

RESOLUTION NO. 23-

PRESENT, DISCUSS, AND CONSIDER ACTION ON A RESOLUTION APPROVING THE EARLY TERMINATION OF GROUND LEASE #0200-3504 BETWEEN THE TOWN OF ADDISON AND RR INVESTMENTS, INC., LOCATED AT 4550 JIMMY DOOLITTLE DRIVE AT ADDISON AIRPORT ON THE CONDITION AND SUBJECT TO THE CITY COUNCIL APPROVING A NEW GROUND LEASE AGREEMENT TO BE EXECUTED BY THE TOWN AND RR INVESTMENTS INC. WHICH SHALL SUPERSEDE AND REPLACE THE EXISTING GROUND LEASE; AUTHORIZING THE CITY MANAGER TO EXECUTE THE EARLY TERMINATION AGREEMENT OF GROUND LEASE AND THE NEW GROUND LEASE AGREEMENT ON BEHALF OF THE CITY AND OTHER AGREEMENTS THAT MAY BE NECESSARY TO EFFECTUATE THE SAME; AND PROVIDING AN EFFECTIVE DATE ACCORDINGLY.

WHEREAS, RR Investments, Inc. (“RRI”) currently holds the leasehold interests in airport property generally located at 4550 Jimmy Doolittle subject to a ground lease entered and made effective May 23, 1984, in which Hangar Six, Inc. was named as the original tenant; and

WHEREAS, by way of the Early Termination of Ground Lease Agreement attached hereto as Exhibit A, the Town and RRI agree to early terminate RRI’s ground lease, so there effectively is no lapse of time between the termination or expiration of the RRI ground lease and the commencement of the new Ground Lease Agreement, attached hereto as Exhibit B and incorporated herein by reference, for approximately 4.05 acres located where commonly known as 4550 & 4553 Jimmy Doolittle Drive at Addison Airport.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. The Early Termination Agreement between the Town of Addison and RR Investments, Inc., a copy of which is attached to this Resolution as Exhibit A (the “Early Termination Agreement”), is hereby approved and the City Manager is authorized to execute the same.

SECTION 2. The Ground Lease Agreement between the Town of Addison and RR Investment, Inc., a copy of which is attached to this Resolution as Exhibit B (the “Ground Lease”), is hereby approved and the City Manager is authorized to execute the same and any other agreements required to effectuate the same.

SECTION 3. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this 23rd day of MAY 2023.

TOWN OF ADDISON, TEXAS

Bruce Arfsten, Mayor

ATTEST:

Irma Parker, City Secretary

EXHIBIT A

**GROUND LEASE EARLY TERMINATION AGREEMENT
4550 JIMMY DOOLITTLE DRIVE AT ADDISON AIRPORT
ALP #A5; PROPERTY #0200**

STATE OF TEXAS §

§

**GROUND LEASE
EARLY TERMINATION AGREEMENT
(4550 Jimmy Doolittle Drive; ALP#A5)**

COUNTY OF DALLAS §

This Ground Lease Early Termination Agreement (hereinafter referred to as the “Agreement”) is entered into on this _____ day of _____, 2023 (the “Effective Date”) between the **TOWN OF ADDISON**, a Texas home-rule municipality (hereinafter referred to as “Landlord” or “City”); a Texas home-rule municipality, and **RR INVESTMENTS, INC.**, a Texas corporation (hereinafter referred to as “Tenant”) (Landlord and Tenant are sometimes referred to together herein as the “Parties” and individually as a “party”).

RECITALS

WHEREAS, the Landlord is the record title owner of the Addison Airport, a description of which is set forth in **Exhibit 1** attached hereto and incorporated herein (the “Airport”); and

WHEREAS, Landlord is operator and manager of the Airport, and any person or entity appointed or authorized by Landlord from time to time to manage or operate the Airport on behalf of the Landlord (severally and/or collectively) hereinafter referred to as “Airport Manager” or “Manager”); and

WHEREAS, the Town of Addison, as a home-rule municipality, operates under a municipal charter that has been adopted or amended as authorized by Article XI, Section 5, of the Texas Constitution. The Town of Addison, as a municipality, from time to time establishes and enforces federal, state and local ordinances, codes and regulations, which in doing so is acting in its governmental capacity, which may be the same or separate as its capacity as Landlord and Manager provided for herein; and

WHEREAS, a Ground Lease (as amended and assigned, the “Ground Lease”) was entered into as of May 23, 1984, between the Town of Addison, Texas (“City”) and Addison Airport of Texas, Inc. as Landlord, and Hangar Six, Inc. as Tenant; and

WHEREAS, the Ground Lease was assigned to Turbine Aircraft Services, Inc. by that Assignment of Lease dated July 2, 2002, and was simultaneously amended and modified by that Amendment to Ground Lease dated July 2, 2002, which among other things, amended the Demised Premises of the Ground Lease as set forth therein; and

WHEREAS, the Ground Lease was further amended by that Second Amendment to Ground Lease entered into and made effective as of April 16, 2003, recorded in the Official Public Records of Dallas County, Texas, as Instrument #200503504117 which, among other things, amended the Demised Premises of the Ground Lease as set forth therein; and

WHEREAS, the Ground Lease was further amended by that Third Amendment to Ground Lease entered into and made effective January 13, 2009 (evidenced by that Memorandum of Lease recorded as Instrument #200900063654 and by that Memorandum of Third Amendment to Ground Lease recorded as Instrument #201100292149 in the Official Public Records of Dallas County) which, among other things, amended the Demised Premises of the Ground Lease and extended the Term of the Ground Lease to June 30, 2048; and

WHEREAS, the Ground Lease was assigned by Turbine Aircraft Services, Inc. to 6200 GP, LLC, a Nevada limited liability company, by that Assignment of Ground Lease dated January 21, 2014, recorded in the Official Public Records of Dallas County as Instrument #201400014985; and

WHEREAS, the Ground Lease was further amended by that Fourth Amendment to Ground Lease entered into on January 8, 2019, which, among other things, amended the Demised Premises of the Ground Lease as set forth therein (evidenced by that Memorandum of Lease recorded in the Official Public Records of Dallas County as Instrument 201900017100), and more fully described in Exhibits “A” and “B” attached hereto and made a part hereof; and

WHEREAS, the Ground Lease was assigned by 6200 GP, LLC to RR Investments, Inc., a Texas corporation, by that Assignment of Ground Lease dated September 7, 2022, recorded in the Official Public Records of Dallas County, Texas as Instrument #202200241777; and

WHEREAS, by virtue of such assignments, RR Investments, Inc. is the Tenant under the Ground Lease, as amended or modified; and

WHEREAS, the Ground Lease provides that upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the “Base Lease” (and being an Agreement for Operation of the Addison Airport between the City and Addison Airport of Texas, Inc.), the City is entitled to all the rights, benefits, and remedies, and will perform the duties, covenants, and obligations of the Landlord under the Ground Lease; and

WHEREAS, the Base Lease expired and the City is the Landlord under the Ground Lease; and

WHEREAS, Landlord and Tenant desire to early terminate the Ground Lease and simultaneously, without interruption to Tenant’s ownership and title to the building improvements made thereon, enter into a new ground lease intended to replace and supersede the Ground Lease in its entirety (hereinafter referred to as the “RRI Ground Lease”);

WHEREAS, capitalized terms used herein but not otherwise defined have the meanings assigned to such terms in the Ground Lease; and

WHEREAS, a true, correct, and complete copy of the Ground Lease, as amended, modified, and assigned is attached hereto as **Exhibit A**.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars

(\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

Section 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part of this Agreement for all purposes.

Section 2. Termination. Landlord and Tenant agree that, subject to the parties entering into and executing the RRI Ground Lease as agreed to by the parties, the Ground Lease shall terminate simultaneously upon the commencement of the new RRI Ground Lease (the "Termination Date"), as if such date were the stated expiration date of the Ground Lease. In accordance herewith, the Termination Date of the Ground Lease is _____, 2023 (*to be completed upon execution of the new RRI Ground Lease, which shall be the first day of the calendar month following the Effective Date of the RRI Ground Lease*). In the event the new RRI Ground Lease is not agreed to and executed by the authorized representatives of both parties on or before _____, 2023, this Agreement shall become null and void *ab initio*, shall have no force or effect whatsoever, and the Ground Lease shall remain in full force and effect. The early termination of the Ground Lease shall not release Tenant from any of its obligations, duties, liabilities, or responsibilities Tenant would otherwise have if the Ground Lease had been otherwise terminated or had expired in accordance with the terms and provisions thereof.

As of the date of the execution of this Agreement, certain building and other improvements located upon the Demised Premises are among the leasehold interests held by Tenant pursuant to the terms and conditions of the Ground Lease. However, the Ground Lease provides in Section 26 thereof, where upon the expiration or termination of the Ground Lease any and all improvements made to the Demised Premises by Tenant shall become the property of Landlord. Despite this language, the parties hereto desire and intend by this Agreement and by way of the new RRI Ground Lease for the ownership of such buildings and improvements be retained and continued to be owned by Tenant without interruption, and that Landlord not become the owner of the buildings and improvements upon the termination of the Ground Lease. Therefore, such buildings and improvements shall be retained and continued to be owned by Tenant despite the termination of the Ground Lease pursuant to this Agreement, and such ownership shall be reflected in and carry over with the execution of the new RRI Ground Lease.

Section 3. Continued Performance. Landlord and Tenant agree that each shall continue to perform their respective obligations contained in the Ground Lease including, but not limited to, Tenant's obligation to pay rent through the Termination Date. If the Termination Date is other than the last day of the month, the parties agree that the rent attributable to that part of the month through the Termination Date shall be prorated on a per-diem basis.

Section 4. Binding Effect. This Agreement shall be for the benefit of, and shall be binding upon, the parties hereto and their respective heirs, executors, administrators, successors, and assigns (as the same may be permitted by the Ground Lease).

Section 5. Applicable Law; Venue; Recording. The parties agree that the laws of the state of Texas shall govern and apply to the interpretation, validity, and enforcement of this Agreement; and, with respect to any conflict of law provisions, the parties hereto agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity, and enforcement of this Agreement; and all obligations of the parties created by this Agreement are performable in Dallas County, Texas. Venue for any action under this Agreement shall be in Dallas County, Texas. The parties hereby mutually agree to execute and cause to be recorded in the Official Public Records of Dallas County, Texas a Memorandum of Lease Termination substantially in the form of **Exhibit B**, attached hereto and incorporated herein affirming this Agreement in the Dallas County Clerk's Official Public Records.

Section 6. Final Agreement; No Other Amendments. This Agreement shall constitute the final agreement and understanding of the parties on the subject matter hereof and may only be modified by further written instrument executed by both parties. Except to the extent modified or amended herein, all other terms, conditions, standards, and obligations of the Ground Lease shall remain unchanged and in full force and effect.

Section 7. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date first given above.

TENANT:

LANDLORD:

RR INVESTMENTS, INC.

Town of Addison, Texas

By: _____

By: _____

David Gaines, City Manager

Printed Name: _____

Date: _____

Date: _____

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 20____.

[SEAL]

Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Wesley S. Pierson, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 20____.

[SEAL]

Notary Public, State of Texas

EXHIBIT A

True and Correct Copy of

Ground Lease #0200-3504
as amended, modified and assigned

STATE OF TEXAS

§

ASSIGNMENT OF GROUND LEASE

§

COUNTY OF DALLAS

§

National Title GF# 782201593

This Assignment of Ground Lease (“Assignment”) is entered into and effective as of September 7, 2022, by and between 6200 GP, LLC, a Nevada limited liability company (“Assignor”), and RR Investments, Inc., a Texas corporation, (“Assignee”).

WHEREAS, a Ground Lease was entered into as of May 23, 1984, between the Town of Addison, Texas (“City”) and Addison Airport of Texas, Inc. as Landlord, and Hangar Six, Inc. as Tenant; and

WHEREAS, the Ground Lease was assigned to Turbine Aircraft Services, Inc. by that Assignment of Lease dated July 2, 2002, and was simultaneously amended and modified by that Amendment to Ground Lease dated July 2, 2002, which among other things, amended the Demised Premises of the Ground Lease as set forth therein; and

WHEREAS, the Ground Lease was further amended by that Second Amendment to Ground Lease entered into and made effective as of April 16, 2003, recorded in the Official Public Records of Dallas County, Texas, as Instrument #200503504117 which, among other things, amended the Demised Premises of the Ground Lease as set forth therein; and

WHEREAS, the Ground Lease was further amended by that Third Amendment to Ground Lease entered into and made effective January 13, 2009, (evidenced by that Memorandum of Lease recorded as Instrument #200900063654 and by that Memorandum of Third Amendment to Ground Lease recorded as Instrument #201100292149 in the Official Public Records of Dallas County) which, among other things, amended the Demised Premises of the Ground Lease and extended the Term of the Ground Lease to June 30, 2048; and

WHEREAS, the Ground Lease was assigned by Turbine Aircraft Services, Inc. to 6200 GP, LLC, a Nevada limited liability company, by that Assignment of Ground Lease dated January 21, 2014, recorded in the Official Public Records of Dallas County as Instrument #201400014985; and

WHEREAS, the Ground Lease was further amended by that Fourth Amendment to Ground Lease entered into on January 8, 2019, which, among other things, amended the Demised Premises of the Ground Lease as set forth therein (evidenced by that Memorandum of Lease recorded in the Official Public Records of Dallas County as Instrument 201900017100), and more fully described in Exhibits “A” and “B” attached hereto and made a part hereof; and

WHEREAS, by virtue of such assignments, 6200 GP, LLC is the Tenant under the Ground Lease, as amended or modified; and

WHEREAS, the Ground Lease provides that upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the “Base Lease” (and being an Agreement for Operation of the Addison Airport between the City and Addison Airport of Texas, Inc.), the City is entitled to all the rights, benefits, and remedies, and will perform the duties, covenants, and obligations of the Landlord under the Ground Lease; and

WHEREAS, the Base Lease expired and the City is the Landlord under the Ground Lease; and

WHEREAS, the Ground Lease provides in Section 9 thereof that without the prior written consent of the Landlord, the Tenant may not assign the Ground Lease or any rights of the Tenant under the Ground Lease (except as provided therein); that any assignment must be expressly subject to all the terms and provisions of the Ground Lease; and that any assignment must include a written agreement from the Assignee whereby the Assignee agrees to be bound by the terms and provisions of the Ground Lease; and

WHEREAS, Assignor desires to assign the Ground Lease to Assignee, and Assignee desires to accept the assignment thereof, in accordance with the terms and conditions of this Assignment of Ground Lease.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which is hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

AGREEMENT

1. Assignor hereby assigns, bargains, sells, and conveys to Assignee, effective as of the date above, all of Assignor’s right, title, duties, responsibilities, and interest in and to the Ground Lease, TO HAVE AND TO HOLD the same, for the remaining term thereof, and Assignor does hereby bind itself and its successors and assigns to warrant and forever defend the same unto Assignee against every person or persons lawfully claiming any part thereof through Assignor.

2. Prior to the effective date of this Assignment, Assignee agrees to pay Landlord an Assignment Fee in the amount of One Thousand Dollars and 00/100 (\$1,000.00).

3. Assignee hereby agrees to and shall be bound by and comply with all the terms, provisions, duties, conditions, and obligations of the Tenant under the Ground Lease. For purposes of notice under the Ground Lease, the address of Assignee is:

RR Investments, Inc
4300 Westgrove Drive
Addison, Texas 75001

4. Nothing in this Assignment shall be construed or shall be deemed to modify, alter, amend, or change any term or condition of the Ground Lease except as set forth herein.

5. The above and foregoing premises and recitals are incorporated and made part of this Assignment, and Assignor and Assignee warrant and represent that such premises and statements, and all other provisions of this Assignment, are true and correct, and that in giving consent, Landlord (as defined in the Consent of Landlord attached hereto) is entitled to rely upon such representations and statements.

6. This Assignment is subject to the consent and filing requirements of the Town of Addison, Texas.

7. Assignor acknowledges that, in addition to any other remedies provided in the Ground Lease or by law, Landlord may, at its own option, collect directly from the Assignee all rents becoming due under such assignment and may apply such rent against any sums due to Landlord. No such collection by Landlord from any such Assignee or subtenant shall release Assignor from the payment or performance of Assignor's obligations under the Ground Lease.

8. The undersigned representatives of the Assignor and Assignee have the necessary authority to execute this Assignment on behalf of the respective parties, and Assignor and Assignee certify to one another that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment of Ground Lease on the day and the year first set forth above.

Assignor: 6200 GP, LLC

Assignee: RR INVESTMENTS, INC

By: *Gina H. Kay*

By: _____

Printed Name: *Gina H. Kay*

Printed Name: _____

Title: *Manager*

Title: _____

4. Nothing in this Assignment shall be construed or shall be deemed to modify, alter, amend, or change any term or condition of the Ground Lease except as set forth herein.

5. The above and foregoing premises and recitals are incorporated and made part of this Assignment, and Assignor and Assignee warrant and represent that such premises and statements, and all other provisions of this Assignment, are true and correct, and that in giving consent, Landlord (as defined in the Consent of Landlord attached hereto) is entitled to rely upon such representations and statements.

6. This Assignment is subject to the consent and filing requirements of the Town of Addison, Texas.

7. Assignor acknowledges that, in addition to any other remedies provided in the Ground Lease or by law, Landlord may, at its own option, collect directly from the Assignee all rents becoming due under such assignment and may apply such rent against any sums due to Landlord. No such collection by Landlord from any such Assignee or subtenant shall release Assignor from the payment or performance of Assignor's obligations under the Ground Lease.


8. The undersigned representatives of the Assignor and Assignee have the necessary authority to execute this Assignment on behalf of the respective parties, and Assignor and Assignee certify to one another that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment of Ground Lease on the day and the year first set forth above.

Assignor: 6200 GP, LLC

Assignee: RR INVESTMENTS, INC

By: _____

By: 

Printed Name: _____

Printed Name: Donald Rickerhauser

Title: _____

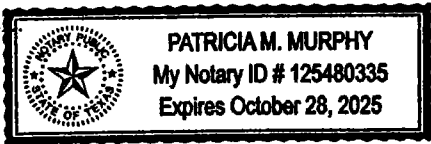
Title: President and COO

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Gina H. Kay, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 6th day of September, 2022.



P. Murphy
Notary Public, State of Texas

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2022.

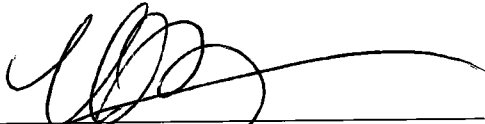
Notary Public, State of Texas

ACKNOWLEDGMENT

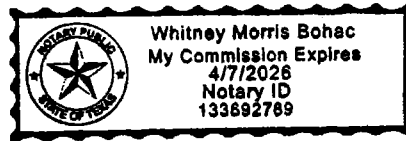
STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared **Donald Rickerhauser**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he) executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 6 day of September, 2022.



