Authority, the Orlando City Council, or the citizens advisory committees of each), officers, employees or agents of each.

6.4 Certificates of Insurance. Within thirty (30) days after the Rent Commencement Date of this Lease, and within thirty (30) days after the expiration of any policy or policies provided by Lessee hereunder, Lessee shall furnish an original certificate of insurance to Authority evidencing such coverage, naming the Authority and the City as loss payee, as its interests may appear, under the property insurance required under Section 6.1, and naming the

Authority and the City as additional insureds under the liability policies required under Section 6.2, and confirming that no cancellation or material change of the policy or policies, or decrease in the liability limits below the amounts required hereunder, which would adversely affect the interests of the Authority and the City, will be made without thirty (30) days' (10 days in the event of non-payment of premium) prior written notice thereof to Authority. Lessee shall provide Authority with certificates of insurance evidencing the coverage required in Article VI of the Agreement. If Lessee fails to comply with the terms of this Section, Authority, shall have the right, but not the obligation, to cause insurance as referenced herein to be issued, and in such event Lessee shall pay the premium for such insurance, as Additional Rent, on the next monthly due date of Annual Rent. Authority shall have the right, exercisable on one hundred twenty (120) days' prior written notice to Lessee, to require Lessee, from time to time, to reasonably increase the monetary limits or coverages provided by such policy or policies.

6.5 Insurance Requirements. All insurance policies and coverages to be maintained by Lessee and/or its contractors and subcontractors under this Article VI shall be in accordance with the Authority's Risk Management/Safety policies and procedures contained in the Authority's Policy and Procedure Manual (a copy of which has been or shall be provided to Lessee not later than the date of execution of this Lease), as modified from time to time (the "Insurance Requirements"), such required insurance coverage maintained by Lessee (but not that required to be maintained by Lessee's contractors and/or subcontractors) to be maintained with insurance companies that are insurers of internationally recognized reputation in the aviation market. Lessee shall cause its contractors, subcontractors, agents, licensees and permittees accessing the Premises to maintain insurance coverage in accordance with the Insurance Requirements and with providers as required by the Insurance Requirements, and shall furnish evidence of such insurance coverage prior to any contractor, subcontractor, agent, licensee or permittee of Lessee entering upon the Premises. Notwithstanding the foregoing, if this Lease provides for higher coverages or imposes greater insurance obligations on Lessee than are otherwise set forth in the Insurance Requirements, the terms of this Lease shall control.

ARTICLE VII

ENVIRONMENTAL

7.1 Environmental Obligations.

(a) Lessee shall comply with all "Environmental Laws", which are defined as all applicable federal, state and local statutes, laws, ordinances, regulations, administrative rulings, orders and requirements pertaining to the protection of the environment and environmental conditions, health and safety, including but not limited to, the Authority's rules and regulations, and including, but not limited to those regulating the use, storage, handling and disposal of any "Hazardous Substances." As used herein, "Hazardous Substances" are defined as any contaminant, toxic or hazardous waste, or any other substance the removal of which is required or the use of which is restricted, prohibited or penalized under any Environmental Law(s), including, without limitation, asbestos or petroleum products. Further, during the Term of this Lease, neither party to this Lease nor any agent or party acting at the direction or with the consent of either party hereto shall use, store, handle or dispose of by any means any Hazardous Substances at the Premises, except that Lessee shall be entitled to use, store, handle or dispose of

Hazardous Substances of the type and in the quantities typically used by companies performing similar aviation services in accordance with all applicable Environmental Laws. Notwithstanding any other provision hereof, Lessee does not undertake any liability resulting from, or any obligation to remediate, or to take any other action with respect to any environmental condition not attributable to actions at the Premises (or elsewhere at the Airport) by Lessee, its officers, employees, agents, contractors, subcontractors, licensees or invitees or otherwise arising out of Lessee's use or occupancy of the Premises.

(b) Upon reasonable prior written notice to Lessee, the Authority may conduct or cause to be conducted through a third party that it selects, an environmental audit or other investigation of Lessee's operations to determine whether Lessee has breached its obligations under subparagraph 7.1(a) above, provided that the Authority has received notice or has a reasonable basis to believe that such a breach or a release of Hazardous Substances on the Premises has occurred. Lessee shall pay all costs associated with any such investigation conducted by a third party environmental contractor if such investigation shall disclose any such breach by Lessee, otherwise such costs shall be paid by the Authority. The Authority shall pay all costs associated with any investigation conducted by Authority or its employees, as opposed to a third party consultant.

(c) Authority has delivered to Lessee an environmental site assessment report for the Premises (the "Environmental Study") together with written confirmation from the engineer in favor of Lessee that the Lessee may rely upon the contents of such Environmental Study, which shall be prima facie evidence of the environmental condition of the Premises as of the date of such Environmental Study. Within thirty (30) days prior to the expiration or termination of this Lease, Lessee shall commence a Phase I Environmental Assessment ("Phase I EA") in accordance with ASTM Standard E-1527, or such other commonly recognized standard as may be in effect at that time. If the Phase I EA reveals any areas of environmental concern that were not disclosed in the Environmental Study and which, in the Authority's reasonable discretion, warrant further investigation, Lessee shall commence an appropriate Phase II Environmental Assessment ("Phase II EA") including sampling and analysis of soil and groundwater necessary to determine whether or not contamination has occurred. Copies of any environmental assessment performed shall be provided to the Authority upon completion and shall be certified to be for the benefit of the Authority by the environmental consultant performing the environmental assessment. In the event that any Phase I and Phase II EA report identifies an environmental condition that is attributable to actions at the Premises (or elsewhere at the Airport) by Lessee, its employees, agents, contractors and subcontractors or otherwise arising out of Lessee's use or occupancy of the Premises, Lessee shall promptly undertake and pursue diligently to completion any remedial measures required by any governmental authority having jurisdiction.

(d) To the extent allowable under law, Lessee shall be deemed a third party beneficiary of the environmental indemnification contained in the Comair Lease and may seek all remedies available to Authority in connection with any environmental contamination caused by Comair, Delta or in any way connected with Comair or Delta's leasing of the Premises.

(e) The provisions of this Section 7.1 shall survive the expiration or earlier termination of the term of this Lease.

7.2 **Authority's Environmental Obligations.** Authority shall comply with all Environmental Laws in connection with its activities affecting the Premises. To the extent permitted by applicable law, Authority agrees to indemnify and hold harmless Lessee for: (i) any violations of any Environmental Law, or the presence of any Hazardous Substances in violation of any Environmental Law affecting the Premises that existed, prior to the Effective Date, to the extent not caused by Lessee, its agents, employees, representatives, officers, contractors or licensees; (ii) any release of Hazardous Substances onto the Premises in violation of any Environmental Law which is caused by the acts or omissions of Authority, its agents, employees, representatives, officers, contractors or licensees and which adversely interferes with Lessee's use, operation or quiet enjoyment of the Premises or imposes any financial obligations of cleanup by Lessee required by any Environmental Law; and (iii) any costs incurred by Lessee for correction of any violation of Environmental Laws if Lessee and/or Authority is required by law to perform such correction arising from the presence of Hazardous Substances on the Premises occurring after the Effective Date and not caused by or arising from the use or occupancy of the Premises by, or operations on the Airport by, Lessee, its sublessees or their respective employees, contractors, agents or licensees. In the event that Authority's indemnification is deemed to be invalid, Lessee shall be considered an intended third party beneficiary on any and all other indemnifications and insurance policies that may have been entered into with or on behalf of the Authority relating to same.

ARTICLE VIII

INDEMNIFICATION

8.1 **Lessee Indemnification.** Except as limited elsewhere in this Lease including by Article VII above, Lessee shall indemnify, defend and hold completely harmless Authority and the City, from and against any and all liabilities (including, but not limited to, liability with respect to any Hazardous Substances and liability under the Comprehensive Environmental Response, Compensation and Liability Act, as it may be amended from time to time ("CERCLA"), and any other Environmental Law), losses, suits, claims, demands, judgments, fines, damages, penalties, costs and expenses (including all costs for exercising all rights under this Article VIII, investigation and defense thereof, including, but not limited to court costs, reasonable expert fees and reasonable attorneys' fees and costs, including fees and charges for the services of paralegals or other personnel working under the supervision of such attorneys ("Attorneys' Fees") (all of the foregoing, collectively, "Loss") that may be incurred by, charged to or recovered from any of the indemnified parties to the extent that such Loss: (i) arose by reason or on account of damage to or destruction of any property of Authority or the City, or any injury to or death of any person arising out of any construction by Lessee or Lessee's use, occupancy or maintenance of the Premises or any Improvements (provided, however, that as to the Offsite Drainage Improvements, Lessee shall only be responsible for Loss arising from the construction, use or operation by, or at the direction of Lessee, as opposed to maintenance, which is the responsibility of Authority hereunder), or the Lessee's operations thereon, or the acts or omissions of Lessee's officers, employees, agents, contractors, subcontractors, licensees or invitees, regardless of where the damage, destruction, injury or death occurred, except to the extent that such Loss was proximately caused by the party to be indemnified hereunder, (ii) arose out of the failure of Lessee to keep, observe or perform any of the covenants or agreements in this Lease to be kept, observed or performed by Lessee, or (iii) was imposed on or assessed

against the Authority by reason of or arising out of any act or omission on the part of Lessee, any subtenant or any other person acting by, through or for Lessee or any subtenant of Lessee. Authority agrees to give Lessee reasonable written notice of any suit or claim for which indemnification will be sought by it hereunder, to allow Lessee or its insurer to compromise and defend the same to the extent of its interest and to reasonably cooperate with the defense of any such suit or claim. In carrying out its obligations under this Section 8.1, Lessee shall use counsel reasonably acceptable to the Authority. For purposes of the foregoing sentence, counsel for Lessee's insurer shall be deemed to be acceptable to Authority. The provisions of this Section 8.1 shall survive the expiration or earlier termination of this Lease with respect to any acts or omissions occurring during the term of this Lease.