Notary Public, State of Texas



CONSENT OF LANDLORD

The Town of Addison, Texas ("Landlord") is the Landlord in the Ground Lease described in the Assignment of Ground Lease ("Assignment") entered into and effective as of _____ 2022, by and between 6200 GP, LLC, a Nevada limited liability company (herein referred to as "Assignor"), and RR Investments, Inc., a Texas corporation (herein referred to as "Assignee").

In executing this Consent of Landlord ("Consent"), Landlord is relying upon the warranties and representations made in the Assignment by Assignor and Assignee, and in relying upon the same, Landlord hereby consents to the Assignment from Assignor to Assignee. Notwithstanding this Consent, Landlord does not waive any of its rights under the Ground Lease as to the Assignor or to the Assignee, and does not release Assignor from its covenants, obligations, duties, or responsibilities under or in connection with the Ground Lease, and Assignor shall remain liable and responsible for all such covenants obligations, duties, and responsibilities. Notwithstanding any provisions of this Consent of Landlord, or the above and foregoing Assignment to the contrary, this Consent shall not operate as a waiver of any prohibition against further assignment, transfer, conveyance, pledge, change of control, or subletting of the Ground Lease or the premises described therein without Landlord's prior written consent.

This Consent of Landlord shall remain valid only if, and provided that no later than 6:00 o'clock p.m. on October 31, 2022:

(i) The Assignment is executed and notarized by Assignor and Assignee;

(ii) All other matters in connection with the transfer, sale, and/or conveyance by Assignor to Assignee of Assignor's interest in the Ground Lease have been fully consummated and completed, and the transaction closed as reasonably determined by Landlord (such matters including, without limitation, the full execution and finalization of the Assignment and any other documentation required by Landlord relating to this transaction), delivered to Landlord c/o Mr. Bill Dyer, Addison Airport Real Estate Manager, 4545 Jimmy Doolittle Road, Suite 200, Addison, Texas 75001.

Otherwise, and failing compliance with and satisfaction of paragraphs (i) and (ii) above, this Consent of Landlord shall be null and void *ab initio* as if it had never been given and executed.

Executed on this 10th day of AUGUST, 2022.

LANDLORD: Town of Addison, Texas

By: 
Hamid Khaleghipour, City Manager

EXHIBIT B

LEGAL DESCRIPTION

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), and lying in the south line of Addison Airport Property #0231 and, having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 58.76 feet passing a 'PK' nail found in the south line of said Jimmy Doolittle Drive at the northwest corner of Addison Airport Property #0210, continuing along the west line of said Property #0210, in all a distance of 62.52 feet to a 'PK' nail found;

THENCE along the west line of said Property #0210 the following:

North 68 Degrees 43 Minutes 35 Seconds East, 14.96 feet to a 1/2-inch iron rod found;

South 21 Degrees 16 Minutes 25 Seconds East, 113.96 feet to a cut 'x' found;

South 68 Degrees 56 Minutes 04 Seconds West, 14.96 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 15 Seconds East, 23.69 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 6.26 feet to a cut 'x' set;

South 21 Degrees 13 Minutes 44 Seconds East, 7.30 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 5.12 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 44 Seconds East, 41.95 feet to a cut 'x' set in the north line of Taxiway Sierra, from which a 'PK' nail found at the southwest corner of said Property #0210 bears South 21 Degrees 13 Minutes 44 Seconds East, 3.00 feet;

THENCE South 68 Degrees 36 Minutes 46 Seconds West, at all times remaining 60.00 feet north of and parallel to the centerline of Taxiway Sierra, 382.10 feet to a 'PK' nail set;

THENCE North 21 Degrees 14 Minutes 10 Seconds West, 246.36 feet to a 3/8-inch iron rod found at the southwest corner of said Property #0231;

THENCE North 68 Degrees 44 Minutes 36 Seconds East, along the south line of said Property #0231, 330.08 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 21 Degrees 06 Minutes 33 Seconds East, along the south line of said Property #0231, 3.41 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 68 Degrees 19 Minutes 44 Seconds East, along the south line of said Property #0231, 63.31 feet to the **POINT of BEGINNING** and **CONTAINING** 2.254 acres of land.

**Dallas County
John F. Warren
Dallas County Clerk**

Instrument Number: 202200241777

eRecording - Real Property

Recorded On: September 08, 2022 01:53 PM

Number of Pages: 10

" Examined and Charged as Follows: "

Total Recording: \$58.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 202200241777
Receipt Number: 20220908000370
Recorded Date/Time: September 08, 2022 01:53 PM
User: Kevin T
Station: CC18

Record and Return To:

CSC Global



**STATE OF TEXAS
COUNTY OF DALLAS**

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Dallas County, Texas.

John F. Warren
Dallas County Clerk
Dallas County, TX

A handwritten signature in black ink, appearing to be "JFW", is written over the printed name of John F. Warren.

CORRECTION INSTRUMENT AS TO A RECORDED ORIGINAL INSTRUMENT
[Non-material correction pursuant to §5.028, Texas Property Code, where the parties to the recorded original instrument have not signed the correction affidavit (instrument)]

Date: September 9, 2022
GF No: 782201593
Title Company: National Title Group, LLC
Affiant: Monica Forman

Description of Original Instrument (include name of instrument, date, parties and recording information):

Assignment of Ground Lease, Dallas County Real Property Records 202200241777, Recorded September 8, 2022, 6200 GP, LLC, a Nevada limited liability company ("Assignor"), and RR Investments, Inc., a Texas corporation ("Assignee")

Affiant on oath swears that the following statements are true and within the personal knowledge of Affiant:

1. My name is Monica Forman. My address is 4131 N. Central Expwy. Ste. 450, Dallas, TX 75204. I am over the age of eighteen (18) years and am otherwise competent to make this Correction Affidavit.
2. I have personal knowledge of the facts relevant to the correction of the above referenced Original Instrument as evidenced by the following facts (describe facts indicating personal knowledge below):

Escrow Officer that closed the referenced transaction.

3. I am making this Affidavit as a correction instrument pursuant to §5.028 of the Texas Property Code, with regard to the following clerical error in the Original Instrument (describe error below):

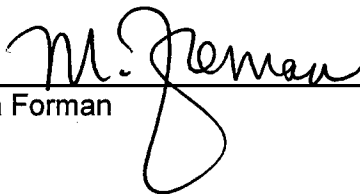
The effective date of page 7 of the recorded document "Consent of Landlord" was left blank.

4. The Original Instrument should correctly read as follows with respect to the clerical error described above, this being a non-material change to the Original Instrument (Insert corrected language below):

The effective date of page 7 of the recorded document "Consent of Landlord" is September 7, 2022.

5. I have given notice of this correction of the Original instrument by sending a copy of this Correction Affidavit by mail to each party to the Original Instrument, in accordance with §5.028 (d) (2) of the Texas Property Code. The evidence of said notice is attached to this affidavit as required by §5.028 (d) (1) of the Texas Property Code.

AFFIANT:



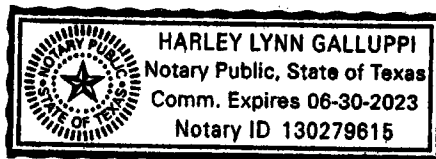
Monica Forman

STATE OF TEXAS
COUNTY OF DALLAS

This instrument was acknowledged before me on September 9, 2022 by Monica Forman and acknowledged to me that he/she executed the same on behalf of said bank for the purposes and consideration therein expressed and in the capacity therein stated.



Notary Public, State of
Notary's name (printed):
Notary's commission expires:





National Title
4131 N. Central Expressway, Suite 450
Dallas, TX 75204
Phone or Fax 214-751-3855
TeamMonica@NationalTitleGroup.com

Exhibit A

September 9, 2022

6200 GP, LLC, a Nevada limited liability company
4500 Jimmy Doolittle Drive
Addison, TX 75001

RR Investments, Inc.
4300 Westgrove
Addison TX 75001

In compliance with Section §5.028 et seq., Texas Property Code, please accept this transmittal as notification to the non-material corrections that will be made to the attached Assignment of Ground Lease, which was recorded with an error in page7 effective date was left blank.

The attached Correction Instrument will be submitted to the Dallas Clerk's Office for recordation. A recorded copy of each corrected instrument will be provided to all once available. Please feel free to call or email if you have any questions.

Thank you for your patience and cooperation!

A handwritten signature in black ink that reads 'HGalluppi'. The signature is written in a cursive, slightly stylized font.

Harley Galluppi
Escrow Officer & Assistant to Monica Forman
NATIONAL TITLE GROUP
LATHRAM POU & ASSOCIATES

**Dallas County
John F. Warren
Dallas County Clerk**

Instrument Number: 202200243056

eRecording - Real Property

Recorded On: September 09, 2022 03:54 PM

Number of Pages: 3

" Examined and Charged as Follows: "

Total Recording: \$30.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 202200243056
Receipt Number: 20220909000583
Recorded Date/Time: September 09, 2022 03:54 PM
User: Lynn G
Station: CC53

Record and Return To:

CSC Global



**STATE OF TEXAS
COUNTY OF DALLAS**

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Dallas County, Texas.

John F. Warren
Dallas County Clerk
Dallas County, TX

A handwritten signature in black ink, appearing to be "JFW", is written over the printed name of John F. Warren.



NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

After Recording Return To:
Addison Airport Administration
Attn.: Real Estate Manager
16051 Addison Road, Suite 220
Addison, Texas 75001

MEMORANDUM OF LEASE

This Memorandum of Lease is dated as of January 8, 2019, and executed by and between the Town of Addison, Texas ("Landlord") and 6200 GP, LLC, a Nevada limited liability company ("Tenant").

WHEREAS, a Ground Lease was entered into as of May 23, 1984 between the Town (City) of Addison, Texas and Addison Airport of Texas, Inc., as landlord, and Hangar Six, Inc., as tenant, affecting a 1.764 acre tract of land located at Addison Airport, which Ground Lease provides that its term commenced on July 1, 1984 and is to end 360 months thereafter (or on June 30, 2014); and

WHEREAS, the Ground Lease was then assigned to Turbine Aircraft Services, Inc. by that Assignment of Lease dated July 2, 2002, and was simultaneously amended and modified by that Amendment to Ground Lease dated July 2, 2002 (the "First Amendment to Ground Lease"), which, among other things, amended the description of the demised premises of the Ground Lease as set forth therein; and

WHEREAS, the Ground Lease was further amended by that "Second Amendment to Ground Lease" (recorded in the Official Public Records of Dallas County, Texas in Book 2005178, Page 00001, Instrument # 200503504117), entered into and made effective as of April 16, 2003 which, among other things, amended the demised premises of the Ground Lease as set forth therein; and

WHEREAS, the Ground Lease was further amended by that "Third Amendment to Ground Lease" entered into and made effective January 13, 2009, which among other things, amended the demised premises of the Ground Lease and extended the Term so that it shall end on June 30, 2048 (evidenced by that Memorandum of Third Amendment to Ground Lease recorded in the Official Public Records of Dallas County as Instrument #201100292149); and

WHEREAS, the Ground Lease was assigned by Turbine Aircraft Services, Inc. to 6200 GP, LLC, a Nevada limited liability company, by that Assignment of Lease dated January 21, 2014 and recorded as Instrument #201400014985 in the OPR; and

WHEREAS, by virtue of such assignments, 6200 GP, LLC, a Nevada limited liability company, is the Tenant of record under the Ground Lease, as amended or modified.

Now let it be known, the said Ground Lease is further amended by that "Fourth Amendment to Ground Lease", entered into and made effective January 8, 2019, which, among other things, amends the description of the demised premises so that the demised premises shall thereafter comprise the land described in Exhibit A attached hereto and incorporated herein by reference; provided, however, the said demised premises described in the attached Exhibit A and the lease thereof are subject to any and all restrictive covenants, taxes, easements, encroachments, leases, liens, laws, ordinances, rules, regulations, standards, and all other encumbrances or title exceptions, whether of record or not, and including, without limitation, items or matters which are visible or apparent from an inspection of the said demised premises.

This Memorandum is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish or supplement the provisions of the Ground Lease, as amended. In the event of any inconsistency between the provisions of this Memorandum of Lease and the provisions of the Ground Lease (as amended), the provisions of the Ground Lease, as amended, shall govern. Reference should be made to the Ground Lease (and all amendments thereto) for the full description of the rights and duties of Landlord and Tenant thereunder, and this Memorandum of Lease shall in no way affect the terms and conditions of the Ground Lease (including all amendments thereto) or the interpretation of the rights and duties of Landlord and Tenant thereunder.

Upon the expiration or earlier termination of the Ground Lease, Landlord and Tenant agree that they shall execute and record a termination of this Memorandum of Lease.

IN WITNESS WHEREOF, the undersigned parties execute this Memorandum of Lease this 10th day of JANUARY, 2019.

LANDLORD:

TOWN OF ADDISON, TEXAS

By:

Wesley S. Pierson
Wesley S. Pierson, City Manager

TENANT:

6200 GP, LLC

By Regis Realty Prime, LLC (authorized Agent)

By:

Scott Porter
Scott Porter, Senior Vice President

ATTEST: By:

Irma G. Parker
Irma Parker, City Secretary

January 8, 2019
Resolution No. R19-003



ACKNOWLEDGMENT

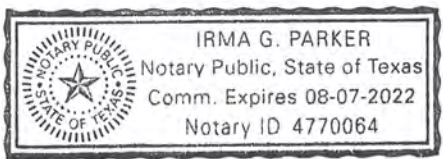
STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 10th day of JANUARY, 2019 by Wesley S. Pierson, City Manager for the Town of Addison, a Texas home-rule municipality, on behalf of said municipality.

Irma G. Parker
Notary Public, State of Texas

Print Name: Irma G. Parker

My commission expires: 08-07-2022



STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 3 day of January, 2019 by Scott Porter, senior vice president of Regis Realty Prime LLC, authorized agent of 6200 GP, LLC, a Nevada limited liability company, on behalf of said corporation.

Jennifer Williamson
Notary Public, State of Texas

Print Name: Jennifer Williamson

My commission expires: 3-15-20

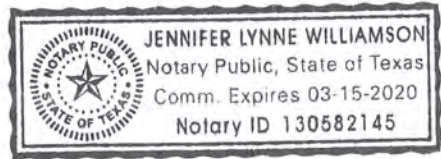


EXHIBIT "A"

Parcel "A" PROPERTY #0200

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), and lying in the south line of Addison Airport Property #0231 and, having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 58.76 feet passing a 'PK' nail found in the south line of said Jimmy Doolittle Drive at the northwest corner of Addison Airport Property #0210, continuing along the west line of said Property #0210, in all a distance of 62.52 feet to a 'PK' nail found;

THENCE along the west line of said Property #0210 the following:

North 68 Degrees 43 Minutes 35 Seconds East, 14.96 feet to a 1/2-inch iron rod found;

South 21 Degrees 16 Minutes 25 Seconds East, 113.96 feet to a cut 'x' found;

South 68 Degrees 56 Minutes 04 Seconds West, 14.96 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 15 Seconds East, 23.69 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 6.26 feet to a cut 'x' set;

South 21 Degrees 13 Minutes 44 Seconds East, 7.30 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 5.12 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 44 Seconds East, 41.95 feet to a cut 'x' set in the north line of Taxiway Sierra, from which a 'PK' nail found at the southwest corner of said Property #0210 bears South 21 Degrees 13 Minutes 44 Seconds East, 3.00 feet;

THENCE South 68 Degrees 36 Minutes 46 Seconds West, at all times remaining 60.00 feet north of and parallel to the centerline of Taxiway Sierra, 382.10 feet to a 'PK' nail set;

THENCE North 21 Degrees 14 Minutes 10 Seconds West, 246.36 feet to a 3/8-inch iron rod found at the southwest corner of said Property #0231;

THENCE North 68 Degrees 44 Minutes 36 Seconds East, along the south line of said Property #0231, 330.08 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 21 Degrees 06 Minutes 33 Seconds East, along the south line of said Property #0231, 3.41 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 68 Degrees 19 Minutes 44 Seconds East, along the south line of said Property #0231, 63.31 feet to the **POINT of BEGINNING** and **CONTAINING** 2.254 acres of land.

Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
01/22/2019 11:04:26 AM
\$38.00



A handwritten signature in black ink, appearing to be "JFW", is written over the seal.

201900017100

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

FOURTH AMENDMENT TO GROUND LEASE

This Fourth Amendment to Ground Lease (hereinafter referred to as the "Fourth Amendment") is entered into and made effective as of the first day of the calendar month immediately following the Date of Execution given hereinbelow (the "Effective Date"), at Addison, Texas, by and between the Town of Addison, Texas, a home-rule municipality (hereinafter sometimes referred to as the "Landlord" or the "City"), and 6200 GP, LLC, a Nevada limited liability company ("Tenant") (Landlord and Tenant are sometimes referred to herein as the "parties" or "party").

WHEREAS, the original Ground Lease was entered into as of May 23, 1984 between the Town (City) of Addison, Texas and Addison Airport of Texas, Inc., as Landlord, and Hangar Six, Inc., as the tenant, by the terms of which certain real property described in the Ground Lease and now commonly known as 4550 Jimmy Doolittle Drive, Addison Airport, within the Town of Addison, Texas, and owned by the City was leased to Hangar Six, Inc.; and

WHEREAS, the Ground Lease provides that, upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the "Base Lease" (and being an Agreement for Operation of the Addison Airport between the City and AATI), the City is entitled to all of the rights, benefits and remedies, and will perform the duties, covenants and obligations of the Landlord under the Base Lease; and

WHEREAS, the Base Lease has expired and the City alone is the Landlord under the Ground Lease; and

WHEREAS, the Ground Lease was assigned by Hangar Six, Inc. to Turbine Aircraft Services, Inc. by that Assignment of Lease dated July 2, 2002; and

WHEREAS, simultaneously with the Assignment of Lease, Landlord and Tenant entered into an Amendment to Ground Lease dated July 2, 2002 (the "First Amendment"), which, among other things, amended the description of the Demised Premises of the Ground Lease as set forth in the First Amendment; and

WHEREAS, the Ground Lease was further amended by that Second Amendment to Ground Lease entered into and made effective as of April 16, 2003 (the "Second Amendment", recorded as Instrument #200503504117 in the Dallas County, Texas Official Public Records ("OPR")) which, among other things, amended the Demised Premises of the Ground Lease, as set forth in the Second Amendment; and

WHEREAS, the Ground Lease was further amended by that Third Amendment to Ground Lease entered into and made effective as of January 13, 2009 (the "Third Amendment", as evidenced by that certain Memorandum of Third Amendment to Ground Lease recorded as Instrument #201100292149 in the OPR) which, among other things, amended: (i) the description of the Demised Premises; (ii) the Rental amount due as of the amendment effective date, and; (iii) modified the Term (extended the Ground Lease Term to now expire June 30, 2048); and

WHEREAS, the Ground Lease was assigned by Turbine Aircraft Services, Inc. to 6200 GP, LLC, a Nevada limited liability company by that Assignment of Lease dated January 21, 2014 and recorded as Instrument #201400014985 in the OPR; and

WHEREAS, by virtue of such assignments, 6200 GP, LLC, a Nevada limited liability company, is the Tenant of record under the Ground Lease, as amended or modified, as of the Date of Execution of this Fourth Amendment; and

WHEREAS, a true and correct copy of the Original Ground Lease as amended or modified is attached hereto and incorporated herein by reference as **Exhibit "A"**; and

WHEREAS, Landlord has proposed, and the Tenant has agreed, to remove from the Demised Premises certain unimproved land located at Addison Airport described in the attached **Exhibit "B"** as "Parcel B" (consisting of approximately 6,554 square feet, which at one time was intended to accommodate future off-street vehicle parking no longer required by Tenant), and Landlord and Tenant desire to amend the Ground Lease in the manner set forth below.

NOW, THEREFORE, for and in consideration of the above and foregoing premises, the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Town of Addison, Texas, and 6200 GP, LLC do hereby agree as follows:

Section 1. Incorporation of Premises. The above and foregoing recitals are true and correct and are incorporated herein and made a part hereof.

Section 2. Amendments and Modifications to Ground Lease. The Ground Lease, as described in the above and foregoing recitals, is hereby amended and modified as follows:

A. Amendment to Description of Demised Premises

1. The Ground Lease is hereby amended by modifying the description of the Demised Premises leased to Tenant as set forth in the Ground Lease so that the Demised Premises shall hereafter comprise of the land described as "Parcel A; Property #0200" in Exhibit "B" attached to this Fourth Amendment and incorporated herein by reference provided, however, the Demised Premises, as modified herein, shall continue to be subject to any and all restrictive covenants, taxes, easements, encroachments, leases, liens, laws, ordinances, rules, regulations, standards, and all other encumbrances or title exceptions, whether of record or not, and including, without limitation, items or matters which are visible or apparent from an inspection of the Demised Premises. Hereinafter, any reference to "Parcel B" as described in Exhibit "B" shall no longer be regarded as any part of the Demised Premises under the Ground Lease, as amended and modified.

2. Together with the above modification of the Demised Premises, Rental (as defined in Section 2, A.2 of the Third Amendment to Ground Lease) is hereby amended to equal Sixty-Four Thousand Five Hundred Thirty-Two Dollars and 76/100ths_(\$64,532.76) payable in twelve (12) equal installments of Five Thousand Three Hundred Seventy-Seven

Dollars and 76/100ths (\$5,377.76) with the first said monthly installment due on or before the Effective Date of this Fourth Amendment to Ground Lease. Said Rental is calculated to equal the product of the number of gross square feet of the Demised Premises, as modified herein (being 98,184 square feet) multiplied by **\$0.6573** for each gross square foot thereof, which said Rental is subject to adjustment as set forth in the Ground Lease. Thereafter, without offset or deduction, Rental shall be paid on or before the first day of each calendar month over the Term. Landlord and Tenant hereby agree and acknowledge the rental rate of \$0.6573 per gross square foot is the current rental rate as adjusted in accordance with the Ground Lease, as amended or modified since the commencement of the Ground Lease and is subject to future adjustments as set forth in Section 2.B. hereinbelow.

B. Amendment to Section 5 of the Ground Leases - Adjustment of Rental

1. A comparison shall be made between the Price Index (as defined in the Ground Lease) as of the **Effective Date of this Fourth Amendment to Ground Lease** (the "Base Index" and "Base Index Date") and as it exists on the then applicable Adjustment Date ("the Current Index").

2. The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of change in the Price Index (i.e. Current Index divided by the Base Index) times the Rental as defined in subparagraph A.2 above (the "Base Rental" for the purpose of this Section 5).

3. Landlord and Tenant agree the next Adjustment Date shall be July 1, 2020.

Section 3. No Other Amendments. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.

Section 4. Applicable Law; Venue. In the event of any action under this Fourth Amendment, exclusive venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the state of Texas shall govern and apply to the interpretation, validity and enforcement of this Fourth Amendment; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Fourth Amendment. All obligations of the parties created by this Fourth Amendment are performable in Dallas County, Texas.

Section 5. No Third Party Beneficiaries. This Fourth Amendment and each of its provisions are solely for the benefit of the parties hereto and are not intended to and shall not create or grant any rights, contractual or otherwise, to any third person or entity.

Section 6. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this

Fourth Amendment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this 26 day of January, 2019 ("Date of Execution"):

TENANT:

LANDLORD:

6200 GP, LLC

TOWN OF ADDISON, TEXAS

By: Regis Realty Prime LLC (authorized agent)

By: [Signature]
Scott Porter, Senior Vice President

By: [Signature]
Wesley S. Pierson, City Manager

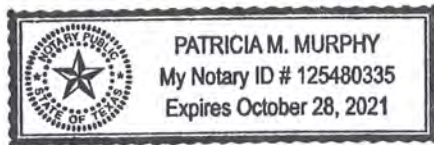
ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Scott Porter, senior vice president of Regis Realty Prime LLC, authorized agent of 6200 GP, LLC, a Nevada limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 26 day of November, 2018.

[SEAL]



[Signature]
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Wesley S. Pierson, city manager of the Town of Addison, a home-rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 10th day of JANUARY, ~~2018~~ 2019.

[SEAL]

[Signature]
Notary Public, State of Texas

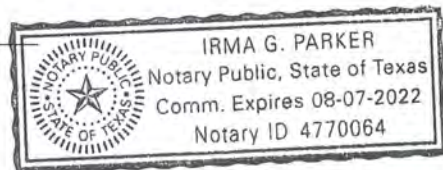


EXHIBIT "A"

COPY OF GROUND LEASE AS AMENDED AND MODIFIED

Due to the voluminous size of the historical documents, they are not included herein.

However, the Ground Lease as amended and modified as described in the Fourth Amendment Preamble is available for review upon request in the archives of the Town of Addison, Dallas County, Texas.

EXHIBIT "B"

AMENDMENT #4 PROPERTY SURVEY AND LEGAL DESCRIPTION
OF DEMISED PREMISES

**PARCEL A
PROPERTY #0200**

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), and lying in the south line of Addison Airport Property #0231 and, having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 58.76 feet passing a 'PK' nail found in the south line of said Jimmy Doolittle Drive at the northwest corner of Addison Airport Property #0210, continuing along the west line of said Property #0210, in all a distance of 62.52 feet to a 'PK' nail found;

THENCE along the west line of said Property #0210 the following:

North 68 Degrees 43 Minutes 35 Seconds East, 14.96 feet to a 1/2-inch iron rod found;

South 21 Degrees 16 Minutes 25 Seconds East, 113.96 feet to a cut 'x' found;

South 68 Degrees 56 Minutes 04 Seconds West, 14.96 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 15 Seconds East, 23.69 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 6.26 feet to a cut 'x' set;

South 21 Degrees 13 Minutes 44 Seconds East, 7.30 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 5.12 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 44 Seconds East, 41.95 feet to a cut 'x' set in the north line of Taxiway Sierra, from which a 'PK' nail found at the southwest corner of said Property #0210 bears South 21 Degrees 13 Minutes 44 Seconds East, 3.00 feet;

THENCE South 68 Degrees 36 Minutes 46 Seconds West, at all times remaining 60.00 feet north of and parallel to the centerline of Taxiway Sierra, 382.10 feet to a 'PK' nail set;

THENCE North 21 Degrees 14 Minutes 10 Seconds West, 246.36 feet to a 3/8-inch iron rod found at the southwest corner of said Property #0231;

THENCE North 68 Degrees 44 Minutes 36 Seconds East, along the south line of said Property #0231, 330.08 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 21 Degrees 06 Minutes 33 Seconds East, along the south line of said Property #0231, 3.41 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 68 Degrees 19 Minutes 44 Seconds East, along the south line of said Property #0231, 63.31 feet to the **POINT of BEGINNING** and **CONTAINING** 2.254 acres of land.



SHEET 1
PROPERTY #0200
2.254 ACRE TRACT
 SITUATED IN THE
 ADRIAN ADDITION
 TOWN OF ADRIAN
 DALLAS COUNTY, TEXAS

DRAWN BY: B.D.S./CAD
 CHECKED BY: B.D.S.
 SCALE: 1" = 20'
 DATE: SEPT. 16, 2010
 BY: B.D.S.

THIS PLAN AND INFORMATION WAS PREPARED BY
 THE ENGINEER AND ARCHITECT FOR THE
 PROJECT AND IS NOT TO BE USED FOR ANY
 OTHER PROJECT WITHOUT THE WRITTEN
 CONSENT OF THE ENGINEER AND ARCHITECT.

109
 PREPARED BY: B.D.S./CAD
 CHECKED BY: B.D.S.
 SCALE: 1" = 20'
 DATE: SEPT. 16, 2010
 BY: B.D.S.

Exhibit "B" to the Fourth Amendment to Ground Lease



201400014985
AS 1/76

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

ASSIGNMENT OF GROUND LEASE

228004720

This Assignment of Ground Lease (the "Assignment") is entered into and effective as of Jan. 21, 2014, at Addison, Texas, by and between Robert Hoff, Independent Executor of the Estate of Tom L. Berscheidt, Deceased, and Turbine Aircraft Services, Inc., a Texas corporation (herein referred to as "Assignor"), and 6200 GP, LLC, a Nevada limited liability company (herein referred to as "Assignee").

WHEREAS, a Ground Lease ("Original Ground Lease") was executed on May 23, 1984 between the City of Addison, Texas (the same being the Town of Addison, Texas) and Addison Airport of Texas, Inc., as landlord, and Hangar Six, Inc., as tenant, by the terms of which certain real property described in the Ground Lease and generally located at 4550 Jimmy Doolittle Drive, Addison Airport, within the Town of Addison, Texas (the "City") and owned by the City was leased to Hangar Six, Inc.; and

WHEREAS, by that Assignment of Lease dated July 2, 2002 (the "2002 Assignment"), the Tenant's interest in the Original Ground Lease was assigned from Hangar Six, Inc., as Assignor, to Turbine Aircraft Services, Inc., as Assignee; and

WHEREAS, simultaneously with the 2002 Assignment, Landlord and Tenant entered into an Amendment to Ground Lease dated July 2, 2002 (the "First Amendment"), which, among other things, amended the description of the demised premises under the Original Ground Lease, as set forth in the First Amendment; and

WHEREAS, the Original Ground Lease, as amended, was further amended by a Second Amendment to Ground Lease made effective as of April 16, 2003 (the "Second Amendment," recorded as Instrument #200503504117 in the Dallas County, Texas Official Public Records), which, among other things, further amended the description of the demised premises under the Ground Lease, as set forth in the Second Amendment; and

WHEREAS, the Original Ground Lease, as amended, was further amended by a Third Amendment to Ground Lease made effective as of January 13, 2009 (the "Third Amendment," as evidenced by that certain Memorandum of Third Amendment to Ground Lease recorded as Instrument #201100292149 in the Dallas County, Texas Official Public Records), which, among other things, further amended the description of the demised premises under the Ground Lease, as set forth in the Third Amendment; and

WHEREAS, by virtue of the 2002 Assignment, Turbine Aircraft Services, Inc., Assignor herein, is the Tenant under the Original Ground Lease as amended by the First Amendment, the Second Amendment, and the Third Amendment (the Original Ground Lease, as so amended, being referred to herein as the "Ground Lease," and a true and correct copy of the Ground Lease in its entirety, and including the 2002 Assignment is attached and incorporated herein by reference as Exhibit "A"); and

WHEREAS, the Ground Lease provides that, upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the "Base Lease" (and being an Agreement for Operation of the Addison Airport between the City and Addison Airport of Texas, Inc.), the City is entitled to all of the rights, benefits and remedies, and will perform the duties, covenants and obligations, of the Landlord under the Ground Lease; and

WHEREAS, the said Base Lease has expired and the City alone is the Landlord under the Ground Lease; and

WHEREAS, Tom Berscheidt, as the sole shareholder of Turbine Aircraft Services, Inc. became deceased on or about February 11, 2011, and by way of his Last Will and Testament instructed Robert Hoff, the estate's independent executor, to assign the Ground Lease and sell the building improvements as soon as practical; and

WHEREAS, the Ground Lease provides in Section 9 thereof that, without the prior written consent of the Landlord, the Tenant may not assign the Ground Lease or any rights of Tenant under the Ground Lease (except as provided therein), and that any assignment must be expressly subject to all the terms and provisions of the Ground Lease, and that any assignment must include a written agreement from the Assignee whereby the Assignee agrees to be bound by the terms and provisions of the Ground Lease; and

WHEREAS, Assignor desires to assign the Ground Lease to Assignee, and Assignee desires to accept the Assignment thereof in accordance with the terms and conditions of this Assignment.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound agree as follows:

AGREEMENT

1. Assignor hereby assigns, bargains, sells, and conveys to Assignee, effective as of the date above, all of Assignor's right, title, duties, responsibilities, and interest in and to the Ground Lease, attached hereto as **Exhibit A**, TO HAVE AND TO HOLD the same, for the remaining term thereof, and Assignor does hereby bind itself and its successors and assigns to warrant and forever defend the same unto Assignee against every person or persons lawfully claiming any part thereof through Assignor.

2. Prior to the effective date of this Assignment, Assignee agrees to pay an Assignment Fee in the amount of Four Hundred Fifty Dollars and no/100 (\$450.00) to Landlord.

3. Assignee hereby agrees to, assumes, and shall be bound by and comply with all of the terms, provisions, duties, conditions, and obligations of Tenant under the Ground Lease. For purposes of notice under the Ground Lease, the address of Assignee is:

6200 GP, LLC
Attn: Steven A. Shelley
1603 LBJ Freeway, Suite 800
Dallas, Texas 75234

4. Nothing in this Assignment modifies, alters, amends or changes, and shall not be construed or be deemed to modify, alter, amend or change, any term, provision, or condition of the Ground Lease.

5. The above and foregoing premises and recitals to this Assignment are incorporated into and made a part of this Assignment, and Assignor and Assignee both warrant and represent that such premises and statements, and all other provisions of this Assignment, are true and correct, and that in giving its consent, Landlord (as defined in the Consent of Landlord attached hereto) is entitled to rely

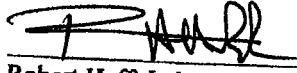
upon such representations and statements.

6. Assignor acknowledges that in addition to any other remedies provided in the Ground Lease or by law, in equity, or otherwise, Landlord may at its own option, collect directly from the Assignee all rents becoming due under such assignment and apply such rent against any sums due to Landlord. No such collection by Landlord from the Assignee shall release Assignor from the payment or performance of Assignor's obligations under the Ground Lease.

7. The undersigned representatives of the Assignor and Assignee have the necessary authority to execute this Assignment on behalf of each of the respective parties hereto, and Assignor and Assignee certify one to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment on the day and the year first set forth above.

ASSIGNOR:



Robert Hoff, Independent Executor of the
Estate of Tom L. Berscheidt, Deceased

TURBINE AIRCRAFT SERVICES, INC.,
a Texas corporation

By: _____
Name: _____
Title: _____

ASSIGNEE:

6200 GP, LLC,
a Nevada limited liability company

By: _____
Steven A. Shelley
Vice President

[Acknowledgments Follow On Next Page]

upon such representations and statements.

6. Assignor acknowledges that in addition to any other remedies provided in the Ground Lease or by law, in equity, or otherwise, Landlord may at its own option, collect directly from the Assignee all rents becoming due under such assignment and apply such rent against any sums due to Landlord. No such collection by Landlord from the Assignee shall release Assignor from the payment or performance of Assignor's obligations under the Ground Lease.

7. The undersigned representatives of the Assignor and Assignee have the necessary authority to execute this Assignment on behalf of each of the respective parties hereto, and Assignor and Assignee certify one to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment on the day and the year first set forth above.

ASSIGNOR:

Robert Hoff, Independent Executor of the
Estate of Tom L. Berscheidt, Deceased

TURBINE AIRCRAFT SERVICES, INC.,
a Texas corporation

By: RICHARD G. WHELDON
Name: Richard G. Wheldon
Title: VICE PRESIDENT

ASSIGNEE:

6200 GP, LLC,
a Nevada limited liability company

By: _____
Steven A. Shelley
Vice President

[Acknowledgments Follow On Next Page]

upon such representations and statements.

6. Assignor acknowledges that in addition to any other remedies provided in the Ground Lease or by law, in equity, or otherwise, Landlord may at its own option, collect directly from the Assignee all rents becoming due under such assignment and apply such rent against any sums due to Landlord. No such collection by Landlord from the Assignee shall release Assignor from the payment or performance of Assignor's obligations under the Ground Lease.

7. The undersigned representatives of the Assignor and Assignee have the necessary authority to execute this Assignment on behalf of each of the respective parties hereto, and Assignor and Assignee certify one to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment on the day and the year first set forth above.

ASSIGNOR:

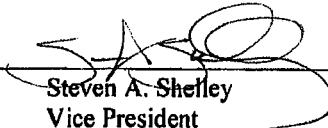
Robert Hoff, Independent Executor of the
Estate of Tom L. Berscheidt, Deceased

TURBINE AIRCRAFT SERVICES, INC.,
a Texas corporation

By: _____
Name: _____
Title: _____

ASSIGNEE:

6200 GP, LLC,
a Nevada limited liability company

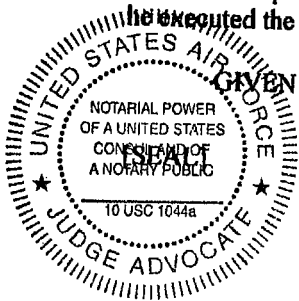
By: 
Steven A. Shelley
Vice President

[Acknowledgments Follow On Next Page]

ACKNOWLEDGMENT

California with
STATE OF TEXAS §
COUNTY OF DALLAS §

Kern with
BEFORE ME, the undersigned authority, on this day personally appeared Robert Hoff, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.



GIVEN under my hand and seal of office this 16th day of Jan, 2014.

[Signature]

Notary Public, State of Texas *California with*

My commission expires: 13 Nov 2015

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this ___ day of _____, 2014.

[SEAL]

Notary Public, State of Texas

My commission expires: _____

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Steven A. Shelley, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this ___ day of _____, 2014.