8.2 Authority Indemnification. Except as may be otherwise provided or limited in this Lease, to the extent permitted by applicable law, the Authority shall indemnify, defend and hold Lessee and its officers, employees and agents completely harmless from and against any and all Loss that may be incurred by, charged to, or recovered from, any of the indemnified parties to the extent that such Loss: (i) arose out of the Authority's failure to keep, observe or perform any of the covenants or agreements that the Authority must keep, observe or perform by virtue of the terms of this Lease; (ii) materially adversely affects Lessee's use and operation of the Premises for the Permitted Uses and was imposed on or assessed against the indemnified party by reason of any act or omission of the Authority in connection with (a) the operation of the Airport or (b) activities with respect to this Lease; and (iii) matters covered by employer or workers compensation insurance including waiver of subrogation and notice of cancellation. Notwithstanding the foregoing, Authority shall not be obligated to indemnify Lessee for any act or omission of Authority in connection with: (i) requirements imposed upon Authority by Applicable Laws or imposed upon Authority's use and operation of the Airport by any governmental agency having jurisdiction over the Airport, or (ii) rules, policies, regulations or requirements promulgated by Authority that are generally applicable to all tenants, licensees and/or users of the Airport. Lessee agrees to give Authority reasonable written notice of any suit or claim for which it will seek indemnification in accordance with the terms of this Section 8.2, to allow Authority or its insurer to compromise and defend the suit or claim to the extent of its interest and to reasonably cooperate with the defense of any such suit or claim. In carrying out its obligation under this Section 8.2, Authority shall use counsel reasonably acceptable to Lessee. For purposes of the foregoing sentence, counsel for Authority's insurer shall be deemed to be acceptable to Lessee. To the extent the foregoing indemnity extends to claims arising in tort, the Authority's liability will not exceed that which may be recovered against the Authority by virtue of Section 768.28, Florida Statutes. The provisions of this Section 8.2 shall survive the expiration or earlier termination of the term of this Lease with respect to any acts or omission occurring during the term of this Lease.

ARTICLE IX

DESTRUCTION OF IMPROVEMENTS

9.1 Obligations of Lessee. In the event the Improvements are damaged or destroyed in whole or in part by fire or other casualty, Lessee shall give prompt written notice thereof to Authority, and subject to the terms of Section 9.2 below, Lessee, at its own expense, shall promptly repair, replace and rebuild the same, at substantially the same value and character as

the Improvements existing immediately prior to such time. In the event the damage to the Premises is so substantial that Lessee is unable to conduct business on the Premises for a period of more than sixty (60) consecutive days, Lessee may terminate this Lease, upon assignment of all casualty insurance proceeds for the Premises and all of Lessee's right, title or claim thereto to the Authority, in which event Lessee shall be relieved of all liability under the Lease and any remaining Term. If Lessee does not terminate this Lease, damage to the Improvements shall not cause an abatement of Lessee's obligation to pay Rent to Authority or make any other payments required to be made under this Lease.

9.2 Insurance Proceeds. Upon receipt by Lessee and the Authority of the proceeds of any property or builder's risk insurance policy or policies, Lessee and the Authority shall deposit same in an interest-bearing escrow account to pay for the cost of such repair, replacement and rebuilding. Lessee shall receive and hold such proceeds (and any interest earned thereon) in trust for such work, and Lessee shall distribute such proceeds (and any interest earned thereon during construction) solely to pay the cost of such work. If the amount of such insurance proceeds (together with the interest earned thereon) is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged Improvements, Lessee shall pay any additional sums required, and if the amount of such insurance proceeds (together with the interest earned thereon) is in excess of the costs thereof, the amount of such excess shall be retained by Lessee. Notwithstanding anything in this Section 9.2 to the contrary, Lessee shall solely be entitled to receive and retain any insurance proceeds for Lessee's personal property, including any aircraft or Equipment not funded in connection with Build-out. Further, notwithstanding the language of this Section 9.2, in the event of total or partial destruction of the Premises, the parties will mutually evaluate a course of action that makes commercial sense regarding (i) insurance proceeds and (ii) whether or not this Lease should be terminated.

ARTICLE X

CONDEMNATION

10.1 Notice of Condemnation. The party receiving any notice in connection with any proceedings or negotiations with respect to an actual or potential condemnation proceeding by a third party governmental agency (a "Taking") shall promptly give the other party notice of the receipt, contents and date of the notice received.

10.2 Rights of Authority and Lessee. Authority and Lessee shall each have the right to represent its respective interests in each proceeding or negotiation with respect to a Taking. Authority and Lessee each agrees to execute and deliver to the other any instrument that may be required or which would facilitate the provisions of this Lease relating to the condemnation.

10.3 Taking of Leasehold. Upon a Taking of the entire Premises, Lessee's interest in this Lease shall cease on the first to occur of the date on which Lessee is denied use of the Premises as such use is contemplated hereunder or the date on which such Taking is completed by deed, contract or final order of condemnation; unless otherwise specified by court order. If the Taking is of substantially all of the Premises, or substantially all of the access to the Premises, or of those portions of the Premises that are necessary for Lessee's use of the Premises as contemplated herein, Lessee may, by notice to Authority within ninety (90) days after Lessee

receives notice of the Taking, elect to treat the taking in accordance with the preceding sentence. If Lessee does not so notify Authority, this Lease shall remain in full force and effect covering the balance of the Premises not so taken, except that the Annual Rent payable hereunder by Lessee shall be equitably adjusted (a "Partial Taking").

10.4 Obligations of Lessee under Partial Taking. It is understood and agreed that all condemnation proceeds for any Partial Taking of the Premises shall be paid to Lessee to be held by it in trust and used for the repair and reconstruction of the Premises and replacement of the Equipment. Upon the completion of such repair or reconstruction work and the discharge of the Premises and Improvements from all liens or claims arising therefrom, Lessee shall be entitled to any surplus of condemnation proceeds obtained by Lessee over the cost of repair or reconstruction and shall be liable for any deficiency between the cost of repair or reconstruction and any condemnation proceeds obtained by Lessee.

10.5 Taking of Temporary Use of Premises and Improvements. Upon any Temporary Taking (as hereinafter defined) of the use of all or any part of the Premises or Improvements, or both, neither the Term nor the Annual Rent shall be reduced or affected in any way and Lessee shall be entitled to any award for the use or estate taken. All condemnation proceeds for any Temporary Taking shall be paid to Lessee to be held by it in trust and used for the repair and reconstruction of the Premises and Improvements, with the excess to be retained by Lessee as provided below. If a result of the Temporary Taking is to necessitate expenditures for reconstruction of the Improvements to make them reasonably suitable for Lessee's continued use in connection with its operations under this Lease, after the termination of such Temporary Taking, Lessee shall perform such work in accordance with the provisions of the Lease. Upon the completion of the work and the discharge of the Premises and Improvements from all liens or claims arising therefrom, Lessee shall be entitled to any surplus of condemnation proceeds obtained by Lessee over the cost of repair or reconstruction and shall be liable for any deficiency between the cost of repair or reconstruction and any condemnation proceeds obtained by Lessee. A "Temporary Taking" is defined as a taking of the use of all or any part of the Premises or Improvements, or both, for a period with a duration of less than twelve (12) months. In the event that any Temporary Taking shall exceed twelve (12) months in duration and shall materially adversely affect Lessee's use and operation of the Premises for the Permitted Uses under this Lease, then Lessee may elect to terminate this Lease upon ninety (90) days prior written notice to Authority. Upon any such termination of this Lease, Lessee shall retain the right to pursue such rights and remedies as may be available under applicable law relative to such taking. If Lessee does not so notify Authority, this Lease shall remain in full force and effect covering the balance of the Premises not so taken, except that the Annual Rent payable hereunder by Lessee shall be equitably adjusted.

10.6 Taking by Authority. Upon any taking or condemnation of all or any portion of the Premises or Improvements, by Authority, Authority and Lessee will either agree in good faith to the amount to be paid by Authority for such taking, or in the absence of such agreement, the matter will be determined in accordance with the laws of the State of Florida.

10.7 Deposit of Sums Payable on Taking. If Authority and Lessee are unable to agree on how all sums payable by a third party on the Taking are to be distributed and disbursed as between Authority and Lessee, then Authority and Lessee agree to take such action as shall

reasonably be required to withdraw such sums from the registry of the Court and jointly deposit such sums in an interest bearing escrow account, and once agreement is reached between Authority and Lessee as to how such sums are to be distributed and disbursed (or the matter has been determined in accordance with the laws of the State of Florida), the interest earned on such sums shall be distributed between Authority and Lessee in the same proportion as the distribution of the principal amount of such sums. To the extent permitted by applicable law and any documents executed in connection with the issuance of the Bonds, Lessee shall be entitled to bring a separate action against a third party condemning authority for the collection of, among other things: (i) the value of the Lessee Improvements, the Equipment and Lessee's fixtures, furniture and equipment; (ii) relocation costs; (iii) reasonable loss of profits; and (iv) goodwill. Notwithstanding the foregoing, any such action, recovery or collection by Lessee shall not include the value of Lessee's leasehold interest under this Lease.