[SEAL]

Notary Public, State of Texas

My commission expires: _____

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Robert Hoff, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this ___ day of _____, 2014.

[SEAL]

Notary Public, State of Texas

My commission expires: _____

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared RICHARD G. WHELDON, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 21 day of JANUARY, 2014.

[SEAL]



Andrea C Thompson
Notary Public, State of Texas

My commission expires: 09/28/2015

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Steven A. Shelley, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this ___ day of _____, 2014.

[SEAL]

Notary Public, State of Texas

My commission expires: _____

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Robert Hoff, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this ___ day of _____, 2014.

[SEAL]

Notary Public, State of Texas

My commission expires: _____

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this ___ day of _____, 2014.

[SEAL]

Notary Public, State of Texas

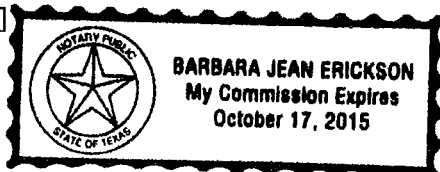
My commission expires: _____

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Steven A. Shelley, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 20th day of JAN., 2014.

[SEAL]



Barbara Jean Erickson
Notary Public, State of Texas

My commission expires: 10-17-2015

CONSENT OF LANDLORD

The Town of Addison, Texas ("Landlord") is the Landlord in the Ground Lease described in the Assignment of Ground Lease (the "Assignment") entered into and effective as of Jan. 21, 2014, at Addison, Texas, by and between Robert Hoff, Independent Executor of the Estate of Tom L. Berscheidt, Deceased, and Turbine Aircraft Services, Inc. (herein referred to as "Assignor") and 6200 GP, LLC, a Nevada limited liability company (herein referred to as "Assignee"). In executing this Consent of Landlord ("Consent"), Landlord is relying upon the warranty, representations, provisions, and statements made and included in the foregoing Assignment, and in relying upon the same Landlord hereby consents to the foregoing Assignment from Assignor to Assignee. However, notwithstanding this Consent, Landlord does not waive any of its rights under the Ground Lease as to the Assignor or the Assignee, and does not release Assignor from its covenants, obligations, duties, or responsibilities under or in connection with the Ground Lease, and Assignor shall be and remain liable and responsible for all such covenants, obligations, duties, and responsibilities. In addition, notwithstanding any provision of this Consent or of the above and foregoing Assignment to the contrary, this Consent shall not operate as a waiver of any prohibition against further assignment, transfer, conveyance, pledge, change of control, or subletting of the Ground Lease or the premises described therein without Landlord's prior written consent.

This Consent shall be and remain valid only if and provided that, by no later than 6:00 o'clock p.m. on January 31, 2014:

(i) the Assignment has been executed and notarized by both Assignor and Assignee, and a fully executed and notarized original of the Assignment has been delivered to Bill Dyer at the address set forth below; and

(ii) all other matters in connection with the transfer, sale, and/or conveyance by Assignor to Assignee of the Assignor's interest in the Ground Lease have been fully consummated and completed and the transaction closed as reasonably determined by Landlord (such matters including, without limitation, the full execution and finalization of the Assignment and any other documentation so required by Landlord relating to this transaction) and delivered to Landlord c/o Mr. Bill Dyer, Addison Airport Real Estate Manager, at 16051 Addison Road, Suite 220, Addison, Texas 75001.

Otherwise, and failing compliance with and satisfaction of each all of paragraphs (i) and (ii) above, this Consent shall be null and void *ab initio* as if it had never been given and executed.

Signed this 31st day of December, 2013

LANDLORD:

TOWN OF ADDISON, TEXAS

By: 

Ron Whitehead, City Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

THIRD AMENDMENT TO GROUND LEASE

This Third Amendment to Ground Lease (hereinafter referred to as the "Third Amendment") is entered into and effective as of January 13, 2009 (the "Effective Date"), between the Town of Addison, Texas a home-rule municipality (hereinafter sometimes referred to as the "Landlord" or the "City"), and Turbine Aircraft Services, Inc., a Texas corporation ("Tenant").

WHEREAS, a Ground Lease was entered into as of May 23, 1984 between the Town (City) of Addison, Texas and Addison Airport of Texas, Inc., as landlord, and Hangar Six, Inc., as tenant, of a 1.764 acre tract of land located at Addison Airport, which Ground Lease provides that its term commenced on July 1, 1984 and is to end 360 months thereafter (or on June 30, 2014); and

WHEREAS, the Base Lease (as defined in the Ground Lease) between the Town of Addison, Texas and Addison Airport of Texas, Inc. has expired, and the Town of Addison, Texas alone is the Landlord under the Ground Lease; and

WHEREAS, the Ground Lease was assigned by Hangar Six, Inc. to Turbine Aircraft Services, Inc. by that Assignment of Lease dated July 2, 2002; and

WHEREAS, simultaneously with the said Assignment of Lease, Landlord and Tenant entered into an "Amendment to Ground Lease" dated July 2, 2002 (the "First Amendment"), which, among other things, amended the description of the demised premises of the Ground Lease as set forth in the First Amendment; and

WHEREAS, the Ground Lease was further amended by that "Second Amendment To Ground Lease" entered into and made effective as of April 16, 2003 (the "Second Amendment") which, among other things, amended the demised premises of the Ground Lease as set forth in the Second Amendment; and

WHEREAS, a copy of the Second Amendment (including a copy of the Ground Lease and the First Amendment) was recorded in the Official Public Records of Dallas County, Texas in Book 2005178, Volume 0001 (Instrument # 200503504117) (the Ground Lease, as amended by the First Amendment and the Second Amendment, hereinafter referred to as the "Ground Lease") and is attached hereto as Exhibit A and made a part hereof; and

WHEREAS, on or about April 9, 2008 a portion of the existing building, structure and equipment improvements to the demised premises incurred casualty damage caused by severe weather, and in accordance with the Ground Lease Tenant intends to complete the restoration, repair and replacement of the damaged buildings, structures and equipment to meet or exceed their value, condition and character immediately prior to the casualty event; and

WHEREAS, in addition to Tenant restoring and repairing the damaged building, structure and equipment improvements, Tenant has proposed to construct certain additional

improvements on the demised premises and to add to the demised premises certain additional land located at Addison Airport as described herein, and Landlord and Tenant desire to amend the Ground Lease in the manner set forth below contingent upon the final completion of such additional improvements and the approval thereof by Landlord.

NOW, THEREFORE, for an in consideration of the above and foregoing premises, the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Town of Addison, Texas and Turbine Aircraft Services, Inc. do hereby agree as follows:

Section 1. Incorporation of Premises. The above and foregoing recitals are true and correct and are incorporated herein and made a part hereof.

Section 2. Amendments and Modifications to Ground Lease. The Ground Lease, as described in the above and foregoing recitals, is hereby amended and modified as follows:

A. Amendment to Description of Demised Premises

1. The Ground Lease is hereby amended by amending the description of the demised premises leased to Tenant as set forth in the Ground Lease so that the demised premises shall hereafter comprise the land described in **Exhibit B** attached to this Third Amendment and incorporated herein (the "demised premises"); provided, however, the said demised premises described in the attached Exhibit B and the lease thereof are subject to any and all restrictive covenants, taxes, easements, encroachments, leases, liens, laws, ordinances, rules, regulations, standards, and all other encumbrances or title exceptions, whether of record or not, and including, without limitation, items or matters which are visible or apparent from an inspection of the said demised premises.

2. Rent for the demised premises as amended hereby shall be in an annual amount equal to the product of the number of gross square feet of the demised premises (the number of gross square feet of the demised premises as set forth in Exhibit B to this Third Amendment being 104,718 square feet) multiplied by **\$0.5860** per gross square foot (104,718 square feet times \$0.5860 per gross square foot equals annual rent amount of \$61,364.75), which rent is subject to adjustment as set forth in the Ground Lease. Without offset or deduction, rent shall be paid in advance in monthly installments on or before the first day of each calendar month, determined by dividing the annual rental amount by twelve (12), with the first such installment due on or before the first day of the first calendar month following the Effective Date of this Third Amendment. Landlord and Tenant agree that the rent rate of \$0.5860 per gross square foot is that rent rate as adjusted in accordance with the Ground Lease since the commencement of the Ground Lease and is subject to further and future adjustment as set forth in the Ground Lease (with the next such adjustment to be made on July 1, 2010).

B. Amendment to Term. The term of the Ground Lease may be modified in accordance with the following:

1. The Term of the Lease, currently scheduled to end on June 30, 2032, shall be extended for an additional **192 months** so it shall end on June 30, 2048 (the "Second Lease Extension Period"), but subject, however, to the termination provisions of the Ground Lease. Provided, however, that notwithstanding the foregoing, the Second Lease Extension Period shall not become effective unless and until Tenant has complied with and fully satisfied each of the following terms and conditions:

- (i) Within one-hundred eighty (180) consecutive days immediately following the Effective Date of this Third Amendment (the "Repair and Improvement Period"), Tenant shall have completed upon the demised premises to Landlord's satisfaction the restoration, repair and replacement of the building improvements and equipment that were damaged (the "Damaged Facilities" which are generally described in various damage assessment reports, costs estimates and related correspondence delivered by Tenant to the City kept in the file and records of the Airport Manager, including but not limited to certain letters from Tri-Star Construction, Inc. dated May 27, 2008 and JDA Engineering dated June 4, 2008) during a casualty event (severe weather) that occurred on April 9, 2008 (the "Casualty Event") to at least a condition which meets or exceeds the value, condition and character of such Damaged Facilities immediately prior to the Casualty Event;
- (ii) Within the Repair and Improvement Period, Tenant shall have completed upon the demised premises to Landlord's satisfaction the construction of the remodeling and renovation improvements to the existing building improvements as generally described in **Exhibit C** attached hereto and incorporated herein (the "New Improvements");

For purposes of this Amendment, the restoration, repair and replacement of the Damaged Facilities and the construction of the New Improvements referred to in sub-sections (i) and (ii) above may be jointly or severally referred to hereinafter as the "Building Improvements."

- (iii) Prior to beginning any construction, repair or restoration of any of the Building Improvements on the demised premises, Tenant shall present to Landlord for Landlord's review and consideration of approval, the plans and specifications for the construction of the Building Improvements (the "Plans and Specifications"). Plans and Specifications shall be in accordance with and subject to applicable provisions of the Ground Lease, and be prepared by an architect and/or engineer duly authorized and licensed or registered to practice architecture and/or engineering, as the case may be, in and by the State of Texas. For purposes of this subparagraph (iii), Plans and Specifications shall be approved for Landlord by the City Manager of the Town of Addison, Texas or the City Manager's designee. All construction of the Building Improvements and any other facilities or improvements shall be in accordance with the approved Plans and Specifications, and such construction shall be in a first class, workmanlike manner and in accordance with and subject to the provisions of the Ground Lease. The design and construction of the Building Improvements shall be in accordance and comply with all applicable federal, state, and local laws, statutes, ordinances,

codes, rules, regulations, orders, and standards. Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations that arise in connection with any such construction;

- (iv) In connection with the Damaged Facilities, insurance proceeds have been paid, will be paid, or are payable (such insurance proceeds, together with any deductible under a policy of insurance relating to the Damaged Facilities, being the "Insurance Proceeds"). Tenant will promptly provide to the City all information requested by the City regarding or related to Insurance Proceeds and the amount thereof. Tenant shall use the Insurance Proceeds to complete the construction, repair, and renovation of the Damaged Facilities. Additionally, Tenant shall pay at its sole cost and expense no less than Fifty Thousand Dollars and no cents (\$50,000.00) (the "Additional Amount") towards the total construction cost of the Building Improvements over and above the Insurance Proceeds received by Tenant and/or Tenant and the City (as named payees) as a result of the April 9, 2008 Casualty Event (the Insurance Proceeds and the Additional Amount being referred to herein together as "Tenant's Capital Requirement");
- (v) No later than ten (10) days following the earlier of (a) the end of the Repair and Inspection Period and the (b) date of the last of the Certificate of Occupancy and the Conformance Certification (as defined below) to be issued, Tenant shall present evidence to Landlord (to the Landlord's satisfaction) that Tenant has expended at least the Tenant's Capital Requirement to construct the Building Improvements. Such evidence shall include true and correct copies of all receipts or other documents or records indicating the nature of the construction work performed, the cost thereof and the amount paid for such construction work.
- (vi) Tenant shall not, at the time of the issuance of the notice described in subsection B.2. of this Section 2, have violated any provision of the Ground Lease (including the provisions of this Third Amendment), or be in default of any provision of the Ground Lease (and including the provisions of this Third Amendment) beyond any applicable cure period.

For the purposes hereof, the Building Improvements shall be deemed completed upon the issuance of a certificate of occupancy by the Town of Addison for such Building Improvements (if the same is required by the Town of Addison) ("Certificate of Occupancy"), and a certification (in form and content acceptable to Landlord) by Tenant's architect or inspecting engineer (who must be duly authorized and licensed or registered to practice architecture and/or engineering, as the case may be, in and by the State of Texas) that the Building Improvements have been completed in conformance with the Plans and Specifications and with all applicable federal, state, and local laws, statutes, ordinances, codes, rules, regulations, orders, and standards (the "Conformance Certification").

2. Upon Landlord's determination that Tenant has fully, finally and timely complied with and satisfied to Landlord's satisfaction each of the terms and conditions set forth in Section 2.B.1, above, Landlord will notify Tenant of the same in writing and the Second Lease Extension Period shall thereafter be in effect. In such event, Landlord and Tenant agree, if requested by the other party, to execute and deliver a written memorandum confirming the Second Lease Extension Period, which confirmation may be filed in the Official Public Records of Dallas County, Texas.

3. If, however, Landlord determines that Tenant has failed to fully, finally and timely comply with and satisfy to Landlord's satisfaction all of the conditions and provisions of Section 2.B.1., above, Landlord shall deliver to Tenant written notice of its failure to comply with and satisfy all the conditions and provisions of Section 2.B.1 and if said conditions and provisions remain unresolved and not so complied with and so satisfied, in the sole discretion of Landlord, for more than thirty (30) days after said notice the Second Lease Extension Period shall not be granted and shall not take effect, and the Term of the Ground Lease shall end on June 30, 2032 (subject to the termination provisions of the Ground Lease).

C. Amendment to Section 6 of the Ground Lease - Section 6 of the Ground Lease is amended to read as follows:

6. Use of Demised Premises and Construction of Improvements: The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts; aircraft maintenance and repair, aircraft storage; aircraft training, aircraft charter; aircraft rentals; and the provision of aviation administrative and consulting services to Tenant's clients; and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

1 - Metal building 225' X 150' with enclosed offices and associated aircraft ramp and vehicle parking.

As set forth in Section 2.B.1 of the Third Amendment to this Ground Lease, Tenant intends to complete the restoration, repair and replacement of the Damaged Facilities and the construction of the New Improvements (together with the existing building improvements on the demised premises, the Damaged Facilities and, the New Improvements shall hereinafter constitute the "Improvements" or "Building Improvements") in accordance with the terms of this Lease, as amended and modified. All construction on or within the demised premises of any kind or nature whatsoever shall be strictly in accordance with plans and specifications submitted by Tenant to Landlord for Landlords' review and consideration of approval, and such construction shall be performed in a first class, workmanlike manner and in compliance with all applicable building codes, standards and ordinances. Such plans and specification shall be prepared by an architect and/or engineer duly authorized and licensed or registered to practice architecture and/or engineering, as the case may be, in and by the State of Texas.

Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages (including, without limitation, consequential damages) or injury (including, without limitation, claims for personal injury or death, or property damage or destruction, or economic loss), or any other harm, penalties, fines, liens and any and all other liabilities and obligations which arise in connection with any such construction, and **Tenant shall DEFEND, INDEMNIFY, and HOLD HARMLESS Landlord and Airport Manager, and their respective officials, officers, employees and agents, from and against any and all such costs, expenses, claims, suits, proceedings, damages, penalties, fines liens, liabilities, and obligations without limitation, INCLUDING SUCH COSTS, EXPENSES, CLAIMS, SUITS, PROCEEDINGS, DAMAGES, PENALTIES, FINES, LIENS LIABILITIES, AND OBLIGATIONS WHICH ARE CAUSED BY, ARISE OUT OF, OR RESULT FROM, IN WHOLE OR IN PART, THE NEGLIGENCE OF LANDLORD OR MANAGER (OR THEIR RESPECTIVE OFFICIALS, OFFICER, EMPLOYEES, AND AGENTS), OR ANY ACT OR OMISSION BY LANDLORD OR MANAGER (OR THEIR RESPECTIVE OFFICIALS, OFFICER, EMPLOYEES, AND AGENTS) THAT GIVES RISE TO STRICT LIABILITY OF ANY KIND.** Except as provided for in this Lease, Tenant may not construct, locate, install, place or erect any other improvements upon the Leased Premises without the prior written consent of Landlord. It is expressly understood and agreed that Tenant's construction of any building or other improvements shall include the finish-out of such building and improvements in accordance with the plans and specifications for the finish-out of the building or other improvements as submitted by Tenant to Landlord and approved in writing by Landlord. Landlord's approval of any plans and specifications does not impose on Landlord any responsibility whatsoever, including, without limitation, any responsibility for the conformance of the plans and specifications with any governmental laws, regulations, standards, building or other codes, and the like, for which Tenant and its contractors shall have full and complete responsibility and liability.

Tenant will properly and timely submit to the FAA, the Texas Department of Transportation (TxDOT), and any other governmental entity or agency having jurisdiction regarding Addison Airport, a Notice of Proposed Construction or Alteration (FAA Form 7460), when and as required.

Tenant further agrees that the Landlord shall be authorized at all times during any project of construction to enter upon the Leased Premises, and all parts thereof, in order to observe the performance of such construction, and Tenant agrees to provide the Landlord a construction schedule setting out the time of commencement, Substantial Completion and Final Completion of significant elements of the construction, which schedule shall be delivered to Landlord prior to the start of any construction project on the demised premises.

D. Amendment to Section 7 of the Ground Lease - Section 7 of the Ground Lease is amended to read as follows:

7. Acceptance of Demised Premises: Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the

purpose for which the same are leased in their present condition "AS IS, WHERE IS" and with all faults and defects, whether known or unknown to either Lessor or Tenant and without representation or warranty of any kind from Lessor as to the status or condition thereof, and further the Ground Lease is subject to any and all currently existing title exceptions or other matters of record or visible or apparent from an inspection affecting the demised premises. Without limiting the foregoing, THERE IS NO WARRANTY, EXPRESS OR IMPLIED, OF SUITABILITY, MERCHANTABILITY, HABITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE GIVEN IN CONNECTION WITH THIS LEASE.

Without limiting the foregoing, TENANT ACKNOWLEDGES THAT TENANT HAS FULLY INSPECTED THE LEASED PREMISES AND ACCEPTS THE LEASED PREMISES AND THAT THE LEASED PREMISES ARE LEASED TO TENANT "AS IS, WHERE IS, AND WITH ALL FAULTS AND PATENT AND LATENT DEFECTS", AND LANDLORD HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS, ANY REPRESENTATION, PROMISE, COVENANT, AGREEMENT, GUARANTY OR WARRANTY OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, AS TO THE QUANTITY, QUALITY, CONDITION, SUITABILITY, HABITABILITY, OR FITNESS OF THE PROPERTY FOR ANY PURPOSE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION REGARDING SOIL CONDITIONS, AVAILABILITY OR EFFICACY OF UTILITIES, DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, OR ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ALSO ACKNOWLEDGES AND AGREES THAT TENANT'S INSPECTION AND INVESTIGATION OF THE LEASED PREMISES HAVE BEEN ADEQUATE TO ENABLE TENANT TO MAKE TENANT'S OWN DETERMINATION WITH RESPECT TO THE SUITABILITY OR FITNESS OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO SOIL CONDITIONS, AVAILABILITY OR EFFICACY OF UTILITIES, DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, AND ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH ARE AN INTEGRAL PORTION OF THIS LEASE AND THAT LANDLORD WOULD NOT AGREE TO LEASE THE LEASED PREMISES TO TENANT AS SET FORTH HEREIN WITHOUT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH. TENANT FURTHER ACKNOWLEDGES THAT TENANT IS NOT IN A DISPARATE BARGAINING POSITION WITH RESPECT TO LANDLORD. TENANT ACKNOWLEDGES AND AGREES FURTHER THAT THIS LEASE IS SUBJECT TO ANY AND ALL CURRENTLY EXISTING TITLE EXCEPTIONS OR OTHER MATTERS OF RECORD OR VISIBLE OR APPARENT FROM AN INSPECTION AFFECTING THE LEASED PREMISES. TENANT WAIVES ANY IMPLIED WARRANTIES OF SUITABILITY, HABITABILITY, AND FITNESS FOR A PARTICULAR PURPOSE, AND FURTHER WAIVES ALL CLAIMS BASED ON ANY DEFECT IN THE LEASED PREMISES THAT COULD HAVE BEEN DISCOVERED BY TENANT'S REASONABLE INSPECTION.

E. Amendment to Section 10 of the Ground Lease - Section 10 of the Ground Lease is amended to read as follows:

10. Property Taxes and Assessments: Tenant shall pay, before they become delinquent, any and all property taxes or assessments, and any other governmental charges, fees or expenses, levied or assessed on any improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord "paid receipts" or other written evidence that all such taxes have been paid by Tenant.

If any buildings or other improvements located upon the demised premises are determined to be subject to property taxation by the Dallas Central Appraisal District (or any successor entity or agency thereto or other agency with the authority to make such determination) ("DCAD"), Tenant will not contest any such determination. Additionally, if a final (non-appealable) determination is rendered by DCAD or a court of appropriate and competent jurisdiction that any such buildings or other improvements are not subject to property taxation, the rent (as the same may be adjusted) for the year in which such final determination becomes effective shall be increased by an amount equal to the property tax revenue from such buildings and improvements that Tenant would have paid to the Town of Addison, Texas in that year but for such final determination (and such initial increased amount shall be paid to Landlord on or before December 31 of such year, unless otherwise agreed to by Landlord); thereafter, the rent (as the same may be adjusted) as so increased shall continue, subject to adjustment as set forth in this Lease.

F. Amendment to Section 21 of the Ground Lease - Section 21 of the Ground Lease is amended to read as follows:

21. Indemnity and Exculpation and Release.

A. Exculpation. The Town of Addison, Texas and the elected officials, the officers, employees, representatives, and volunteers of the Town of Addison, Texas (both in their official and private capacities), and the Airport Manager, and the owners, officers, employees, and representatives of the Airport Manager, shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, tenants, licensees, concessionaires, contractors, subcontractors, or to any other person whomsoever, for any death or injury to persons or damage to or destruction of property or any other harm on or about the demised premises or any adjacent area owned by Landlord caused by or resulting from any act or omission of Tenant, Tenant's employees, agents, servants, customers, invitees, tenants, licensees, concessionaires, contractors, subcontractors, or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use or occupation of the demised premises by Tenant, its employees, agents, servants, customers, invitees, tenants, licensees, concessionaires, contractors, or subcontractors and/or the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations

hereunder; and Tenant hereby agrees to and shall DEFEND, INDEMNIFY, AND HOLD HARMLESS the Town of Addison, Texas and all of the Addison Persons, and the Airport Manager and all of the Manager Persons (as the terms "Addison Persons" and "Manager Persons" are defined in subsection B of this Section, below) from and against any and all liability, damages, costs, penalties, suits, judgments, losses, expenses or claims arising out of such damage, destruction, injury, death or harm.

B. TENANT'S INDEMNITY OBLIGATION. Tenant shall DEFEND (WITH COUNSEL REASONABLY ACCEPTABLE TO LANDLORD), INDEMNIFY AND HOLD HARMLESS (i) the Town of Addison, Texas, and the elected officials, the officers, employees, representatives, and volunteers of the Town of Addison, Texas, individually or collectively, in both their official and private capacities (the Town of Addison, Texas, and the elected officials, the officers, employees, representatives, and volunteers of the Town of Addison, Texas each being an "Addison Person" and collectively the "Addison Persons") and (ii) Airport Manager and Airport Manager's owners, officers, employees and agents (Airport Manager and Airport Manager's owners, officers, employees and representatives each being a "Manager Person" and collectively the "Manager Persons"), from and against any and all claims, actions, proceedings, causes of action, demands, losses, harm, damages, penalties, fines, liabilities, expenses, lawsuits, judgments, costs, and fees (including reasonable attorney fees and court costs) of any kind and nature whatsoever made upon, incurred by, suffered by, or asserted against any Addison Person or any Manager Person, whether directly or indirectly, (collectively for purposes of this Section, "Damages"), that result from, relate to, or arise out of, in whole or in part, (i) any condition of the demised premises caused in whole or in part by Tenant or by any of Tenant's owners, directors, shareholders, partners, managers, officers, employees, agents, representatives, engineers, consultants, contractors, subcontractors, tenants, licensees, invitees, patrons, concessionaires, or any other person or entity for whom Tenant is legally responsible, and their respective owners, directors, shareholders, partners, officers, managers, employees, agents, representatives, engineers, consultants, contractors, subcontractors, tenants, licensees, invitees, patrons, and concessionaires, or any other person acting by or under the authority or with the permission of Tenant, Tenant's tenants, or any other person entering the demised premises under express or implied invitation of Tenant during the Lease Term (collectively, "Tenant Persons"), (ii) the demised premises becoming out of repair due to the fault of Tenant or any Tenant Persons, for any reason including by failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling, (iii) representations or warranties by Tenant under this Lease, and/or (iv) any act or omission of Tenant or any Tenant Persons under, in connection with, or in the performance of, this Lease. SUCH DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE OR GROSS NEGLIGENCE OF THE TOWN OF ADDISON, TEXAS, ANY ADDISON

PERSON, THE AIRPORT MANAGER, OR ANY MANAGER PERSON, OR BY ANY ACT OR OMISSION BY THE TOWN OF ADDISON, TEXAS, ANY ADDISON PERSON, THE AIRPORT MANAGER, OR ANY MANAGER PERSON THAT GIVES RISE TO STRICT LIABILITY OF ANY KIND. Despite the full indemnity given herein, under no circumstances shall Tenant indemnify or have any duty to indemnify Landlord for any Damages found to have been caused by the sole negligence of any Addison Person.

Tenant shall promptly advise Landlord in writing of any claim or demand against any Addison Person, Manager Person, or Tenant related to or arising out of Tenant's activities under this Lease and shall see to the investigation and defense of such claim or demand at Tenant's sole cost and expense. The Addison Persons and Manager Persons, as the case may be, shall have the right, at the Addison Persons' or Manager Persons' (as the case may be) option and at own expense, to participate in such defense without relieving Tenant of any of its obligations hereunder.

C. Release. Tenant and Owners hereby **RELEASE** the Town of Addison, Texas and all other Addison Persons (as the term "Addison Persons" is defined in subsection B. of this Section) and Airport Manager, and all other Manager Persons (as the term "Manager Persons" is defined in subsection B. of this Section) from, and agrees that the Town of Addison, Texas and all other Addison Persons, and Airport Manager and all other Manager Persons, shall not be liable to Tenant or any Tenant Persons (as the term "Tenant Persons" is defined in subsection B. of this Section) for (i) any death or injury to any person or persons or damage to or destruction of property of any kind resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling or for any other reason whatsoever, and for (ii) for, any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public or quasi-public work.

D. The provisions of this Section 21 shall survive the expiration or termination of this Lease.

G. Amendment to Section 21.1 of the Ground Lease - Section 21.1 of the Ground Lease is amended to read as follows:

Section 21.1. Environmental Compliance.

A. Tenant shall not install, store, use, treat, transport, discharge or dispose (or permit, allow, or acquiesce in the installation, storage, use, treatment, transportation, discharge or disposal by Tenant's owners, directors, shareholders, partners, managers, officers, employees, agents, representatives, engineers, consultants, contractors, subcontractors, tenants, licensees, invitees, patrons, concessionaires, or any other person or entity for whom Tenant is legally responsible, and/or their respective owners, directors, shareholders, partners, officers, managers, employees, agents, representatives, engineers,

consultants, contractors, subcontractors, tenants, licensees, invitees, patrons, and concessionaires) on the demised premises or any portion of the common facilities (described in Paragraph 17), any: (a) asbestos in any form; (b) urea formaldehyde foam insulation; (c) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million; or (d) any other chemical, material, air pollutant, toxic pollutant, waste, or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by the Resource Conservation Recovery Act (42 U.S.C. §6901, et seq., as amended or superseded), the Comprehensive and Environmental Response Compensation and Liability Act (42 U.S.C. §9601, et seq, as amended or superseded), the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act, and/or the Clean Water Act or any other federal, state, county, regional, local or other governmental authority law, rule, regulation, order, standard, permit, directive or policy, or which, even if not so regulated may or could pose a hazard to the health and safety of the occupants of the demised premises and/or any portions of the common facilities, and which is either: (i) in amounts in excess of that permitted or deemed safe under any applicable law, rule, regulation, order, standard, permit, directive or policy, or (ii) in any manner prohibited or deemed unsafe under applicable law, rule, regulation, order, standard, permit, directive or policy. (The substances referred to in (a), (b), (c) or (d) herein are collectively referred to hereinafter as "Hazardous Materials").

B. Cleanup Laws; Tenant's Indemnity Obligation.

1. Tenant shall, at Tenant's own expense, comply with any presently existing or hereafter enacted laws, rules, regulations, orders, standards, directives, permits, or notices relating to Hazardous Materials (collectively, "Cleanup Laws"). In furtherance and not in limitation of the foregoing, Tenant shall, at Tenant's own expense, make all submissions to, provide all information to, and comply with all requirements of the appropriate governmental authority (the "Authority") under the Cleanup Laws. Should any Authority require that a cleanup plan be prepared and that a cleanup be undertaken because of the existence of Hazardous Materials which were installed, stored, used, treated, transported, disposed of or discharged on the demised premises and/or any portion of the common facilities (as described in Paragraph 17) by (i) Tenant, or by (ii) any of Tenant's owners, directors, shareholders, partners, managers, officers, employees, agents, representatives, engineers, consultants, contractors, subcontractors, tenants, licensees, invitees, patrons, concessionaires, or any other person or entity for whom Tenant is legally responsible, and/or their respective owners, directors, shareholders, partners, officers, managers, employees, agents, representatives, engineers, consultants, contractors, subcontractors, tenants, licensees, invitees, patrons, and concessionaires, or by (iii) any person acting by or under the authority or with the permission of Tenant, Tenant's tenants, or any other person entering the demised premises under express or implied invitation of Tenant during the Term of this Lease, Tenant shall, at Tenant's own cost and expense, prepare and submit the required plans and financial assurances and carry out the approved plans in accordance with such Cleanup Laws and to Landlord's satisfaction. At no cost or expense to Landlord, Tenant shall promptly provide all information requested by Landlord for preparation of affidavits or other documents required by Landlord to determine the applicability of the Cleanup Laws to the demised premises and/or any

portion of the common facilities, as the case may be, and shall sign the affidavits promptly when requested to do so by Landlord.

2. **Tenant's Indemnity Obligation.** Without limiting any other indemnity, hold harmless, and defense obligation of Tenant set forth in this Lease, Tenant shall **INDEMNIFY, DEFEND, SAVE, AND HOLD HARMLESS** the Town of Addison, Texas, and the elected officials, the officers, employees, representatives, and volunteers of the Town of Addison, Texas, individually or collectively, in both their official and private capacities (the Town of Addison, Texas, and the elected officials, the officers, employees, representatives, and volunteers of the Town of Addison, Texas each being an "Addison Person" and collectively the "Addison Persons") and (ii) Airport Manager and Airport Manager's owners, officers, employees and agents (Airport Manager and Airport Manager's owners, officers, employees and representatives each being a "Manager Person" and collectively the "Manager Persons") from and against, and reimburse the Town of Addison, Texas, the Addison Persons, the Airport Manager, and the Manager Persons (as the case may be) for, any and all obligations, damages, injunctions, fines, penalties, demands, claims, costs, expenses, actions, causes of action, judgments, liabilities, suits, proceedings, harm, and losses of whatever nature (including, without limitation, attorneys' fees and court costs), and all cleanup or removal costs and all actions of any kind arising out of or in any way connected with the installation, storage, use, treatment, transporting, disposal or discharge of Hazardous Materials in, on, or to the demised premises and/or any portion of the common facilities by Tenant or by any of Tenant's owners, directors, shareholders, partners, managers, officers, employees, agents, representatives, engineers, consultants, contractors, subcontractors, tenants, licensees, invitees, patrons, concessionaires, or any other person or entity for whom Tenant is legally responsible, or any other person acting by or under the authority or with the permission of Tenant, Tenant's tenants, or any other person entering the demised premises under express or implied invitation of Tenant during the Lease Term (collectively, "Tenant Persons"); and from all fines, penalties, suits, judgments, procedures, proceedings, claims, actions, and causes of action of any kind whatsoever arising out of Tenant's or any of Tenant Persons' failure to provide all information, make all submissions and take all steps required by the Authority under the Cleanup Laws or any other law, rules, regulation, standard, order, or policy (environmental or otherwise). **SUCH DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE OR GROSS NEGLIGENCE OF THE TOWN OF ADDISON, TEXAS, ANY ADDISON PERSON, THE AIRPORT MANAGER, OR ANY MANAGER PERSON, OR BY ANY ACT OR OMISSION BY THE TOWN OF ADDISON, TEXAS, ANY ADDISON PERSON, THE AIRPORT MANAGER, OR ANY MANAGER PERSON THAT GIVES RISE TO STRICT LIABILITY OF ANY KIND.** Despite the full indemnity given herein, under no circumstances shall Tenant indemnify or have any duty to indemnify Landlord for any Damages found to have been caused by the sole negligence of any Addison Person.

Tenant's obligations and liabilities under this subparagraph shall continue (and survive the termination or expiration of this Lease) so long as there may be Hazardous Materials at the demised premises and/or any portion of the common facilities, that were installed, stored, used, treated, transported, disposed of or discharged during the Lease Term by Tenant or any of Tenant Persons. In addition to and not in limitation of Landlord's other rights and remedies, Tenant's failure to abide by the terms of this Section shall be restrainable by injunction.

C. Tenant shall promptly supply Landlord and Airport Manager with copies of any notices, correspondence and submissions made by Tenant to or received by Tenant from any governmental authorities of the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, the FAA, TxDOT, or any other local, state or federal authority that requires submission of any information concerning environmental matters or Hazardous Materials.

D. Tenant's obligations and liability pursuant to the terms of this Paragraph 21.1 shall survive the expiration or earlier termination of this Lease.

H. Amendment to Section 39 of the Ground Lease - Section 39 of the Ground Lease is amended to read as follows:

Section 39. Force Majeure.

- A. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.
- B. Except for the payment of any rent or any other payment to be made by Tenant under this Lease, and the provision of insurance by Tenant under this Lease, in the event performance by Tenant of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, the delay of any governmental approvals, civil riot, flood, or any other cause not within the control of Tenant, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Tenant is so delayed or hindered.

Section 3. Tenant's Duty to Restore. Tenant acknowledges and recognizes Tenant's duty, responsibility, and obligation, under Section 14 of the Ground Lease, to promptly commence and complete, at Tenant's sole cost, risk and expense, the restoration, repair and replacement of any buildings, structures and equipment on the demised premises (or any part thereof) which have been damaged or destroyed as nearly as possible to their value, condition or character immediately prior to such damage and/or destruction, with such alterations in and additions thereto as may be approved in writing by Landlord, whether or not the insurance

proceeds (if any) payable on account of such damage and/or destruction is sufficient for such purposes.

Tenant is not by this Third Amendment released, relieved, or otherwise discharged from such duty, responsibility, and obligation under the Ground Lease, and if Tenant fails to fully, finally and timely complete all of the Building Improvements as described in, and in accordance and compliance with, Section 2.B., above, of this Third Amendment, Tenant shall immediately following the expiration of the Repair and Improvement Period (but in any event no less than ten (10) days thereafter) initiate compliance with the provisions of Section 14 of the Ground Lease. Tenant's failure to timely initiate such compliance and to present proof thereof in form and content satisfactory to Landlord within twenty (20) days following the expiration of the Repair and Improvement Period, and/or Tenant's failure to complete the restoration, repair and replacement of any damaged and/or destroyed buildings, structures and equipment within ninety (90) days following the expiration of the Repair and Improvement Period, shall constitute a breach of or default under the Ground Lease by Tenant.

For purposes of this Section, completion of the restoration, repair and replacement will be evidenced by a certificate of occupancy issued by the Town of Addison for the buildings, structures and equipment, and a certification (in form and content acceptable to Landlord) by Tenant's architect or inspecting engineer (who must be duly authorized and licensed or registered to practice architecture and/or engineering, as the case may be, in and by the State of Texas) that the restoration, repair and replacement has been completed in conformance with the plans and specifications therefor and in compliance with all applicable federal, state, and local laws, statutes, ordinances, codes, rules, regulations, orders, and standards.

Section 4. No Other Amendments. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.

Section 5. Applicable Law; Venue. In the event of any action under this Third Amendment, exclusive venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas shall govern and apply to the interpretation, validity and enforcement of this Third Amendment; and, with respect to any conflict of laws provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Third Amendment. All obligations of the parties created by this Third Amendment are performable in Dallas County, Texas.