ARTICLE XI

DEFAULT

11.1 Events of Default. The occurrence of any of the following shall constitute an event of default (an "Event of Default") by Lessee under this Lease: (i) the failure of Lessee to make any payment of Annual Rent, Additional Rent, or any other payment required to be made by Lessee hereunder when due, which failure is not remedied within ten (10) days after written notice of such failure from Authority to Lessee; (ii) the failure of Lessee to keep, observe or perform any other material covenants or agreements herein, and the continued failure to observe or perform any such covenant or agreement after a period of sixty (60) days after written demand; provided, however, that if such failure cannot be cured within such sixty (60) day period and Lessee commences such cure promptly within such sixty (60) day period and diligently proceeds to effect such cure, then Lessee shall have such additional time as reasonably necessary to effect such cure, but in any event Lessee shall cure such breach within one hundred eighty (180) days after the initial written demand by Authority, which one hundred eighty (180) day period shall be extended one (1) day for each day of an event of Force Majeure; (iii) commencement by or against the Lessee of an insolvency or bankruptcy proceeding, including, without limitation, a proceeding for liquidation, reorganization or for the readjustment of its indebtedness, or the insolvency of the Lessee, or an assignment or arrangement for the benefit of its creditors or the appointment of a receiver, trustee or custodian, provided, however, that any of the foregoing set forth in this subsection (iii) which is commenced by a person other than Lessee shall not constitute an Event of Default if it is discharged within ninety (90) days; or (iv) the placement of any lien upon the Premises or any Improvements (excluding liens for taxes which are not delinquent and mortgages permitted hereunder) which is not discharged of record by payment or bond within sixty (60) days, or any levy under any such lien.

11.2 Remedies for Default. Upon the occurrence of an Event of Default which is not cured within the applicable cure period, the Authority may in its sole discretion pursue any of the following remedies, or such other remedies as may be available to the Authority at law or in equity:

- (a) Authority may terminate the Lease and re-enter and repossess the Premises; or

(b) Authority may, without terminating this Lease, terminate Lessee's right to possession of the Premises, retake possession of the Premises, and recover immediately from the Lessee damages calculated as follows:

(i) all unpaid Annual Rent and other payments due from Lessee at the time of termination of Lessee's right to possession, together with,

(ii) the amount by which the unpaid Annual Rent and other payments due from Lessee earned after the date of termination of Lessee's right to possession of the Premises until the time of a damages award in favor of Authority (which shall not extend beyond the Expiration Date) exceeds the amount of the loss of Annual Rent and other payments due from Lessee that Lessee proves has been or could have reasonably been avoided, together with

(iii) the worth, at the time of such award (which shall not extend beyond the Expiration Date), of the amount by which the unpaid Annual Rent and other payments due from Lessee for the balance of the Term after the time of award exceeds the amount of the loss of Annual Rent and other payments due from Lessee that Lessee proves could reasonably be avoided. (For purposes of this subparagraph (iii), the worth, at the time of award, of such amount shall be determined by discounting such amount in accordance with accepted financial practice to its present worth at a rate of interest of four percent (4%) per year.)

For purposes of the calculation of damages described above, and in subsection (c) below, recurring payments under the Lease other than Annual Rent due from Lessee after the termination of Lessee's right to possession of the Premises shall be based upon the average of such payments payable during the thirty-six (36) month period prior to the termination of possession (or, if shorter, the prior period of the Term of the Lease).

Upon entry of judgment for such damages, as described above, this Lease shall be deemed to be terminated; or

(c) Authority may, without terminating this Lease, terminate Lessee's rights to possession of the Premises, retake possession of the Premises and relet the Premises, or any part or parts thereof, for the account of Lessee, for a term that may, at Authority's reasonable option, be less than or exceed the period which would otherwise have constituted the balance of the Term of this Lease. In such event, Lessee shall pay to Authority any deficiency between the Annual Rent and other charges herein reserved and the net amount of the rents and other charges collected on account of any other lease of the Premises for each month of the period which would otherwise have constituted the balance of the Term of this Lease. Authority may recover such deficiency from Lessee at the time each payment becomes due under the Lease, or, at Authority's option, upon the expiration of the Term of this Lease. Anything in this Section 11.2 to the contrary notwithstanding, Authority shall use commercially reasonable efforts to relet the Premises or any part thereof, alone or together with other premises.

Regardless of the exercise of any of the above-referenced options, Authority shall have the right to recover all unpaid Annual Rent, Additional Rent and other payments earned by Authority prior to the date of termination of possession or of the Lease, and all of Authority's costs, charges and expenses, including reasonable Attorneys' Fees, incurred in connection with

the recovery of sums due under this Lease, or due to the breach of any covenant or agreement of Lessee contained in this Lease, including actual and reasonable costs and expenses of reletting the Premises, such as all necessary repairs and renovations, all brokerage fees and Attorneys' Fees. Except as may be otherwise agreed in writing by the Authority, Authority will have the right at any time following an Event of Default which is not cured within the applicable cure period to elect to terminate the Lease. No action taken by Authority pursuant to this Section 11.2 shall be deemed to terminate this Lease unless written notice of termination is given by Authority to Lessee.

The rights and remedies given to Authority by this Lease shall not be exclusive, and in addition thereto, Authority shall have such other rights and may pursue such other remedies as are provided by law or in equity. All such rights and remedies shall be deemed to be cumulative, and the exercise of one such right or remedy by Authority shall not impair its standing to exercise any other right or remedy, provided, however, that Lessee shall in no event be liable for special, consequential or punitive damages.

11.3 Advances By Authority and Lessee.

(a) If Authority has paid any reasonable sums of money or incurred any obligation or reasonable expense for which Lessee is obligated to pay or reimburse Authority, or if Authority is required or elects to do so because of the failure of Lessee to perform any of the terms or conditions of this Lease, subject to applicable notice and cure periods provided herein, then the same shall be deemed Additional Rent and shall be paid to Authority in accordance with Section 3.4 herein.

(b) Excluding the Build-out, in the event that Authority fails to perform any maintenance obligation required to be performed by it under this Lease, which failure is not cured, except in the case of an emergency as necessary to protect health, safety or property damage (in which event Lessee shall notify Authority as soon as possible), within ninety (90) days after written notice from Lessee specifying the failure (or Authority does not within said period commence and diligently proceed to cure such failure and cure same in all events within one hundred eighty (180) days from initial notice), Lessee shall have the right to cure such failure for the account of Authority and Authority shall reimburse Lessee for the reasonable costs and expenses incurred in connection therewith by Lessee within thirty (30) days after receipt of an invoice from Lessee.

11.4 Non-Waiver By Authority. No waiver of any covenant or condition or of the breach of any covenant or condition of this Lease shall constitute a waiver of any subsequent breach of such covenant or condition or justify or authorize the non-observance on any other occasion of the same or of any other covenant or condition hereof. The acceptance of Annual Rent, Additional Rent or other payments from Lessee by Authority at any time when Lessee is in default under this Lease shall not be construed as a waiver of such default or of Authority's right to exercise any remedy arising out of such default, nor shall any waiver or indulgence granted by Authority to Lessee be taken as an estoppel against Authority, it being expressly understood that Authority may at any time thereafter, if such default continues, exercise any such remedy in the manner hereinbefore provided or as otherwise provided by law or in equity.

ARTICLE XII

MISCELLANEOUS

12.1 **Additional Provisions.** The Parties hereby agree that this Lease shall be subject to the provisions of **Exhibit "F"** hereto, which is incorporated herein by reference, subject to the following provisions:

(a) Any and all notice and cure periods and Force Majeure provisions set forth in this Lease shall apply to the terms, conditions, and provisions of this Lease, including without limitation **Exhibit "F"**, notwithstanding Section 11(c) of **Exhibit "F"**.

(b) The exclusive use of the Premises granted to Lessee in Section 10 of **Exhibit "F"** shall also inure to the benefit of Lessee's agents, employees, contractors, subcontractors, representatives, licensees, guests, invitees, subtenants and assignees.

(c) In the event of termination of this Lease by Lessee as provided in Section 17(c) of **Exhibit "F"**, Lessee reserves the right to pursue such rights and remedies as may be available under applicable law.

(d) The Authority's approval set forth in Section 20 of **Exhibit "F"** shall not be unreasonably withheld, delayed or conditioned.

12.2 **Subordination of Landlord's Lien.** Authority hereby subordinates any and all rights, including, but not limited to, the rights of foreclosure, levy, execution, sale and distraint for unpaid rent or other rights and interest in any of Lessee's assets, inventory, tenant fixtures, equipment not affixed or made a part of the Improvements and other personal property (collectively, the "Equipment"), and Authority's interests therein shall be subordinate and inferior to rights of any lender with respect to such Equipment. Any such lender may request a written consent agreement from Authority, in form acceptable to the Authority, providing that upon not less than 48 hours prior written notice to Authority the lender may (i) remove the Equipment from the Premises, or (ii) take possession of the Premises for purposes of sale or disposal of capital; provided, that such lender may only remain in possession of the Premises for more than thirty (30) days in the event the lender or Lessee shall pay all rental and charges due and owing under Lease and otherwise comply with all terms and conditions of this Lease. Any entry on the Premises by any such lender, its employees, contractors, agents, representatives or their respective assigns shall be at the entrant's sole risk. Lessee and any such lender shall jointly and severally indemnify, defend and hold harmless Authority from and against any loss, cost, expense or damages arising out of such entry, including any damage to the Premises or any injury or death of any person.