Section 6. No Third Party Beneficiaries. This Third Amendment and each of its provisions are solely for the benefit of the parties hereto and are not intended to and shall not create or grant any rights, contractual or otherwise, to any third person or entity.

Section 7. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Amendment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this
13 day of January, 2009

LANDLORD:

TOWN OF ADDISON, TEXAS

By: Ron Whitehead
Ron Whitehead, City Manager

ATTEST:

By: Lea Dunn
Lea Dunn, City Secretary

TENANT:

TURBINE AIRCRAFT SERVICES, INC.

By: Tom L. Berscheidt
Tom L. Berscheidt

Its: President

ACKNOWLEDGMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on the 13th day of ~~January~~ ^{February}, 2009 by Ron Whitehead, City Manager for the Town of Addison, a Texas home-rule municipal corporation, on behalf of said municipal corporation.



Michele Loper Covino
Notary Public, State of Texas

Print Name: MICHELE LOPER COVINO

My commission expires: 09/22/09

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on the 21st day of January, 2009 by Tom L. Berscheidt, President, Turbine Aircraft Services, Inc., a Texas corporation, on behalf of said corporation.



Craig Fahning
Notary Public, State of Texas

Print Name: Craig Fahning

My commission expires: Aug 12, 2009

Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
01/22/2014 12:30:29 PM
\$326.00

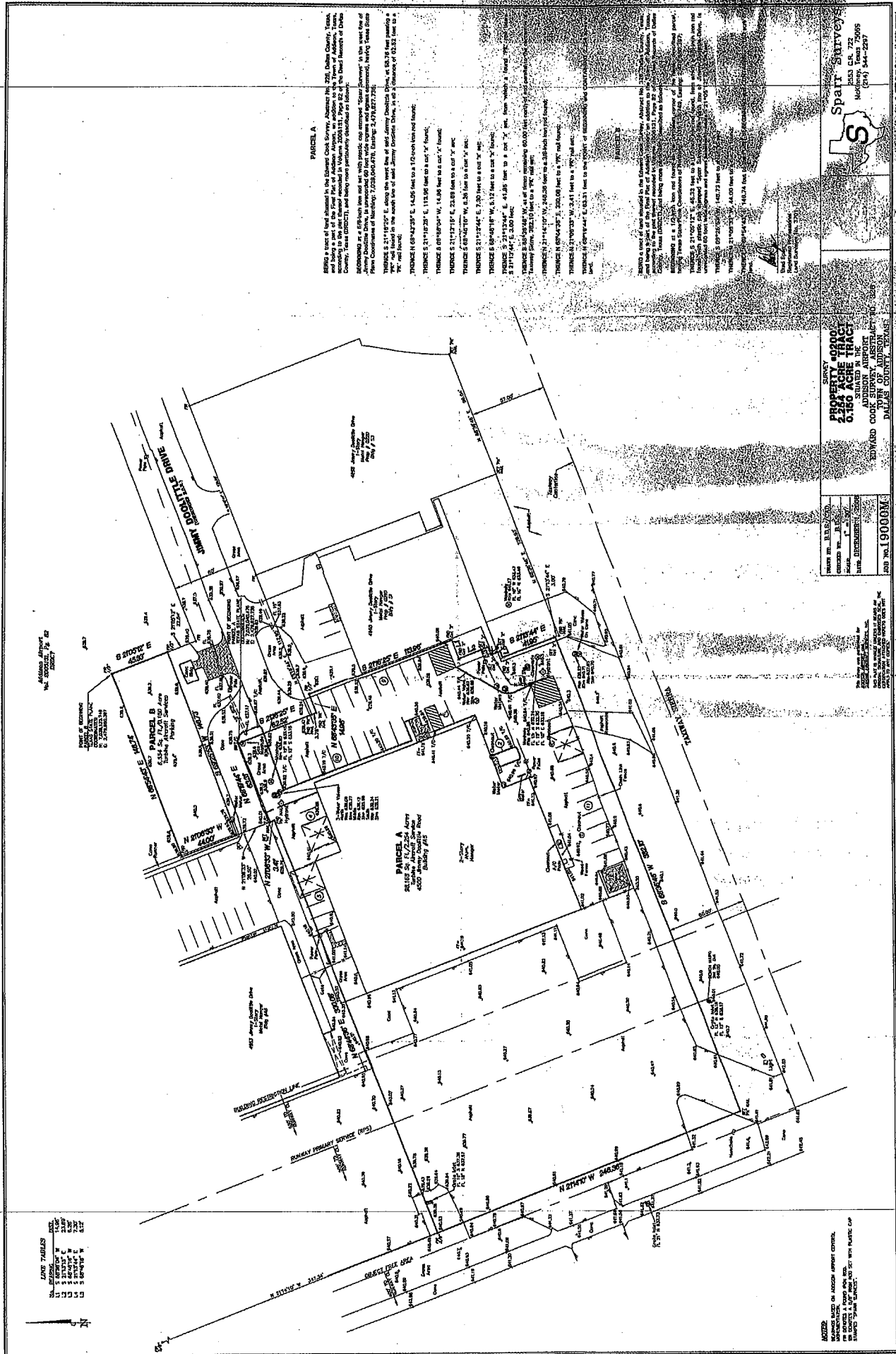


JF

EXHIBIT B

**NEW PROPERTY SURVEY AND LEGAL DESCRIPTION
OF DEMISED PREMISES**

EXHIBIT B



PARCEL A

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 226, Dallas County, Texas, and being more particularly described as follows:

ACCORDING to the plat thereof recorded in Volume 2008312, Page 82 of the Deed Records of Dallas County, Texas (2008312), and being more particularly described as follows:

THENCE S 21° 19' 20\"/>

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THENCE S 21° 19' 20\"/>

LINE THENCE S 21° 19' 20\"/>

NOTES: ALL DISTANCES ON THIS SURVEY ARE IN FEET AND DECIMALS THEREOF. ALL BEARINGS ARE TRUE BEARINGS. THIS SURVEY WAS MADE BY THE PUBLIC OF EDWARD COOK SURVEYING, INC.

PROPERTY APPRAISAL
0.150 ACRE TRACT
 SITUATED IN THE
 EDWARD COOK SURVEY, ABSTRACT NO. 226,
 DALLAS COUNTY, TEXAS

Spart Surveys
 2533 E. 722
 McKinney, Texas 75069
 (972) 344-2267

DATE: 11/14/2014	SCALE: 1" = 100'
DATE DISSEMINATED: 11/14/2014	DATE: 11/14/2014
JOB NO. 19000M	

PARCEL A

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 58.76 feet passing a 'PK' nail found in the south line of said Jimmy Doolittle Drive, in all a distance of 62.62 feet to a 'PK' nail found;

THENCE N 68°43'36" E, 14.96 feet to a 1/2-inch iron rod found;

THENCE S 21°18'25" E, 113.96 feet to a cut 'x' found;

THENCE S 65°56'04" W, 14.96 feet to a cut 'x' found;

THENCE S 21°13'15" E, 23.69 feet to a cut 'x' set;

THENCE S 68°46'16" W, 6.26 feet to a cut 'x' set;

THENCE S 21°13'44" E, 7.30 feet to a cut 'x' set;

THENCE S 68°46'16" W, 5.12 feet to a cut 'x' found;

THENCE S 21°13'44" E, 41.95 feet to a cut 'x' set, from which a found 'PK' nail bears S 21°13'44" E, 3.00 feet;

THENCE S 68°36'46" W, at all times remaining 60.00 feet north of and parallel to the centerline of Taxiway Sierra, 352.10 feet to a 'PK' nail set;

THENCE N 21°14'10" W, 246.36 feet to a 3/8-inch iron rod found;

THENCE N 68°44'36" E, 330.08 feet to a 'PK' nail found;

THENCE N 21°06'33" W, 3.41 feet to a 'PK' nail set;

THENCE N 68°19'44" E, 63.31 feet to the POINT of BEGINNING and CONTAINING 2.254 acres of land.

PARCEL B

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found at the northeast corner of the herein described parcel, having Texas State Plane Coordinates of Northing: 7,039,135.749, Easting: 2,479,680.397;

THENCE S 21°05'12" E, 45.33 feet to a 1/2-inch iron rod found, from which a 5/8-inch iron rod found with plastic cap stamped "Sparr Surveys" in the north line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), bears S 21°05'12" E, 22.54 feet;

THENCE S 69°25'53" W, 146.73 feet to a cut 'x' set;

THENCE N 21°06'33" W, 44.00 feet to a cut 'x' found;

THENCE N 69°54'43" E, 146.74 feet to the POINT of BEGINNING and CONTAINING 0.150 acre of land.

EXHIBIT C

DESCRIPTION OF THE "IMPROVEMENTS"

Site Plan SP-1 Progress Print dated 11-07-08

All construction drawings, specifications and respective change orders (the "Plans and Specifications") are hereby incorporated and made part of this Exhibit by reference.

STATE OF TEXAS §
COUNTY OF DALLAS §

SECOND AMENDMENT TO GROUND LEASE

This Second Amendment to Ground Lease (hereinafter referred to as the "Second Amendment") is entered into and effective as of April ~~16~~ 2003, between the Town of Addison, Texas a municipal corporation (hereinafter sometimes referred to as the "Landlord"), and Turbine Aircraft Services, Inc., a Texas corporation ("Tenant").

WHEREAS, a Ground Lease was entered into as of May 23, 1984 between the Town (City) of Addison, Texas and Addison Airport of Texas, Inc., as landlord, and Hangar Six, Inc., as tenant, of a 1.764 acre tract of land located at Addison Airport, which Ground Lease provides that its term commenced on July 1, 1984 and is to end 360 months thereafter (or on June 30, 2014) (the "Ground Lease", a true and correct copy of which is attached hereto as Exhibit B and incorporated herein by this reference); and

WHEREAS, the Base Lease (as defined in the Ground Lease) between the Town of Addison, Texas and Addison Airport of Texas, Inc. has expired, and the Town of Addison, Texas alone is the Landlord under the Ground Lease; and

WHEREAS, the Ground Lease was assigned by Hangar Six, Inc. to Turbine Aircraft Services, Inc. by that Assignment of Lease dated July 2, 2002 (a true and correct copy of which Assignment of Lease is attached hereto as Exhibit C and incorporated herein by this reference); and

WHEREAS, simultaneously with the said Assignment of Lease, Landlord and Tenant entered into an "Amendment to Ground Lease" dated July 2, 2002 (the "First Amendment"), which in part amended the demised premises of the Ground Lease to include as a part thereof certain additional areas depicted on Exhibit C to the First Amendment as Areas A, B, C and D (Areas B and C being areas for parking); and

WHEREAS, the parties desire for their mutual benefit to modify and reconfigure the said parking areas so that the tracts of land labeled E and F and described and depicted on Exhibit A attached hereto and incorporated herein by this reference shall be substituted in place of Areas B and C; and

WHEREAS, the tracts described on Exhibit C to the First Amendment as Areas A and D, and the tracts labeled E and F on Exhibit A attached hereto, have been surveyed and are more fully described as set forth in the said Exhibit A; and

WHEREAS, Landlord and Tenant agree that it is in the mutual best interest of Landlord and Tenant to remove from and add to the demised premises the tracts of land located at Addison Airport as described herein, and Landlord and Tenant desire to amend the Ground Lease and First Amendment in the manner set forth below.

NOW, THEREFORE, for an in consideration of the above and foregoing premises, the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the

sufficiency of which is hereby acknowledged, the Town of Addison, Texas and Turbine Aircraft Services, Inc. do hereby agree as follows:

Section 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof.

Section 2. Amendments and Modifications. The Ground Lease, as amended by and together with the First Amendment, is hereby amended and modified as follows:

A. Amendment to Description of Demised Premises

1. The First Amendment amended the Ground Lease in part by amending the description of the demised premises as set forth in the Ground Lease to include as a part of the demised premises certain additional areas depicted on Exhibit C to the First Amendment as Areas A, B, C and D. The parties desire to further modify the description of the demised premises so that (a) Areas B and C of the said Exhibit C to the First Amendment are removed, and (b) those tracts of land labeled E and F as shown on Exhibit A attached hereto are added. Therefore, the demised premises as so modified shall be and are as set forth and described in Exhibit A attached hereto, which shall also serve as Exhibit A to the Ground Lease; provided, however, that the said demised premises and the lease thereof are subject to any and all currently existing title exceptions or other matters of record, or items or matters which are visible or apparent from an inspection, affecting the said premises.

Section 2. No Other Amendments. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease and First Amendment (including, without limitation, the Notes included on Exhibit C to the First Amendment) shall remain unchanged and in full force and effect.

Section 3. Applicable Law; Venue. In the event of any action under this Contract, venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas shall govern and apply to the interpretation, validity and enforcement of this Second Amendment; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Second Amendment. All obligations of the parties created by this Second Amendment are performable in Dallas County, Texas.

Section 4. No Third Party Beneficiaries. This Second Amendment and each of its provisions are solely for the benefit of the parties hereto and are not intended to and shall not create or grant any rights, contractual or otherwise, to any third person or entity.

Section 5. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Amendment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this 27th
day of ~~April~~ ^{May}, 2003.

LANDLORD:

TOWN OF ADDISON, TEXAS

By: R. Whitehead
Ron Whitehead, City Manager

TENANT:

TURBINE AIRCRAFT SERVICES, INC.

By: Tom L. Berscheidt
Tom L. Berscheidt, President

ATTEST:

By: C. MORAN
Carmen Moran, City Secretary

1. The Ground Lease is hereby amended by amending the description of the demised premises which is set forth in Exhibit A to the Ground Lease so that the demised premises shall comprise the land described in Exhibit C to this Amendment (and the said Exhibit C to this Amendment shall be substituted for and serve as Exhibit A to the Ground Lease, subject to further substitution as set forth below), subject, however, to any and all currently existing title exceptions or other matters of record, or items or matters which are visible or apparent from an inspection, affecting the demised premises. Tenant, at its sole cost, at the time of Landlord's approval of the plans and specifications for the construction of the Phase I Improvements (as defined herein), shall obtain a current topographical survey of the demised premises by a registered surveyor. The survey shall be staked and pinned on the ground and shall show all buildings, other improvements, easements (including public recording information), encroachments, restrictions, rights-of-way, sidewalks, highway, streets, roads, and utilities serving the property indicating size and location. Upon the Landlord's and Tenant's approval of the survey, it shall be substituted for and serve as the description of the demised premises (Exhibit A to the Ground Lease).

2. Rent for the demised premises as amended hereby shall be in an annual amount equal to the product of the number of square feet of the demised premises multiplied by \$0.4686 per square foot, which rent is subject to adjustment as set forth in the Ground Lease. Without offset or deduction, rent shall be paid in advance in monthly installments on or before the first day of each calendar month, determined by dividing the annual rental amount by twelve (12). Landlord and Tenant agree that the rent rate of \$0.4686 per square foot is the rent rate as adjusted in accordance with the Ground Lease since the commencement of the Ground Lease, and is subject to further and future adjustment as set forth in the Ground Lease (with the next such adjustment to be made in July, 2002).

B. Amendment to Paragraph 3. Paragraph 3 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"A. The term hereof shall commence on the earlier of July 1, 1984, or the first day of the first calendar month after Tenant completes the construction hereinbelow described and opens for business at the demised premises (the applicable date being hereinafter referred to as the "Commencement Date"), and shall end 360 months thereafter (subject, however, to the termination provisions of this Lease); provided, however, that any entry upon the demised premises by Tenant prior to the Commencement Date shall be subject to all of the terms and conditions hereof except that rental shall not accrue.

B. Notwithstanding subparagraph A. of this paragraph 3 and subject to the terms and conditions set forth below, this Lease shall be extended for an additional 216 months from the end of the term described in subparagraph A., so that this Lease shall end on June 30, 2032 (the "Lease Extension Period"); provided, however, that the Lease Extension Period shall become effective if, and only if, Tenant first fully complies with each of the following terms and conditions:

(i) On or before July 1, 2003:

- (a) Tenant shall have completed upon the demised premises to the Landlord's satisfaction all of those certain improvements generally described as the "Phase I" improvements in that letter dated June 13, 2002 from Turbine Aircraft Services, Inc. attached hereto as Exhibit D (the "Phase I Improvements"), and including (without limitation) the completion of the construction of at least 10,000 square feet of additional (new) building, of which at least 1,300 square feet shall be clear span hangar space; and
- (b) Tenant shall present evidence to Landlord (to the Landlord's satisfaction) that the construction value of the said Phase I Improvements exceeds \$450,000.00. Such evidence shall include ~~true and correct copies of all receipts or other documents or records~~ indicating the nature of the construction work performed, the cost thereof and the amount paid for such construction work; and
- (ii) On or before July 1, 2005:
- (a) Tenant shall have completed upon the demised premises to the Landlord's satisfaction all of those certain improvements generally described as the "Phase II Improvements" in that letter dated June 13, 2002 from Turbine Aircraft Services, Inc. attached hereto as Exhibit D ("Phase II Improvements"); and
- (b) Tenant shall present evidence to Landlord (to the Landlord's satisfaction) that the construction value of the said Phase II Improvements, when added together with the construction value of the Phase I Improvements, exceeds \$550,000.00. Such evidence shall include true and correct copies of all receipts or other documents or records indicating the nature of the construction work performed, the cost thereof and the amount paid for such construction work; and
- (iii) Tenant shall not, at the time of the issuance of the letter described in subparagraph E. of this paragraph 3, then be in default of any provision of this Lease beyond any applicable cure period.
- C. For purposes of subparagraph B. of this paragraph 3, the Phase I Improvements and the Phase II Improvement shall be deemed completed upon the issuance by Landlord of a certificate of occupancy for such improvements (when a certificate of occupancy is required by law) and/or the issuance by Landlord of a letter stating that Landlord is satisfied that such improvements have been completed.
- D. Tenant shall, prior to the construction of the Phase I Improvements and the Phase II Improvements or any other facilities or improvements on the Demised Premises, present to Landlord for Landlord's review and consideration of approval the plans and specifications for the construction of the Phase I Improvements and the

Phase II Improvements or any other improvements or facilities. For purposes of this subparagraph D., plans and specifications shall be approved by Landlord if such plans and specifications are approved by the City Manager of the Town of Addison, Texas or the City Manager's designee. All construction of the Phase I Improvements and the Phase II Improvements and any other facilities or improvements shall be strictly in accordance with the approved plans and specifications, and such construction shall be in a first class, workmanlike manner. Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with any such construction.

E. Upon the final completion of the Phase I Improvements and the Phase II Improvements and the presentation of evidence satisfactory to Landlord of the value of the completed improvements, Landlord shall issue a letter to Tenant that the terms and conditions precedent to the Lease Extension Period as stated above have been fulfilled, and the Lease Extension Period shall thereafter be in effect. Such letter or letters shall be attached to and shall be made a part of this Lease. In the event the Phase I Improvements and the Phase II Improvements are not completed in accordance herewith, this Lease shall not be extended for the Lease Extension Period."