12.3 **Broker.** Lessee and Authority each represent and warrant to the other party that the representing party has not engaged or dealt with any broker or agent in connection with this Lease and the transactions contemplated hereby. Lessee shall indemnify and hold Authority harmless from and against any claims for fees or commissions by any broker or other agent with whom Lessee has dealt in connection with this Lease and the transactions contemplated hereby. Authority, to the extent allowed by applicable law, shall indemnify and hold Lessee harmless

from and against any claims for fees or commissions by any broker or other agent with whom Authority has dealt in connection with this Lease and the transactions contemplated hereby.

12.4 Recording. This Lease shall not be recorded. Simultaneously herewith, the parties will execute a Memorandum of Lease in the form attached hereto as **Exhibit "G"**, which will be recorded by Authority in the Public Records of Orange County, Florida.

12.5 Additional Reserved Rights of Authority. Authority reserves the right, upon reasonable prior written notice to Lessee, to further develop, improve, repair and alter the Airport and all roadways, parking areas, terminal facilities, landing areas and taxiways as it may reasonably see fit so long as Authority does not interfere with Lessee's: (i) use or quiet enjoyment of the Premises in other than a de minimis manner; or (ii) access to the Premises other than for such reasonable, temporary periods (of which periods the Authority shall provide advance notice to Lessee) during which access ways to the Premises may be closed or relocated as necessary for such development, improvements, repairs or alterations by Authority at the Airport, or to provide necessary maintenance or repairs to the Improvements, or in the event of an emergency. Authority shall be free from any and all liability to Lessee for loss of business or damages of any nature whatsoever to Lessee occasioned by the making of such improvements, repairs, alterations and additions that do not interfere with Lessee's use or quiet enjoyment of the Premises in other than a de minimis manner or Lessee's access to the Premises during such reasonable, temporary periods; provided, however, that Lessee shall be entitled to a proportional abatement of Annual Rent in the event that the making of such improvements, repairs, alterations or additions interfere with Lessee's use or quiet enjoyment of the Premises in other than a de minimis manner or Lessee's access to the Premises beyond such reasonable, temporary periods. Upon prior written notice to Lessee, Authority reserves the right to establish such fees and charges for the use of the Airport by Lessee (excluding additional charge for the use of the Premises) and all others similarly situated, on a non-discriminatory basis, from time to time as Authority may deem reasonably advisable.

12.6 Leasehold Encumbrances.

(a) Lessee may encumber only its leasehold estate and its interest in the Premises by the execution and delivery of a leasehold mortgage. Authority will not subordinate its interest in the Premises or this Lease to any mortgage. In the event of foreclosure of a leasehold mortgage, the purchaser at the foreclosure sale or the person acquiring Lessee's interest in lieu of foreclosure, shall succeed, as lessee, to and be bound by all of Lessee's rights, interests, duties and obligations under this Lease. Notwithstanding the foregoing, the interest of Lessee under this Lease shall not be conveyed to the purchaser at a foreclosure sale or to a person acquiring Lessee's interest in lieu of foreclosure, without complying with the requirements of Section 12.6 below. In particular, any change in lessee pursuant to this Section shall be treated as an assignment or subletting pursuant to Section 12.7 below, such that the Fair Market Rental shall immediately apply to such successor lessee, without regard to the Annual Rent Increase Limit, which Fair Market Rental shall then be subject to future increases pursuant to the terms hereof. It is contemplated that in connection with the issuance of the Bonds, and except as may be otherwise agreed by the Authority and the Trustee, an agreement shall be entered into between the Authority and the Trustee that, in addition to other normal and customary provisions, will provide that:

12.7 Assignment and Subletting.

(a) Subject to the exceptions set forth below, Lessee shall not at any time sublet or assign this Lease, in whole or in part, or assign any of its rights or obligations hereunder, without the prior approval of Authority, which approval may be granted or withheld by Authority in its reasonable discretion; except that Lessee may assign this Lease or sublet all or any portion of the Premises without prior approval (but upon prior written notice to Authority) to (i) a corporate parent, affiliate, related company, or subsidiary (collectively, an "Affiliate"), upon submitting proof of such affiliation that is reasonably satisfactory to Authority; or (ii) any corporation or entity that has the power to direct Lessee's management and operation; or (iii) any corporation, a majority of whose voting stock is owned by Lessee; or (iv) any corporation with which Lessee is merged or consolidated, in accordance with applicable statutory provisions for merger or consolidation of corporations; or (v) any corporation acquiring substantially all Lessee's assets and/or stock; provided that prior to any assignment pursuant to (iv) or (v) above, Authority has received, at Lessee's expense, a certified report from an independent auditor selected by Authority in its discretion, that the proposed successor has a sufficient net worth to satisfy Lessee's obligations under the Lease (all considered a "Permitted Transferee"), provided the Premises shall be used only for the Permitted Uses. In the event of any sublease(s) of any portion of the Premises equal to or exceeding ninety percent (90%) of the total area thereof in the aggregate, then, for so long as such sublease(s) is/are in effect, the Fair Market Rental shall apply to the portion thereof so subleased, which increase to Fair Market Rental shall not be subject to the Annual Rent Increase Limit, but shall be subject to adjustment on the Adjustment Dates as provided in Section 3.2(a) of this Lease. Approvals required under this Section shall be in writing. For so long as Lessee is a corporation whose stock is publicly traded, no approval of Authority shall be required for any change in ownership of or power to vote a majority of the outstanding voting stock of Lessee, or for any mergers, consolidations, or other restructurings of Lessee, and the Annual Rent shall not increase as a result of any of the foregoing events. Notwithstanding the aforementioned, in the event that funding for the Build-out, as delineated in Section 1.3 above, is not received, Lessee shall have the right to complete the Build-out through the use of a build-to suit leaseback or similar financing tool in substantial conformity with similar financing tools and in a form of agreement substantially comparable to those previously accepted by the Authority for other Authority tenants.

(b) Lessee agrees to reimburse the Authority for its reasonable Attorneys' Fees and costs actually incurred in determining whether to give its consent to any proposed sublease or assignment, whether or not such consent is given, and the negotiation and preparation of any documents with respect to such sublease or assignment.

12.8 Notice. Any notice permitted or required to be given under the terms of this Lease shall be in writing, addressed to the party to whom it is directed, and sent either by (1) hand delivery, (2) United States certified or registered mail, postage prepaid, return receipt requested or (3) overnight delivery by a nationally recognized company, to the address shown below or to such other address as either party may from time to time designate by written notice in accordance with this Section:

To Authority: Executive Director
Greater Orlando Aviation Authority
One Jeff Fuqua Boulevard
Orlando International Airport
Orlando, Florida 32827-4399

To Lessee: Chief Financial Officer
Silver Airways Corp
1100 Lee Wagener Road
Fort Lauderdale, FL 33315

Any such notice shall be deemed effective upon receipt.

12.9 **Non-Disturbance and Attornment.** In the event that Authority places a mortgage lien upon the Premises in favor of any lender to Authority, this Lease shall be superior to such mortgage unless Authority delivers a non-disturbance and attornment agreement that is satisfactory to Lessee in its reasonable discretion.

IN WITNESS WHEREOF, the parties hereto by their duly authorized officers have caused this Lease to be executed in their names and their seals to be affixed hereto as of the day and year first above written.

WITNESSES:

Print Name: _____

Print Name: _____

LESSEE:

Silver Airways Corp. a
Delaware corporation

By: _____
Name: _____
Title: _____

ATTEST:

By: _____, Secretary

WITNESSES:

Print Name: _____

Print Name: _____

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____

Name: _____

As Its: _____

ATTEST:

By: _____, Assistant Secretary

Approved as to Form and Legality this _____
day of _____, 2014

BROAD AND CASSEL

By: _____

General Counsel / Greater Orlando Aviation
Authority

EXHIBIT "A-1"
LEASE DEPICTION

EXHIBIT “A-2”

SURVEY

EXHIBIT “B”

CONCEPTUAL PLANS AND SPECIFICATONS

EXHIBIT "C"

Construction of Improvements

1. Prior to commencement of construction of any Improvements, and prior to commencing to renovate, enlarge, demolish or modify any Improvements now or hereafter existing on the Premises, Lessee must obtain the approval of the Executive Director, which he or she may grant or withhold in his or her reasonable discretion within a reasonable period of time after receipt of Lessee's request for the same. Lessee shall submit the preliminary plans and specifications (prepared in accordance with the Airport Design Guidelines and under the seal of a duly licensed architect or engineer) to Authority for its approval (the "Plans"), in accordance with the approval process reasonably prescribed by Authority in writing not later than the date of execution of this Lease. No construction of any type shall commence prior to Lessee's receipt of: (i) Authority's written approval of the Plans, which approval shall not be unreasonably withheld, conditioned or delayed, and (ii) a notice to proceed from the Authority, which notice shall not be unreasonably withheld, conditioned or delayed.
2. Authority's approval of any Plans submitted by Lessee shall not constitute the assumption of any liability by Authority for the compliance or conformity of the Plans with applicable building codes, zoning regulations and municipal, county, state and federal laws, ordinances and regulations, or for their accuracy or suitability for Lessee's intended purpose, and Lessee shall be solely responsible for the Plans. Authority's approval of the Plans shall not constitute a waiver of Authority's right thereafter to require Lessee, at its expense, to amend the same so that they comply with building codes, zoning regulations, municipal, county, state and federal laws, ordinances and regulations either applicable at the time the Improvements were constructed or by laws otherwise made applicable to the Lessee Improvements, and to make such construction changes as are necessary so that the completed work is in conformity with the approved Plans.
3. In the event Authority (acting reasonably) does not approve the Plans, it shall notify Lessee in writing of the changes required to be made (including reference to those portions of this Lease, the Airport Design Guidelines and the Master Plan forming the basis for disapproval, if applicable, all of which documentation has been or shall be provided to Lessee not later than the date of execution of this Lease), and Lessee shall promptly revise the Plans to incorporate the required changes, and shall resubmit revised Plans to the Authority for approval, which approval shall not be unreasonably withheld, conditioned or delayed.
4. Lessee shall obtain, at its expense, all necessary licenses and permits to accomplish its Improvements, and shall pay all applicable impact fees relating thereto. Authority agrees to cooperate with Lessee at Lessee's expense in obtaining any necessary license and/or permit required to accomplish the Improvements contemplated hereunder. Authority, at its cost and expense, shall be responsible for any upsizing of utilities capacity necessary to service the Improvements.
- . Lessee shall be responsible for any impact fees or connection or tap fees for connection of utilities service to the Improvements.
5. Once Lessee has commenced construction of any Improvements, such construction shall be pursued diligently to completion, subject to Force Majeure (as hereinafter defined). All Improvements shall be constructed in accordance with the approved Plans, the Airport Design Guidelines, and all applicable building codes, zoning regulations and municipal, county, state and federal laws, ordinances and regulations. Within one hundred twenty (120) days after completion of construction of the Improvements, Lessee shall, at its expense, provide Authority with record drawings showing the "as built" condition of any Improvements constructed by Lessee, in such format (including, without limitation a CADD format) as the Executive Director shall reasonably request.
6. Lessee hereby warrants and covenants to Authority that all Improvements now or hereafter erected on the Premises shall be at all times free and clear of all liens, claims and encumbrances and hereby agrees to indemnify and hold Authority and the City harmless from and against any and all losses, damages and costs, including reasonable Attorneys' Fees relating to or arising out of any such lien, claim or encumbrance. If any such lien or notice of lien on account of the alleged debt of Lessee shall be filed against the Premises, Lessee's leasehold interest therein or any Improvements, the Lessee shall, within sixty (60) days after notice of filing thereof, cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. Prior to construction of any Improvements at the Premises, Lessee shall record and post a Notice of Commencement and all applicable payment bonds in accordance with applicable laws. No work hereunder shall be commenced until Lessee or its Contractor provides to Authority from a company reasonably acceptable to the Executive Director: (i) a surety payment bond and surety performance bond, in amounts equal to the total estimated cost of the work, substantially in forms as attached hereto as Attachments 1 and 2, respectively; and which bonds shall guarantee the payment of all contractors' and subcontractors' charges and charges of all other persons and firms supplying services, labor, materials or supplies in connection with the work and which shall guarantee the prompt completion of the work by Lessee in accordance with the Lease and the Plans, and (ii) a policy of builder's risk insurance.

7. Nothing in this Lease shall be deemed or construed in any way as constituting the consent or request of Authority, express or implied, to any contractor, subcontractor, laborer, materialman, architect, surveyor or engineer for the performance of any labor or the furnishing of any materials or services for or in connection with the Premises or any part thereof. Notice is hereby given that the Authority shall not be liable for any labor or materials or services furnished or to be furnished to Lessee upon credit, and that no construction or other lien for labor, materials or services shall attach to or affect the fee or reversionary or other estate or interest of the Authority in the Premises or in this Lease. All persons dealing with the Premises and with Lessee are hereby put on notice that Lessee does not have the power to deal with the Premises in such a manner as to authorize the creation of construction liens, by implication or otherwise; and all persons making improvements to the Premises, either by doing work or labor or services or by supplying materials thereto, at the request of Lessee or persons dealing by, through or under Lessee, are hereby put on notice that they must look solely to the Lessee and not to the Premises or any part thereof or to this Lease for the payment of all services, labor or materials performed upon or delivered to the Premises.

8. Except as provided in Section 1.3 of the Lease and as otherwise provided in connection with the bond financing transaction referred to in Section 1.4 of the Lease, title to all Improvements now or hereafter constructed by Lessee on the Premises shall remain in Lessee during the Term of the Lease, but such title shall vest in Authority upon the expiration of the Term of the Lease or upon the sooner lawful termination thereof. Lessee hereby covenants to execute and deliver to Authority any and all instruments or documents that Authority reasonably requests to effectively transfer, assign and convey such Improvements in fee to Authority, free of any liens or encumbrances.

EXHIBIT “D”

ENVIRONMENTAL STUDY[Intentionally Omitted.]

Exhibit “E”

[Intentionally Omitted.]

EXHIBIT "F"

REQUIRED PROVISIONS

1. **Authority's Reserved Rights.** Authority reserves the right for itself and others to utilize and maintain any utility and drainage easements located on the Premises, and to run water, sewer, electrical, telephone, gas, drainage and other lines under or through the Premises and to grant necessary utility easements therefore, provided that in the exercise of such rights, Lessee's use of the Premises and any Improvements shall not be unreasonably impaired and any damage to the Premises or any Improvements caused by Authority as a result thereof shall be repaired without cost to Lessee.
2. **Discrimination Not Permitted.**
 - a) Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (i) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Premises, any Improvements or the Airport under the provisions of this Lease; (ii) that in the construction of any Improvements on, over or under the Premises and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation, denied the benefits of, or otherwise be subject to discrimination; and (iii) that Lessee shall use the Premises and the Improvements in compliance with all other requirements imposed 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 Acts of 1964, as the same may be amended. Likewise, Lessee shall comply with the laws of the State of Florida prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. Should the Lessee authorize another person, with Authority's prior written consent, to provide services or benefits upon the Premises or the Improvements, Lessee shall obtain from such person a written agreement pursuant to which such person shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this subsection. Lessee shall furnish the original or a true copy of such agreement to Authority.
 - b) Lessee will provide all information and reports required by said regulations, or by directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its Orlando facilities as may be determined by Authority or the Federal Aviation Administration to be pertinent to ascertain whether there has been compliance with said regulations and directives. Where any information required of Lessee is in the exclusive possession of another who fails or refuses to furnish this information, Lessee shall so certify to Authority or the Federal Aviation Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.
 - c) In the event of a breach of any of the above non-discrimination covenants, Authority shall have the right to terminate this Lease and to re-enter and repossess said Premises and the Improvements, and hold the same as if this Lease had never been made or issued. The rights granted to Authority by the foregoing sentence shall not be effective until all applicable procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights, and the completion of any judicial review.
 - d) Further, Lessee assures Authority that no person shall be excluded on the grounds of race, creed, color, national origin or sex from participating in or receiving the services or benefits of any program or activity covered by Title 14, Code of Federal Regulations, Part 152, Subpart E, Federal Aviation Administration, Non-Discrimination in Airport Aid Program, and that it will be bound by and comply with all other applicable provisions of such Subpart E, as it may be amended. Lessee also assures Authority that it will require its covered suborganizations to provide written assurances to the same effect and provide copies thereof to Authority.
 - e) Lessee further assures Authority that it will comply with pertinent statutes, Executive Orders, and such other rules as are promulgated to assure that no person shall on the grounds of race, creed, national origin, sex, age, handicap or marital status be excluded from participating in any activity conducted at or in connection with its operations at the Premises. Lessee also assures Authority that it will require its contractors and subtenants to provide assurances to the same effect and ensure that such assurances are included in contracts and subleases at all tiers which are entered into in connection with Lessee's operations at the Premises.
 - f) Authority may from time to time be required by the United States Government, or one or more of its agencies, to adopt additional or amended provisions, including nondiscrimination provisions concerning the use and operation of the Airport, and Lessee agrees that it will adopt such requirements as part of this Lease.

3. Federal Aviation Administration Requirements.

a) Authority reserves unto itself, and unto its successors and assigns for the use and benefit of the public, a right of flight for the passage of aircraft through the airspace above the surface of the Premises, together with the right to cause in the airspace such noise as may be inherent in the operation of aircraft now known or hereafter used, and for navigation of or flight in the airspace, and use of the airspace for landing on, taking off or operating on the Airport.

b) Lessee expressly agrees, on behalf of itself and its successors and assigns:

to restrict the height of structures, vegetation and other Improvements on the Premises in compliance with the requirements of Federal Aviation Administration Regulations, 14 C.F.R. Part 77, as they may be amended from time to time; and

to prevent any use of the Premises and any Improvements which would unreasonably interfere with or adversely affect the operation and maintenance of the Airport, or which would otherwise constitute a hazard at the Airport.