C. Amendment to Paragraph 6. Paragraph 6 is hereby amended so that it shall hereafter read as follows:

"6. Use of Demised Premises and Construction of Improvements: The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts; aircraft maintenance and repair, aircraft storage; aircraft training, aircraft charter, aircraft rentals; and the provision of aviation administrative and consulting services to Tenant's clients; and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

1 - Metal building 170' X 105' with enclosed offices and associated aircraft ramp and vehicle parking.

As set forth above in paragraph 3 of this Lease, Tenant further intends to construct the Phase I Improvements and the Phase II Improvements in accordance with the terms of this Lease. All construction shall be strictly in accordance with plans and specifications submitted by Tenant to Landlord for Landlord's review and consideration of approval, and such construction shall be performed in a first class, workmanlike manner and in compliance with all applicable building codes, standards and ordinances. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction. Except as provided for in this Lease, Tenant may not construct, locate, install, place or erect any other

improvements upon the Leased Premises without the prior written consent of Landlord. It is expressly understood and agreed that Tenant's construction of any building or other improvements shall include the finish-out of such building and improvements in accordance with the plans and specifications for the finish-out of the building or other improvements as agreed by Landlord and Tenant. Landlord's approval of any plans and specifications does not impose on Landlord any responsibility whatsoever, including, without limitation, any responsibility for the conformance of the plans and specifications with any governmental regulations, building codes, and the like, for which Tenant and its contractors shall have full and complete responsibility."

D. Amendment to Paragraph 7. Paragraph 7 is hereby amended so that it shall hereafter read as follows:

"7. Acceptance of Demised Premises: Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition "AS IS, WHERE IS" and with all faults and defects, whether known or unknown to either Lessor or Tenant and without representation or warranty of any kind from Lessor as to the status or condition thereof, and further the Ground Lease is subject to any and all currently existing title exceptions or other matters of record or visible or apparent from an inspection affecting the demised premises. Without limiting the foregoing, THERE IS NO WARRANTY, EXPRESS OR IMPLIED, OF SUITABILITY, MERCHANTABILITY, HABITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE GIVEN IN CONNECTION WITH THIS LEASE."

E. Amendment to Paragraph 8. Paragraph 8 is hereby amended so that it shall hereafter read as follows:

"8. Securing Governmental Approvals and Compliance with Law.

A. Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all laws, ordinances, rules, regulations, directives, permits, or standards of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the Federal Aviation Administration, the Texas Department of Transportation, the United States Environmental Protection Agency, and the Texas Natural Resources Conservation Commission) applicable or related to, whether directly or indirectly, the use and occupation of the demised premises and whether in existence or hereafter enacted, adopted or imposed, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense, and shall comply with and be subject to (and this Lease is made and entered into subject to) any and all grant agreement or grant assurances now existing or as hereafter agreed to, adopted or imposed.

Tenant agrees that any construction or modification of improvements on the demised premises will comply with all standards and rules published by the Landlord or by any person or entity authorized by Landlord to manage and/or operate the Airport ("Airport Manager"), including, but not limited to, the Airport's published "Construction/Maintenance Standards and Specifications," will comply with the Town of Addison building codes and zoning requirements or any other laws, ordinances, permits, rules, regulations, or policies of the Town of Addison, Texas, and will meet or exceed all applicable State and Federal standards, permits, laws, rules, or regulations. Tenant recognizes that the referenced Construction/Maintenance Standards and Specifications, Town of Addison building codes and zoning requirements and other laws, ordinances, permits, rules, regulations or policies, and all applicable State and Federal standards, laws, rules, or regulations may be modified or amended from time to time and that compliance will be measured by such standards in effect at the time of a particular construction or modification of improvements. Tenant will properly and timely submit to the Federal Aviation Administration ("FAA"), the Texas Department of Transportation (TxDOT), and any other governmental entity or agency having jurisdiction regarding to Addison Airport, a Notice of Proposed Construction, when and as required. Tenant further agrees that the Landlord shall be authorized at all times during any project of construction to enter upon the demised premises, and all parts thereof, in order to observe the performance of such construction, and Tenant agrees to provide the Landlord a construction schedule setting out the time of commencement, final completion and completion of significant elements of the construction, which schedule shall be delivered to Landlord prior to the start of any construction project on the demised premises. Failure of Tenant to observe and comply with the requirements of this Section 8 shall be an Event of Default.

B. Tenant shall comply with noise abatement standards at the Airport at all times and shall notify any aircraft operator using any portion of the demised premises of such standards."

F. Amendments to Paragraph 9. Paragraph 9, subparagraphs A., B. and E. of the Ground Lease are hereby amended so that they shall hereafter read as follows:

"A. Without the prior written consent of Landlord, Tenant shall have no power to and may not assign, pledge, transfer, or otherwise convey (together, "assign" or "assignment") this Lease or any rights or obligations of Tenant hereunder (except to a leasehold mortgagee as hereinbelow provided and in accordance with all of the terms and conditions of this Lease) or sublet the whole or any part of the demised premises, and any such assignment or any subletting shall be null and void and a cause for immediate termination of this Lease by Landlord. Any assignment or any subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of paragraph 6 pertaining to the use of the demised premises. In the event of any assignment or any subletting, Tenant shall not assign Tenant's rights hereunder or sublet the demised premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee

or sublessee agrees to be bound by the terms and provisions of this Lease (and Tenant shall provide a copy of such written agreement to Landlord). No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the demised premises are assigned or sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee, transferee, pledgee, or person or entity to whom this Lease is otherwise conveyed or to such subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder. Tenant shall provide to Landlord the names and addresses of any subtenants and the make, model, aircraft type and "N" number of any aircraft stored or located on or in the demised premises.

Tenant may sublet a part of the demised premises (i) to Mitsubishi Heavy Industries America, Inc., (ii) to Hangar Six, Inc., (iii) to Tenant's affiliated companies of Turbine Aircraft Components, Inc., Turbine Aircraft Marketing, Inc., and West Texas Executive Leasing, Inc. (provided that such companies are either controlled by Tenant, or control Tenant ("Tenant's Parent"), or are controlled by Tenant's Parent (*control* for purposes of this subparagraph meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities or partnership interests, by contract, or otherwise), and (iv) to make short term rentals (less than 10 days) to various third parties; provided, however, that in making any such sublease, Tenant shall first comply with the provisions of this subparagraph A (including, without limitation, obtaining an agreement that a subtenant agrees to be bound by the terms of this Lease and that Tenant provide to Landlord the names and addresses of any subtenants and the make, model, aircraft type and "N" number of any aircraft stored or located on or in the demised premises."

"B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of (i) obtaining funds for the construction of the improvements described in paragraph 6, or (ii) for other construction upon the demised premises approved from time to time by Landlord in writing, or (iii) for other purposes which may be approved from time to time by Landlord in writing. In the event that Tenant, pursuant to mortgages or deeds of trust, mortgages the leasehold estate of Tenant created hereby, the leasehold mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee becomes the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the rental due hereunder and otherwise fully perform the terms and conditions of this Lease."

"E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such mortgagee and its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder; provided, however, that notwithstanding the foregoing or any other provision of this Lease, such mortgagee shall and does not have the right and shall and does not have the power to assign, transfer, pledge or otherwise convey this Lease or sublet the whole or any part of the Demised Premises without the prior written approval of the Landlord, and any such assignment, transfer, pledge or other conveyance and any such subletting shall be null and void and a cause for immediate termination of this Lease by Landlord, it being the intent of this provision that such mortgagee shall have no greater right to assign, pledge, transfer or otherwise convey this Lease or to sublet the Demised Premises (or any portion thereof) than the Tenant has as set forth in Subparagraph B of this Paragraph 9. Landlord also agrees to reasonably consider the execution and delivery to such proposed leasehold mortgagee of any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the demised premises to the mortgage of such proposed leasehold mortgage.

G. Amendment to Paragraph 10. Paragraph 10 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"10. Property Taxes and Assessments: Tenant shall pay, before they become delinquent, any and all property taxes or assessments, and any other governmental charges, fees or expenses, levied or assessed on any improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord "paid receipts" or other written evidence that all such taxes have been paid by Tenant."

H. Amendment to Paragraph 11. Paragraph 11, subparagraph A. of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and in a first class condition (in accordance with, among other things, any construction and/or maintenance standards and specification established by Landlord or Manager and all applicable ordinances, rules, regulations, standards, and permits of the Town of Addison, Texas) all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the demised premises clean and free of trash and in good repair and condition, with all fixtures

and equipment situated in the demised premises in good working order, reasonable wear and tear excepted."

I. Amendment to Paragraph 13. Paragraph 13 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"13. Insurance: Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning, and all other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than one hundred percent (100%) of the full insurable value of the demised premises and any and all improvements thereon. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) Commercial General Liability insurance against claims for bodily injury, death or property damage or destruction occurring on, in or about the demised premises, with limits of liability of not less than \$2,000,000.00 for each occurrence, CSL/\$4,000,000.00 general aggregate. Coverage must include contractual liability.

(iii) Statutory limits of workers compensation insurance and employer's liability with limits of liability of not less than \$1,000,000.00 each-occurrence each accident/\$1,000,000.00 by disease each-occurrence/\$1,000,000.00 by disease aggregate.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$500,000.00 for damage to or destruction of property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Hangarkeepers Legal Liability insurance, at limits of \$1,000,000.00 per-occurrence is required if Tenant is engaged in maintenance, repair, or servicing of aircraft belonging to a third-party, or if Tenant is otherwise involved in any operation in which Tenant has care, custody, or control of an aircraft that belongs to a third-party.

(vii) During any period of construction, a Builder's Risk Completed Value policy with an all risks endorsement.

(viii) Aircraft liability insurance against third party bodily injury or death and property damage or destruction at minimum limits required by regulatory agencies having jurisdiction at the Airport and which are acceptable to Landlord, but in any event not less than \$1,000,000.00 each occurrence (applies to the ownership, operation or use of aircraft by Tenant or any subtenant).

All such policies of insurance shall (i) be issued by insurance companies acceptable to Landlord and authorized to do business in Texas and in the standard form approved by the Texas Department of Insurance, (ii) name the Town of Addison, Texas, and Manager and their respective officials, officers, employees and agents as additional insureds or loss payees, as the case may be, (iii) in all liability policies, provide that such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of activities conducted hereunder, (iv) contain a waiver of subrogation endorsement in favor of the Town of Addison, Texas, and (v) provide for at least thirty (30) days written notice to the Town of Addison, Texas prior to cancellation, non-renewal or material modification which affects this Lease. Certificates of insurance (together with the declaration page of such policies, along with the endorsement naming the Town of Addison, Texas and the Manager as an additional insured), satisfactory to Landlord, evidencing all coverage above, shall be promptly delivered to Landlord and updated as may be appropriate, with complete copies of such policies furnished to the Landlord upon request. Landlord reserves the right to review the insurance requirements contained herein and to reasonably adjust coverages and limits when deemed necessary and prudent by Landlord."

J. Amendment to Paragraph 18. Paragraph 18 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"18. Rules and Regulations: Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, modify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other tenants and customers of the Airport."

K. Amendment to Paragraph 19. Paragraph 19 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"19. Signs and Equipment. After first securing Landlord's approval, Tenant shall have the right from time to time to install signs depicting Tenant's name and operate

radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business, provided such signs and equipment are installed and maintained in compliance with all applicable governmental laws, rules, and regulations, including without limitation the Town of Addison's sign ordinance, and do not interfere with the operation of any navigation facilities or Airport communications (including, without limitation, navigation facilities or Airport communications used or operated by the Federal Aviation Administration)."

L. Amendment to Paragraph 21. Paragraph 21 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"21. Indemnity and Exculpation.

A. LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) SHALL NOT BE LIABLE TO TENANT OR TO TENANT'S EMPLOYEES, AGENTS, SERVANTS, CUSTOMERS, INVITEES, SUBTENANTS, LICENSEES, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, OR TO ANY OTHER PERSON WHOMSOEVER, FOR ANY DEATH OR INJURY TO PERSONS OR DAMAGE TO OR DESTRUCTION OF PROPERTY OR ANY OTHER HARM ON OR ABOUT THE DEMISED PREMISES OR ANY ADJACENT AREA OWNED BY LANDLORD CAUSED BY OR RESULTING FROM ANY ACT OR OMISSION OF TENANT, TENANT'S EMPLOYEES, AGENTS, SERVANTS, CUSTOMERS, INVITEES, SUBTENANTS, LICENSEES, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT, OR ARISING OUT OF THE USE OR OCCUPATION OF THE DEMISED PREMISES BY TENANT, ITS EMPLOYEES, AGENTS, SERVANTS, CUSTOMERS, INVITEES, SUBTENANTS, LICENSEES, CONCESSIONAIRES, CONTRACTORS, OR SUBCONTRACTORS AND/OR THE CONDUCT OF TENANT'S BUSINESS THEREON, OR ARISING OUT OF ANY BREACH OR DEFAULT BY TENANT IN THE PERFORMANCE OF TENANT'S OBLIGATIONS HEREUNDER; AND TENANT HEREBY AGREES TO AND SHALL DEFEND AND INDEMNIFY LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS AGAINST, AND HOLD LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS HARMLESS FROM ANY AND ALL LIABILITY, DAMAGES, COSTS, PENALTIES, LOSS, EXPENSE OR CLAIMS ARISING OUT OF SUCH DAMAGE, DESTRUCTION, INJURY, DEATH OR HARM.

B. TENANT AGREES TO AND SHALL DEFEND (WITH COUNSEL ACCEPTABLE TO LANDLORD) AND INDEMNIFY LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) (TOGETHER, FOR PURPOSES OF THIS SUBPARAGRAPH, "INDEMNIFIED PERSONS") AGAINST, AND HOLD THE INDEMNIFIED PERSONS HARMLESS FROM, ANY AND ALL CLAIMS, ACTIONS, CAUSES OF ACTION, DEMANDS, LOSSES, HARM, DAMAGES, PENALTIES, LIABILITY, EXPENSES, LAWSUITS, JUDGMENTS, COSTS, AND FEES (INCLUDING REASONABLE ATTORNEY FEES AND COURT COSTS), ASSERTED BY ANY PERSON OR ENTITY ON ACCOUNT OF OR FOR ANY INJURY TO OR THE DEATH OF ANY PERSON, OR ANY DAMAGE TO OR DESTRUCTION OF ANY PROPERTY, OR ANY OTHER HARM FOR WHICH DAMAGES OR ANY OTHER FORM OF RECOVERY IS SOUGHT (WHETHER AT LAW OR IN EQUITY), RESULTING FROM, BASED UPON, OR ARISING OUT OF, IN WHOLE OR IN PART, ANY CONDITION OF THE DEMISED PREMISES OR ANY ACT OR OMISSION OF TENANT, ITS OFFICERS, EMPLOYEES, AGENTS, ENGINEERS, CONSULTANTS, CONTRACTORS, SUBCONTRACTORS, INVITEES, OR ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY EMPLOYED BY OR ACTING UNDER TENANT, UNDER, IN CONNECTION WITH, OR IN THE PERFORMANCE OF, THIS LEASE. TENANT'S DUTY TO DEFEND, INDEMNIFY AND HOLD HARMLESS HEREUNDER SHALL APPLY WITHOUT REGARD TO WHETHER ANY ACT, ERROR, OMISSION, OR NEGLIGENCE OF LANDLORD OR MANAGER WOULD OTHERWISE HAVE MADE THEM JOINTLY NEGLIGENT OR LIABLE FOR SUCH DAMAGE, INJURY OR HARM, EXCEPTING ONLY THAT TENANT SHALL NOT BE OBLIGATED TO SO DEFEND, INDEMNIFY AND HOLD HARMLESS LANDLORD AND MANAGER IF SUCH DAMAGE, INJURY OR HARM IS DUE TO THE SOLE NEGLIGENCE OF LANDLORD OR MANAGER.

C. LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) SHALL BE DEFENDED, INDEMNIFIED AND HELD HARMLESS BY AND NOT BE LIABLE TO TENANT FOR ANY DEATH OR INJURY TO ANY PERSON OR PERSONS OR DAMAGE TO OR DESTRUCTION OF PROPERTY OF ANY KIND RESULTING FROM THE DEMISED PREMISES BECOMING OUT OF REPAIR OR BY DEFECT IN OR FAILURE OF EQUIPMENT, PIPES, OR WIRING, OR BROKEN GLASS, OR BY THE BACKING UP OF DRAINS, OR BY GAS, WATER, STEAM, ELECTRICITY OR OIL LEAKING, ESCAPING OR FLOWING INTO THE DEMISED PREMISES, REGARDLESS OF THE SOURCE, OR BY DAMPNESS OR BY FIRE, EXPLOSION, FALLING PLASTER OR CEILING OR FOR ANY OTHER REASON WHATSOEVER. LANDLORD AND MANAGER, AND

LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES, SHALL NOT BE LIABLE TO TENANT FOR ANY LOSS OR DAMAGE THAT MAY BE OCCASIONED BY OR THROUGH THE ACTS OR OMISSIONS OF OTHER TENANTS OF LANDLORD OR CAUSED BY OPERATIONS IN CONSTRUCTION OF ANY PRIVATE, PUBLIC OR QUASI-PUBLIC WORK, OR OF ANY OTHER PERSONS, WHOMSOEVER, EXCEPTING ONLY THE DULY AUTHORIZED AND RESPECTIVE AGENTS AND EMPLOYEES OF LANDLORD OR MANAGER, AS THE CASE MAY BE.

D. THE PROVISIONS OF THIS SECTION 21 SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS LEASE."

M. Addition of Paragraph 21.1. A new Paragraph 21.1 Lease is hereby to the Ground Lease to read as follows:

"Section 21.1. Environmental Compliance.

A. Tenant shall not install, store, use, treat, transport, discharge or dispose (or permit or acquiesce in the installation, storage, use, treatment, transportation, discharge or disposal by Tenant, its agents, employees, invitees, contractors, subcontractors, independent contractors, or subtenants) on the demised premises or any portion of the common facilities (described in Paragraph 17), any: (a) asbestos in any form; (b) urea formaldehyde foam insulation; (c) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million; or (d) any other chemical, material, air pollutant, toxic pollutant, waste, or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by the Resource Conservation Recovery Act (42 U.S.C. §6901, et seq., as amended or superseded), the Comprehensive and Environmental Response Compensation and Liability Act (42 U.S.C. §9601, et seq., as amended or superseded), the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act, and/or the Clean Water Act or any other federal, state, county, regional, local or other governmental authority law, rule, regulation, standard, permit, directive or policy, or which, even if not so regulated may or could pose a hazard to the health and safety of the occupants of the demised premises and/or any portions of the common facilities, and which is either: (i) in amounts in excess of that permitted or deemed safe under applicable law; or (ii) in any manner prohibited or deemed unsafe under applicable law. (The substances referred to in (a), (b), (c) or (d) are collectively referred to hereinafter as "Hazardous Materials").