4. Right to Operate Aircraft at Airport. Nothing contained in this Lease shall give Lessee the right to operate a scheduled airline at the Airport. The right to operate aircraft at the Airport may be obtained by a qualified lessee from Authority by executing an Operating Agreement in the form prescribed by the Authority.

5. Member Protection. No recourse under or upon any obligation, covenant or agreement contained in this Lease, or any other agreement or document pertaining to the operations of Lessee hereunder, as such may from time to time be altered or amended in accordance with the provisions hereof, or under any judgment obtained against Authority, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, under or independent of this Lease, shall be had against any member (including, without limitation, members of Authority's Board and members of Authority's citizens advisory committees), officer, employee or agent, as such, past, present and future, of Authority, either directly or through Authority or otherwise, for any claim arising out of this Lease or the operations conducted pursuant to it, or for any sum that may be due and unpaid by Authority. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any Authority member, officer, employee or agent, as such, to respond by reason of any act or omission on his or her part or otherwise for any claim arising out of this Lease or the operations conducted pursuant to it, or for the payment for or to Authority, or any receiver therefor or otherwise of any sum that may remain due and unpaid by Authority, is hereby expressly waived and released as a condition of and as consideration for the execution of this Lease.

6. Authority Rules and Regulations. Lessee shall observe and comply with all reasonable rules and regulations of Authority which now exist or may hereinafter be promulgated from time to time governing all matters relating to the Airport, including, without limitation, access, use, safety and conduct of operations at the Airport and the safe use of Airport facilities. Authority shall, at Lessee's written request, furnish a copy of all such rules and regulations, and any amendments thereto, to Lessee.

7. Authority Access to Premises. Lessee grants Authority and its authorized agents full and free access to the Premises and all Improvements located thereon at all reasonable times (upon reasonable prior notice, except in the event of an emergency) for the purposes of examining the same and seeing that all of the obligations of Lessee hereunder are being met and performed, and for exercising the Authority's rights under Section 4.1 of the Lease, and shall permit them to enter any building or structure on the Premises at any time in the event of an emergency. Authority and its employees, licensees, invitees, agents, patrons and suppliers, and its tenants and their employees, licensees, invitees, agents, patrons and suppliers, shall have the right of vehicular and pedestrian access, ingress and egress over all non-restricted access streets at the Airport.

8. City as Authority's Successor. The Authority presently operates the Airport under an Operation and Use Agreement with the City dated September 27, 1976, as amended (such Operation and Use Agreement, as amended, is hereinafter the "Operation and Use Agreement"), which provides that on its termination for any reason, responsibility for operating the Airport would revert to the City. Authority, Lessee, and by its execution of the joinder attached hereto, the City, agree that on the termination for any reason of the Operation and Use Agreement between the City and Authority: (i) the City shall be deemed to be the lessor hereunder and shall be bound by all provisions of this Lease, and (ii) all references contained herein to "Authority" shall be deemed to refer to the City.

9. Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by Authority or Lessee or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between Authority and Lessee, it being expressly understood and agreed that neither the computation of Annual Rent, Rent nor any other provisions contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between Authority and Lessee other than the relationship of landlord and tenant.

10. Exclusive Rights. The rights granted to Lessee under this Lease are not exclusive, except that Lessee shall have the exclusive use of the Premises for the Term of this Lease in accordance with the provisions of this Lease. The Authority expressly reserves the right to grant to third parties rights and privileges on other portions of the Airport that are identical, in whole or in part, to those granted to Lessee hereunder.

11. Miscellaneous Provisions.

a) The section headings contained in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision of this Lease.

b) Except as otherwise provided herein, the provisions of this Lease shall bind and inure to the benefit of the successors and assigns of the parties hereto.

c) Time is expressed to be of the essence of this Lease.

d) In the event that any proceeding at law or in equity arises hereunder or in connection herewith (including any appellate proceeding or bankruptcy proceeding) the prevailing party shall be awarded costs, reasonable expert fees and reasonable Attorney's Fees incurred in connection therewith.

e) This Lease was made in, and shall be governed by and construed in accordance with the laws of, the State of Florida. If any covenant, condition or provision contained in this Lease is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, condition or provision herein contained.

f) This Lease, together with the exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any prior agreements, representations or statements heretofore made with respect to such subject matter, whether oral or written, and any contemporaneous oral agreements, representations or statements are merged herein. This Lease may be altered or amended only by written instrument executed by both parties hereto.

g) Words of gender used in this Lease shall be held and construed to include any other gender; and words in the singular shall be held to include the plural and vice versa unless the context otherwise requires.

h) Authority and Lessee represent and warrant to each other that they have dealt with no broker in connection with this Lease and the transactions contemplated hereby, and each agrees to indemnify and hold the other harmless in the event its representation and warranty contained herein is not true.

i) At the request of either party, the other shall with reasonable promptness deliver to the requesting party a written and acknowledged statement that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), that to the best of the responding party's knowledge, the requesting party is not in default under this Lease (or if the responding party has knowledge that the requesting party is in default, identifying the default), and providing such other information with respect to the Lease and the relationship between Authority and Lessee as may reasonably be requested.

j) **COMMUNICATIONS CONCERNING DISPUTED DEBTS. ALL (A) COMMUNICATIONS CONCERNING DISPUTES ABOUT DEBTS THAT ARE OWED OR MAY BE OWED PURSUANT TO THIS LEASE, AND (B) INSTRUMENTS IN LESS THAN THE FULL AMOUNT CLAIMED BY THE AUTHORITY AND TENDERED AS FULL SATISFACTION OF A DISPUTED DEBT OR OTHER AMOUNT OWED, SHALL BE SENT CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE FOLLOWING:**

**DIRECTOR OF FINANCE
GREATER ORLANDO AVIATION AUTHORITY
ONE JEFF FUQUA BOULEVARD
ORLANDO INTERNATIONAL AIRPORT
ORLANDO, FLORIDA 32827-4399**

k) In accordance with Florida law, Lessee is hereby advised as follows:

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed

federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

12. Fire Protection System. Lessee shall, at its own cost and expense, maintain in good working order in each building on the Premises where the same is required by applicable fire and safety standards a fire protection system satisfying applicable requirements of NFPA, the local building code enforcement agency and any other applicable legal requirements, which Lessee shall cause to be certified as meeting all applicable fire and safety standards upon installation, and recertified at least annually thereafter, by a qualified fire protection system inspector with a copy of each such certification provided to Authority.

13. Airport Security. Lessee shall comply with all applicable regulations of the Federal Aviation Administration relating to airport security (including, at the Authority's request and without limitation, all such regulations applicable to the Authority with respect to the operation of the Premises) and shall control the Premises so as to prevent or deter unauthorized persons from obtaining access to that portion of the Airport consisting of cargo areas, airside buildings, aircraft aprons, ramps, taxiways and runways (the "Air Operations Area"). Any fines or other penalties incurred by the Authority as a result of Lessee's breach of this Section shall be included in the indemnification provided to Authority pursuant to Section 8.1 of the Lease.

14. Compliance with Stormwater Regulations.

a) Lessee acknowledges that the Airport is subject to federal stormwater regulations, 40 C.F.R. Part 122 (the "Regulations"), which are applicable to, among other activities, (i) certain industrial activity, including, without limitation, the operation of a vehicle maintenance shop (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and deicing operations and (ii) certain construction activity at the Airport. Lessee also acknowledges that it is familiar with the Regulations and agrees to comply with the Regulations as they may be amended from time to time. Lessee further acknowledges that it has been advised that the Authority has complied with the Regulations by obtaining coverage under the Environmental Protection Agency's Stormwater Multi-Sector General Permit for Industrial Activities (the "Multi-Sector Permit"). Lessee may be able to become a co-permittee under such Multi-Sector Permit by filing separately in accordance with the provisions of the Regulations and the Multi-Sector Permit. Lessee shall provide to the Authority's Manager of Environmental Services copies of any such filings and such other information as the Executive Director may reasonably request with respect to Lessee's compliance with the Regulations. Lessee agrees to comply with such Multi-Sector Permit or any other permit obtained by Authority or Lessee in connection with the Regulations as they pertain to the Premises, and any modifications to or renewals thereof. Such permit will not cover construction activities as defined by the Regulations and will not eliminate the need to obtain permits from state or local agencies as applicable laws, ordinances or regulations may require.

b) If Lessee, or its authorized agents or representatives, engages in construction activity at the Airport, including, without limitation, clearing, grading, or excavation, Lessee shall determine whether the Regulations require a permit, and if so, Lessee shall obtain the permit, send a copy of the permit to the attention of the Authority's Manager of Environmental Services, and comply with the permit conditions.

15. Americans with Disabilities Act. As used herein, "ADA" shall mean the Americans with Disabilities Act, P.L. 101-336, 104 Stat. 327 (1990), as amended from time to time, and the regulations promulgated thereunder. Lessee shall be responsible for any actions required to comply with ADA (including, without limitation, any actions required by the Authority to enable the Authority to meet its ADA obligations with respect to Lessee's operations) as a result of (i) any Improvements or modifications which it makes to the Premises, (ii) its particular use of the Premises and (iii) any changes to the ADA after the Effective Date. Any modification to the Premises, which Lessee is required to make under this Section, shall be performed to the satisfaction of the Authority. In the event the Lessee shall fail to construct or modify any Improvements to the Premises as required under this Section, the Authority shall have the right to enter the Premises and perform such modifications on the Lessee's behalf, without liability for any disruption to the Lessee's activities therein during the completion of or as a result of such modifications, and the cost of such modifications shall be invoiced to the Lessee and shall be promptly paid by the Lessee to the Authority as additional Rent hereunder.

16. Force Majeure. If either party hereto shall fail to timely perform any of its obligations under this Lease as a result of strikes, lockouts or labor disputes, inability to obtain labor or materials, government restrictions, fire or other casualty, adverse weather conditions not reasonably foreseeable at the location and time of year in question, by reason of war or other national emergency, acts of God or other causes beyond the reasonable control of the party obligated to perform, then such failure shall be excused and not constitute a default under this Lease by the party in question, but only to the extent and for the time occasioned by such event. In the event the rights and privileges hereunder are suspended, Annual Rent and Rent under this Lease shall not abate, and Lessee shall have the right to make any claim against any third party permitted by law and to receive any award paid with respect to such claim. In no event shall this provision excuse any failure by Lessee to pay Annual Rent or Rent or any other payment obligation hereunder. Nor shall this provision apply to any inability by Lessee to procure funds or obtain financing necessary to comply with Lessee's obligations under this Lease.

17. Subordination.

a) This Lease shall be subject to all restrictions of record affecting the Airport and the use thereof, all federal, state, county and city laws and regulations affecting the same, and shall be subject and subordinate to the provisions of any and all existing agreements between the Authority and the City, and those between the Authority or the City and the United States of America, the State of Florida, or the County of Orange, or their agencies, and to any future agreements between or among the foregoing relative to the operation or maintenance of the Airport, the execution of which may be required as a condition precedent to the expenditure of federal, state, county or city funds for the development of the Airport, or any part thereof. All provisions hereof shall be subordinate to the right of the United States to occupy or use the Airport, or any part thereof, during time of war or national emergency.

b) In the event the Federal Aviation Administration or its successors require modifications or changes in this Lease as a condition precedent to the granting of its approval or to the obtaining of funds for the improvement of the Airport, Lessee hereby consents to any and all such modifications and changes as may be reasonably required.

c) Notwithstanding the foregoing provisions of this Section 17, in the event any such restrictions, agreements or modifications to this Lease increase the Annual Rent payable hereunder or materially and adversely affect the ability of Lessee to use the Premises for the purposes permitted under this Lease, Lessee shall have the right to terminate this Lease by written notice to the Authority.

18. Public Entity Crimes Law. The Lessee acknowledges the following notice:

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of \$25,000 for a period of 36 months from the date of being placed on the convicted vendor list.

19. Tax Exempt Status of Authority Revenue Bonds. Lessee agrees to comply promptly with any applicable provisions of any federal tax statute, and all regulations or other binding authority promulgated or decided thereunder, as required to permit the Authority's capital expansion projects to be planned and constructed by Authority with revenue bonds the interest on which is generally exempted from federal income taxation, other than any applicable individual or corporate alternative minimum taxes (and other than during any period while such revenue bonds are held by a "substantial user" of the projects financed by those revenue bonds or a "related person" to a "substantial user"), including, without limitation, the execution by Lessee and delivery to Authority of an election not to claim depreciation or any investment credit with respect to any portion of such capital expansion projects or any other portion of the Airport System in the form attached hereto as Exhibit "G" simultaneously with the execution of this Lease. Such exhibit shall be deemed to be part of this Lease and shall be binding upon Lessee, its successors and assigns.

20. Visual Arts. Lessee shall not permit a work of visual art, as defined in 17 USC § 101, to be installed in the Premises without providing Authority with a written waiver, in form acceptable to the Authority, of the artist's rights under the Visual Artists Rights Act of 1990, Pub. L. 101-650, and without obtaining the Authority's prior written approval.

EXHIBIT "G"

**THIS INSTRUMENT PREPARED BY
AND SHOULD BE RETURNED TO:**

Robert F. Mallett, L.L.C.
BROAD AND CASSEL
390 North Orange Avenue, Suite 1100
Post Office Box 4961
Orlando, FL 32802-4961
(407) 839-4200

For Recording Purposes Only

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT ("Memorandum") is effective this ____ day of _____, 2014, by and between the **GREATER ORLANDO AVIATION AUTHORITY**, a public entity that operates the Orlando International Airport pursuant to that certain Operation and Use Agreement dated September 27, 1976, whose mailing address is One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399 ("**Authority**"), and Silver Airways Corp. a Delaware corporation ("**Lessee**").

WITNESSETH

1. Lease. Authority and Lessee entered into that certain Lease Agreement dated as of _____, 2014 ("Lease"), with respect to the lease of certain real property and improvements thereon located in Orange County, Florida, more particularly described on the attached **Exhibit "A"** (the "Property").

2. Term. The Initial Term of the Lease shall begin when a C/O is obtained for the Premises (the "Rent Commencement Date"), and the Initial Term of the Lease will end, unless sooner terminated in accordance with the terms and provisions of the Lease, ten (10) years after the Rent Commencement Date.

3. Renewal Options. As more particularly described in, and subject to the terms and conditions set forth in, the Lease, the Lessee has the option to extend the Lease for four (4) additional terms of five (5) years each.

4. Lessee's Improvements. Pursuant to the terms of the Lease, Authority's interest in the Property shall not be subject to any liens or claims of lien for any improvements made by or on behalf of Lessee.

5. Definitions. TERMS NOT SPECIFICALLY DEFINED IN THIS MEMORANDUM SHALL HAVE THE SAME RESPECTIVE MEANINGS AS ARE ASCRIBED THERETO IN THE LEASE.

6. Lessee's Address. A copy of the Lease is maintained at Lessee's office located at the following address: _____.

7. Lease Governs. This Memorandum is executed for the sole purpose of giving public notice of certain terms and provisions of the Lease and shall not create, expand, modify or affect in any way the respective rights, interests, estates, obligations or remedies of Authority or Lessee. This Memorandum shall not be considered or taken into account in connection with the construction or interpretation of the Lease or any provision thereof.

8. Counterparts. This Memorandum may be executed in counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum effective as of the day and year first above written.

WITNESSES:

Print Name: _____

Print Name: _____

LESSEE:

SILVER AIRWAYS CORP., a Delaware corporation

By: _____
Printed Name: _____
Title: _____

ATTEST:

By: _____, Secretary

WITNESSES:

Print Name: _____

Print Name: _____

GREATER ORLANDO AVIATION AUTHORITY

By: _____
Name: _____
As Its: _____

ATTEST:

By: _____, Assistant Secretary

Approved as to Form and Legality this _____ day of
_____, 2014

BROAD AND CASSEL

By: _____
General Counsel / Greater Orlando Aviation Authority

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by _____, as _____ of _____, a _____ corporation, on behalf of the corporation. He/She is [] personally known to me or [] has produced _____ as identification.

(NOTARY SEAL)

Signature of Notary Public
Print Name: _____
My Commission Expires: _____
Commission No.: _____

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by _____, as _____ of **GREATER ORLANDO AVIATION AUTHORITY**. He/She is [] personally known to me or [] has produced _____ as identification.

(NOTARY SEAL)

Signature of Notary Public
Print Name: _____
My Commission Expires: _____
Commission No.: _____

ATTACHMENT #1 - FORM OF SURETY PAYMENT BOND
PAYMENT BOND FORM

GREATER ORLANDO AVIATION AUTHORITY

KNOW ALL MEN BY THESE PRESENTS that _____, hereinafter referred to as Principal, and _____, a corporation organized under the laws of the State of _____ and licensed to do business in the State of Florida, hereinafter referred to as Surety, are held and firmly bound unto the Greater Orlando Aviation Authority, as Obligee, hereinafter referred to as Lessor, in the Penal Sum of _____ DOLLARS (\$ _____), for the payment of which sum well and truly made, Principal and Surety bind ourselves, our heirs, personal representatives, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has leased from Lessor real property at Orlando International Airport, in accordance with the Orlando International Airport Lease Agreement dated _____, which is incorporated herein by reference, made a part hereof, and is hereinafter referred to as the Lease, and

WHEREAS, Principal has by written agreement dated _____, entered into a contract, hereinafter referred to as the Contract, with _____, hereinafter referred to as Contractor, for the construction of improvements to the above-described real property; and

WHEREAS, under the terms of the Lease, Principal is required to indemnify and hold harmless Lessor from and against any and all claims of claimants, as defined in Sections 255.05(1) and 713.01(16), Florida Statutes, for improvements to the above-described real property, and is also required to provide a bond protecting the rights of such claimants to payment for services, labor, materials or supplies used directly or indirectly in the prosecution of the improvements to the above-described real property; and

WHEREAS, Surety is authorized to do business in the State of Florida;

NOW, THEREFORE, the condition of this obligation is such that if Principal shall promptly make payments to all claimants as defined in Sections 255.05(1) and 713.01(16), Florida Statutes, supplying Principal and/or Contractor with services, labor, materials, or supplies, used directly or indirectly by Principal and/or Contractor in the prosecution of the improvements to the above-described real property as provided for in Section 1.3 of the Lease and in the Contract, then this obligation shall be void; otherwise, it shall remain in full force and effect, subject, however, to the following conditions:

1. This bond is furnished for the purpose of complying with the requirements of Section 255.05, Florida Statutes, to the extent applicable; and for the purpose of exempting any legal or equitable interest in real property owned by Lessor or the Principal from liens, and complying with the requirements of Section 713.23, Florida Statutes, to the extent applicable. It is a specific condition of this bond that a claimant's right of action on the bond is limited to the provisions of Sections 255.05 and 713.23, Florida Statutes, including, but not limited to, the one-year time limitation within which suits may be brought.

2. Therefore, a claimant, except a laborer, who is not in privity with the Principal and who has not received payment for his services, labor, materials or supplies shall, within forty-five (45) days after beginning to furnish services, labor, materials or supplies for the prosecution of the work, furnish the Principal with a notice that he intends to look to the bond for protection. Any claimant who has not received payment for his services, labor, materials or supplies shall, within ninety (90) days after performance of the services or labor or completion of delivery of the materials or supplies, deliver to the Principal and to the Surety written notice of the performance of the services or labor or delivery of the materials or supplies and of the nonpayment. No action for the services, labor, materials or supplies may be instituted against the Principal or the Surety unless both notices have been given. No action shall be instituted against the Principal or the Surety on the bond after one (1) year from the performance of the services or labor or completion of the delivery of the materials or supplies.

The Surety's obligations hereunder shall remain in full force and effect notwithstanding (i) amendments or modifications to the Lease or Contract entered into by Lessor, Principal and/or Contractor without the Surety's knowledge or consent, (ii) waivers of compliance with or any default under the Lease or Contract granted by Lessor to Principal or by Principal to Contractor without the Surety's knowledge or consent, (iii) the discharge of Principal from its obligations under the Lease or Contract as a result of any proceeding initiated under The Bankruptcy Code of 1978, as the same may be amended, or any similar state or federal law, or any limitation of the liability of Principal or its estate as a result of any such proceeding, or (iv) any other action taken by Lessor, Principal or Contractor that would, in the absence of this clause, result in the release or discharge by operation of law of the Surety from its obligations hereunder.

Any changes in or under the Lease or Contract and compliance or noncompliance with any formalities connected with the Lease or Contract or the changes therein shall not affect Surety's obligations under this bond, and Surety hereby waives notice of any such changes. Further, Principal and Surety acknowledge that the Penal Sum of this bond shall increase or decrease in accordance with approved changes or other modifications to the Lease and/or the Contract.

IN WITNESS WHEREOF, the Principal and Surety have executed this instrument under their several seals on the _____ day of _____, _____, the name and corporate seal of each corporate party being hereto affixed and these presents fully signed by its undersigned representative, pursuant to authority of its governing body.

Signed, sealed and delivered
in the presence of :

“PRINCIPAL”

By: _____
Name: _____
Title: _____

(SEAL)

“SURETY”

By: _____
Name: _____
Title: _____

(SEAL)

(Countersigned by Florida
Registered Agent)

NOTE: If Principal and Surety are corporations, the respective corporate seals shall be affixed and attached. Surety shall execute and attach a certified copy of Power-of-Attorney appointing individual Attorney-in-Fact for execution of Payment Bond on behalf of Surety.

ATTACHMENT #2 - FORM OF SURETY PERFORMANCE BOND
PERFORMANCE BOND FORM

GREATER ORLANDO AVIATION AUTHORITY

KNOW ALL MEN BY THESE PRESENTS that _____, hereinafter referred to as Principal, and _____, a corporation organized under the laws of the State of _____ and licensed to do business in the State of Florida, hereinafter referred to as Surety, are held and firmly bound unto the Greater Orlando Aviation Authority as Oblige, hereinafter referred to as Lessor, in the Penal Sum of _____ DOLLARS (\$_____), for the payment of which sum well and truly made, Principal and Surety bind ourselves, our heirs, personal representatives, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has leased from Lessor real property at the Orlando International Airport, in accordance with the Orlando International Airport Lease Agreement, dated _____, which is incorporated herein by reference, made a part hereof, and is hereinafter referred to as the Lease; and

WHEREAS, Principal has by written agreement dated _____, entered into a contract, hereinafter referred to as the Contract, with _____, hereinafter referred to as Contractor, for the construction of improvements to the above-described real property in accordance with the plans and specifications prepared by _____, dated _____, which were approved by Lessor, and which are incorporated herein by reference and made a part hereof, and which are hereinafter referred to as the Plans and Specifications; and

WHEREAS, under the terms of the Lease, Principal is permitted or required to complete the improvements to the above-described property in accordance with the Plans and Specifications and the requirements of the Lease, and is also required to provide a bond guaranteeing the faithful performance of such improvements by the Principal and the Contractor or such replacement contractors as Principal may employ; and

WHEREAS, Surety is authorized to do business in the State of Florida;

NOW, THEREFORE, the condition of this obligation is such that if Principal, by and through Contractor or such replacement contractors as Principal may employ:

Promptly and faithfully completes and performs such improvements in accordance with the Plans and Specifications, the Contract, and the provisions of Section 1.3 of the Lease, in the time and manner prescribed therein,

Pays Lessor all losses, damages (liquidated or actual), including, but not limited to, damages caused by delays in performance of the Principal or the Contractor, expenses, costs and attorneys' fees, including those incurred in appellate proceedings, that Lessor sustains resulting directly or indirectly from failure of the Principal or the Contractor to complete the improvements in accordance with the Plans and Specifications or the terms of the Contract, or from any breach or default by Principal or the Contractor under the provisions of Section 1.3 of the Lease in connection therewith, and

Pays Lessor all losses, damages, expenses, costs, attorneys' fees and other legal costs (including, but not limited to, those for investigative and legal support services), including those incurred in appellate proceedings, that the Lessor sustains resulting directly or indirectly from conduct of the Principal or the Contractor, including, but not limited to, want of care or skill, negligence, patent infringement, or intentionally wrongful conduct on the part of the Principal or the Contractor, their officers, agents, employees or any other person or entity for whom the Principal or the Contractor are responsible, then this bond is void; otherwise it shall remain in full force and effect.

In the event that the Principal, individually or by and through the Contractor or such replacement contractors as Principal may employ, shall fail to complete the improvements in accordance with the Plans and Specifications or the terms of the Contract, or to perform any of the terms, covenants and conditions of Section 4.3

of the Lease during the period in which this Performance Bond is in effect, the Surety shall remain liable to the Lessor for all such loss or damage, including reasonable attorneys' fees and other legal costs resulting from any failure to perform up to the amount of the Penal Sum.

In the event that the Surety fails to fulfill its obligations under this Performance Bond, then the Surety shall also indemnify and save the Lessor harmless from any and all loss, damage, cost and expense, including reasonable attorneys' fees and other legal costs for all trial and appellate proceedings, resulting directly or indirectly from the Surety's failure to fulfill its obligations hereunder. This paragraph shall survive the termination or cancellation of this Performance Bond. The obligations set forth in this paragraph shall not be limited by the Penal Sum of this Bond.

The Surety's obligations hereunder shall be direct and immediate and not conditional or contingent upon Lessor's pursuit of its remedies against Principal, and shall remain in full force and effect notwithstanding (i) amendments or modifications to the Lease or the Contract entered into by Lessor, Principal and/or Contractor without the Surety's knowledge or consent, (ii) waivers of compliance with or any default under the Lease or the Contract granted by Lessor to Principal or by Principal to Contractor without the Surety's knowledge or consent, (iii) the discharge of Principal from its obligations under the Lease or the Contract as a result of any proceeding initiated under The Bankruptcy Code of 1978, as the same may be amended, or any similar state or federal law, or any limitation of the liability of Principal or its estate as a result of any such proceedings, or (iv) any other action taken by Lessor or Principal or Contractor that would, in the absence of this clause, result in the release or discharge by operation of law of the Surety from its obligations hereunder.

The institution of suit upon this Bond is subject to a statute of limitations of four (4) years for claims arising out of the actual construction of improvements and five (5) years for all other claims arising out of this written contract, as set forth in Section 95.11, Florida Statutes.

Any changes in or under the Lease or the Contract and compliance or noncompliance with any formalities connected with the Lease or the Contract or the changes therein shall not affect Surety's obligations under this bond, and Surety hereby waives notice of any such changes. Further, Principal and Surety acknowledge that the Penal Sum of this bond shall increase or decrease in accordance with approved changes or other modifications to the Lease and/or the Contract.

IN WITNESS WHEREOF, the Principal and Surety have executed this instrument under their several seals on the _____ day of _____, _____, the name and corporate seal of each corporate party being hereto affixed and these presents fully signed by its undersigned representative, pursuant to the authority of its governing body.

“PRINCIPAL”

By: _____
Name: _____
Title: _____

(SEAL)

“SURETY”

By: _____
Name: _____
Title: _____

(SEAL)

(Countersigned by Florida
Registered Agent)

NOTE: If Principal and Surety are corporations, the respective corporate seals shall be affixed and attached. Surety shall execute and attach a certified copy of Power of Attorney Appointing Individual Attorney-In-Fact for execution of Performance Bond on behalf of Surety.

JOINDER

The **City of Orlando** hereby joins in the Orlando International Airport Lease Agreement dated _____, 2014 between the **Greater Orlando Aviation Authority** and _____, solely to acknowledge the City's consent to the term of the Lease and to the provisions of Section 8, Exhibit "F" of the Lease.

Dated: _____, 2014.

ATTEST:

[OFFICIAL SEAL]

CITY OF ORLANDO

By: _____

Name: _____

Title: _____