B. TENANT SHALL, AT TENANT'S OWN EXPENSE, COMPLY WITH ANY PRESENTLY EXISTING OR HEREAFTER ENACTED LAWS, RULES, REGULATIONS, STANDARDS, DIRECTIVES, PERMITS, OR NOTICES RELATING TO HAZARDOUS MATERIALS (COLLECTIVELY, "CLEANUP LAWS"). IN FURTHERANCE AND NOT IN LIMITATION OF THE FOREGOING, TENANT SHALL, AT TENANT'S OWN EXPENSE,

MAKE ALL SUBMISSIONS TO, PROVIDE ALL INFORMATION TO, AND COMPLY WITH ALL REQUIREMENTS OF THE APPROPRIATE GOVERNMENTAL AUTHORITY (THE "AUTHORITY") UNDER THE CLEANUP LAWS. SHOULD ANY AUTHORITY REQUIRE THAT A CLEANUP PLAN BE PREPARED AND THAT A CLEANUP BE UNDERTAKEN BECAUSE OF THE EXISTENCE OF HAZARDOUS MATERIALS WHICH WERE INSTALLED, STORED, USED, TREATED, TRANSPORTED, DISPOSED OF OR DISCHARGED ON THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES (AS DESCRIBED IN PARAGRAPH 17) BY TENANT, TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT DURING THE TERM OF THIS LEASE, TENANT SHALL, AT TENANT'S OWN COST AND EXPENSE, PREPARE AND SUBMIT THE REQUIRED PLANS AND FINANCIAL ASSURANCES AND CARRY OUT THE APPROVED PLANS IN ACCORDANCE WITH SUCH CLEANUP LAWS AND TO LANDLORD'S SATISFACTION. AT NO EXPENSE TO LANDLORD, TENANT SHALL PROMPTLY PROVIDE ALL INFORMATION REQUESTED BY LANDLORD FOR PREPARATION OF AFFIDAVITS OR OTHER DOCUMENTS REQUIRED BY LANDLORD TO DETERMINE THE APPLICABILITY OF THE CLEANUP LAWS TO THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES, AS THE CASE MAY BE, AND SHALL SIGN THE AFFIDAVITS PROMPTLY WHEN REQUESTED TO DO SO BY LANDLORD. TENANT SHALL INDEMNIFY, DEFEND, SAVE AND HOLD HARMLESS LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) FROM AND AGAINST, AND REIMBURSE LANDLORD FOR, ANY AND ALL OBLIGATIONS, DAMAGES, INJUNCTIONS, FINES, PENALTIES, DEMANDS, CLAIMS, COSTS, EXPENSES, ACTIONS, LIABILITIES, SUITS, PROCEEDINGS AND LOSSES OF WHATEVER NATURE (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS), AND ALL CLEANUP OR REMOVAL COSTS AND ALL ACTIONS OF ANY KIND ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE INSTALLATION, STORAGE, USE, TREATMENT, TRANSPORTING, DISPOSAL OR DISCHARGE OF HAZARDOUS MATERIALS IN OR ON THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES BY TENANT, TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON

ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT DURING THE LEASE TERM; AND FROM ALL FINES, SUITS, PROCEDURES, CLAIMS AND ACTIONS OF ANY KIND ARISING OUT OF TENANT'S (OR TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT) FAILURE TO PROVIDE ALL INFORMATION, MAKE ALL SUBMISSIONS AND TAKE ALL STEPS REQUIRED BY THE AUTHORITY UNDER THE CLEANUP LAWS OR ANY OTHER LAW (ENVIRONMENTAL - OR OTHERWISE). TENANT'S OBLIGATIONS AND LIABILITIES UNDER THIS SUBPARAGRAPH SHALL CONTINUE (AND SURVIVE THE TERMINATION OR EXPIRATION OF THIS LEASE) SO LONG AS THERE MAY BE HAZARDOUS MATERIALS AT THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES, THAT WERE INSTALLED, STORED, USED, TREATED, TRANSPORTED, DISPOSED OF OR DISCHARGED DURING THE LEASE TERM BY TENANT, OR TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT. IN ADDITION TO AND NOT IN LIMITATION OF LANDLORD'S OTHER RIGHTS AND REMEDIES, TENANT'S FAILURE TO ABIDE BY THE TERMS OF THIS SECTION SHALL BE RESTRAINABLE BY INJUNCTION.

C. Tenant shall promptly supply Landlord with copies of any notices, correspondence and submissions made by Tenant to or received by Tenant from any governmental authorities of the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, or any other local, state or federal authority that requires submission of any information concerning environmental matters or Hazardous Materials.

D. Tenant's defense and indemnity obligation and Tenant's liability pursuant to the terms of this Paragraph 21.1 shall survive the expiration or earlier termination of this Lease."

N. Amendment to Paragraph 22. Paragraph 22 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"22. Default by Tenant: The following events shall be deemed to be events of default by Tenant under this Lease:

- A. Failure of Tenant to pay any installment of rent or to pay or cause to be paid taxes (to the extent Tenant is obligated to pay or cause same to be paid), utilities, or insurance premiums, or any other payment or sum which Tenant is to make under this Lease, on the date that same is due and such failure shall continue for a period of ten (10) days after the date on which such payment is to be made.
- B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or the payment of taxes, utilities or insurance premiums, or other payment Tenants is to make under this Lease, as set forth in subparagraph A. of this paragraph 22, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant (and if such failure cannot reasonably be cured with the said thirty (30) period, Tenant may, with Landlord's prior written consent (which consent shall not be unreasonably withheld), have such additional reasonable time (as agreed upon by Landlord and Tenant) to cure such default, provided that Tenant pursues such cure with all due diligence).
- C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.
- D. Filing of a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof by Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.
- E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.
- F. Abandonment by Tenant for a period of thirty (30) days of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose leased."
- O. Amendment to Paragraph 26. Paragraph 26 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"26. Title to Improvements: Any and all improvements on the demised premises shall become the property of Landlord upon the expiration or termination of this Lease; provided, however: (i) if Tenant is not then in default hereunder, Tenant shall have the right to remove all personal property and trade fixtures owned by Tenant from the demised premises, but Tenant shall be required to repair any damage to the demised premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense; and (ii) Landlord may elect to require Tenant to remove all improvements from the demised premises and restore the demised premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense. Upon such termination

or expiration, Tenant shall deliver the demised premises to Landlord in good condition, reasonable wear and tear excepted, and shall, at Landlord's request, execute a recordable instrument evidencing the termination or expiration of this Lease and stating the termination or expiration date."

P. Amendment to Paragraph 27. Paragraph 28 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"27. Mechanics' and Materialmen's Liens; Landlord's Lien:

A. Tenant agrees to indemnify and hold Landlord harmless of and from all liability arising out of the filing of any mechanics' or materialmen's liens against the demised premises by reason of any act or omission of Tenant or anyone claiming under Tenant, and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in paragraph 37 as additional rent; provided, however, that Landlord shall not so satisfy such liens until fifteen (15) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such fifteen (15) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the demised premises.

B. TENANT HEREBY GRANTS TO LANDLORD A CONTINUING SECURITY INTEREST TO SECURE PAYMENT OF ALL RENT AND OTHER SUMS OF MONEY COMING DUE HEREUNDER FROM TENANT, AND TO SECURE PAYMENT OF ANY DAMAGES OR LOSS WHICH LANDLORD MAY SUFFER BY REASON OF THE BREACH BY TENANT OF ANY COVENANT, AGREEMENT, OR CONDITION CONTAINED HEREIN, UPON ALL GOODS, WARES, EQUIPMENT, FIXTURES, FURNITURE, IMPROVEMENTS AND OTHER PERSONAL PROPERTY OF TENANT PRESENTLY OR WHICH MAY HEREAFTER BE SITUATED ON THE LEASED PREMISES, AND ALL PROCEEDS THEREFROM ("COLLATERAL"). TENANT WILL NOT REMOVE, OR ALLOW OTHERS TO REMOVE, ANY OF SUCH COLLATERAL FROM THE LEASED PREMISES WITHOUT LANDLORD'S PRIOR WRITTEN CONSENT; BUT TENANT MAY REMOVE COLLATERAL IN THE ORDINARY COURSE OF BUSINESS BEFORE A DEFAULT. IF A DEFAULT OCCURS, LANDLORD WILL BE ENTITLED TO EXERCISE ANY OR ALL RIGHTS AND REMEDIES UNDER THE UNIFORM COMMERCIAL CODE OR OTHERWISE PROVIDED IN THIS LEASE OR BY LAW. IN ADDITION TO ANY OTHER REMEDIES PROVIDED IN THIS LEASE OR BY LAW OR EQUITY, IN THE EVENT OF DEFAULT, LANDLORD MAY ENTER THE LEASED PREMISES AND TAKE POSSESSION OF ANY AND ALL GOODS, WARES, EQUIPMENT, FIXTURES, FURNITURE, IMPROVEMENTS AND OTHER PERSONAL PROPERTY OF TENANT SITUATED UPON THE LEASED PREMISES WITHOUT LIABILITY FOR TRESPASS OR CONVERSION. LANDLORD MAY SELL THE SAME AT A PUBLIC OR PRIVATE SALE, WITH OR

WITHOUT HAVING SUCH PROPERTY AT THE SALE, AFTER GIVING TENANT REASONABLE NOTICE AS TO THE TIME AND PLACE OF THE SALE. AT SUCH SALE, LANDLORD OR ITS ASSIGNS MAY PURCHASE THE PROPERTY UNLESS SUCH PURCHASE IS OTHERWISE PROHIBITED BY LAW. UNLESS OTHERWISE PROVIDED BY LAW, THE REQUIREMENT OF REASONABLE NOTICE SHALL BE MET IF SUCH NOTICE IS GIVEN TO TENANT AT THE ADDRESS HEREAFTER PRESCRIBED AT LEAST FIFTEEN (15) DAYS PRIOR TO THE TIME OF THE SALE. THE PROCEEDS OF ANY SUCH DISPOSITION, LESS ALL EXPENSES CONNECTED WITH THE TAKING OF POSSESSION AND SALE OF THE PROPERTY, INCLUDING A REASONABLE ATTORNEY'S FEE, SHALL BE APPLIED AS A CREDIT AGAINST THE INDEBTEDNESS SECURED BY THE SECURITY INTEREST GRANTED IN THIS PARAGRAPH. ANY SURPLUS SHALL BE PAID TO TENANT AND TENANT SHALL PAY ANY DEFICIENCIES UPON DEMAND. UPON REQUEST BY LANDLORD, TENANT WILL EXECUTE AND DELIVER TO LANDLORD A FINANCING STATEMENT IN A FORM SUFFICIENT TO PERFECT THE SECURITY INTEREST OF THE LANDLORD IN THE AFOREMENTIONED PROPERTY AND THE PROCEEDS THEREOF UNDER THE PROVISION OF THE UNIFORM COMMERCIAL CODE IN FORCE IN THE STATE OF TEXAS, AND TENANT IRREVOCABLY APPOINTS LANDLORD AS TENANT'S ATTORNEY-IN-FACT TO SIGN AND DELIVER A FINANCING STATEMENT TO LANDLORD IF TENANT FAILS OR REFUSES TO DO SO. THIS POWER-OF-ATTORNEY IS COUPLED WITH AN INTEREST. ANY STATUTORY LIEN FOR RENT IS NOT WAIVED; THE SECURITY INTEREST HEREIN GRANTED IS IN ADDITION AND SUPPLEMENTARY THERETO."

C. Notwithstanding anything to the contrary, in exercising Landlord's rights under this paragraph 27, Landlord shall not be entitled to take possession of or withhold Tenant's right to possess Tenant's business records, books, written or printed material, and computers, or to violate the quality control concerning aircraft parts and aircraft records which are located in a clearly marked secured area.

Q. Amendment to Paragraph 28. Paragraph 28 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"28. Title. Tenant accepts the demised premises subject to: (i) the Base Lease; (ii) the Rules and Regulations; (iii) easements and rights-of way and (iv) zoning ordinances and other ordinances, laws, statutes or regulations now in effect or hereafter promulgated by any governmental authority having jurisdiction over the demised premises (including, without limitation, the City, the Federal Aviation Administration, and the Texas Department of Transportation), and (v) any and all grant agreements or assurances regarding the Airport whether now in effect or hereafter agreed to or imposed."

R. Amendment to Paragraph 29. Paragraph of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"29. Quiet Enjoyment and Subordination: Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease and to grant the estate demised herein, and that Tenant, upon payment of the rents herein reserved, and performance of the terms, conditions, covenants and agreements herein contained, shall (subject to all of the terms and conditions of this Lease) peaceably and quietly have, hold and enjoy the demised premises during the full term of this Lease; provided, however, that Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust or other lien presently existing upon, or to any other matter affecting, the demised premises. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this Lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien."

S. Addition of Paragraph 37.1. A new Paragraph 37.1 Lease is hereby to the Ground Lease to read as follows:

37.1. Special Events: Landlord may sponsor certain special events, including, but not limited to, air shows, to be conducted on portions of the Airport, which may limit or obstruct access to the demised premises and/or to the Airport ("Special Events"). As a material inducement to Landlord to enter into this Lease, and notwithstanding anything to the contrary contained herein, Tenant, on behalf of Tenant and on behalf of all directors, officers, shareholders, partners, principals, employees, agents, contractors, subtenants, licensees invitees, or concessionaires of Tenant and on behalf of any other party claiming any right to use the demised premises by, through or under Tenant, hereby: (i) agrees that Landlord has the right to sponsor any or all Special Events and to allow use of portions of the Airport therefor even if the same limit or obstruct access to the demised premises and/or to the Airport (and such use for Special Events may preclude Tenant's use of all Airport facilities, except that Tenant will continue to have vehicular (excluding any aircraft) access to the demised premises from roadways outside of the Airport); (ii)

releases, waives and discharges Landlord and Manager, and their respective officials, officers, employees and agents, from all liability for any loss, damage, cost, expense or claim arising or resulting from or pertaining to the limitation or obstruction of access to the demised premises and/or to the Airport from the conduct of Special Events and/or activities relating or pertaining thereto, including, without limitation, death, injury to person or property or loss of business or revenue (the "Released Claims"); (iii) covenants not to sue the Landlord or Manager or their respective officials, officers, employees and agents (whether in their official or private capacities) for any Released Claims; (iv) agrees that the terms contained in this Section are intended and shall be construed to be as broad and inclusive as possible under the laws of the State of Texas; and (v) agrees that if any portion of this Section is held to be invalid or unenforceable, the remainder of this Paragraph shall not be affected thereby but shall continue in full force and effect."

T. Amendment to Paragraph 48. Paragraph 48 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"48. Governing Law and Venue; Survivability of Rights and Remedies. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas and with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the interpretation, validity and enforcement of this Agreement, and Landlord and Tenant both irrevocably agree that venue for any disputed concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas. Any rights and remedies either party may have with respect to the other arising out of the performance of or failure to perform this Lease during the term hereof shall survive the cancellation, expiration or termination of this Lease."

U. Amendment to Paragraph 49. Paragraph 49 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

"49. Entire Agreement and Amendments. This Lease, consisting of the above and foregoing through this Paragraph 49 and Exhibits A through D attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought."

Section 2. No Other Amendments. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.

Section 3. Applicable Law; Venue. This Amendment shall be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Amendment are performable in Dallas County, Texas. Venue for any action under this Amendment shall be in Dallas County, Texas.

Section 4. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Amendment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this 2
of July, 2002.

LANDLORD:

TOWN OF ADDISON, TEXAS

By: Ron Whitehead
Ron Whitehead, City Manager

TENANT:

TURBINE AIRCRAFT SERVICES, INC.

By: Stan R. Burdett
Typed Name: _____
Title: President

ATTEST:

By: _____
Carmen Moran, City Secretary

STATE OF TEXAS §
COUNTY OF DALLAS §

ASSIGNMENT OF GROUND LEASE

This Assignment of Ground Lease (the "Assignment") is entered into and effective as of July 2, 2002, at Addison, Texas, by and between Hangar Six, Inc. (herein referred to as "Assignor") and Turbine Aircraft Services, Inc. (herein referred to as "Assignee").

WHEREAS, a Ground Lease was executed on May 23, 1984 between the City of Addison, Addison Airport of Texas, Inc., and Hangar Six, Inc. (the "Ground Lease"), a true and correct copy of which Ground Lease is attached hereto as Exhibit A, by the terms of which certain real property located at Addison Airport within the Town of Addison, Texas (the "City") and owned by the City was leased to Hangar Six, Inc.; and

WHEREAS, by that Assignment of Lease dated N/A (a true and correct copy of which is attached hereto as Exhibit B), the Ground Lease was assigned from _____, as assignor, to _____, as assignee; and

[add additional paragraphs tracing the assignment history of the Ground Lease]

WHEREAS, by virtue of such assignments, Assignor is the Tenant under the Ground Lease; and

WHEREAS, the Ground Lease provides that, upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the "Base Lease" (and being an Agreement for Operation of the Addison Airport between the City and Addison Airport of Texas, Inc.), the City is entitled to all of the rights, benefits and remedies, and will perform the duties, covenants and obligations, of the Landlord under the Ground Lease; and

WHEREAS, the said Base Lease has expired and the City is the Landlord under the Ground Lease; and

WHEREAS, the Ground Lease provides ~~no portion~~ thereof that, without the prior written consent of the Landlord, the Tenant may not assign the Ground Lease or any rights of Tenant under the Ground Lease (except as provided therein), and that any assignment must be expressly subject to all the terms and provisions of the Ground Lease, and that any assignment must include a written agreement from the assignee whereby the assignee agrees to be bound by the terms and provisions of the Ground Lease; and

WHEREAS, Assignor desires to assign the Ground Lease to Assignee, and Assignee desires to accept the Assignment thereof in accordance with the terms and conditions of this Assignment.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

AGREEMENT

1. Assignor hereby assigns, bargains, sells, and conveys to Assignee, effective as of the date above, all of Assignor's right, title, duties, responsibilities, and interest in and to the Ground Lease, attached hereto as Exhibit A, TO HAVE AND TO HOLD the same, for the remaining term thereof, and Assignor does hereby bind (itself, himself, herself) and (its, his, her) successors and assigns to warrant and forever defend the same unto Assignee against every person or persons lawfully claiming any part thereof through Assignor.

2. Prior to the effective date of this Assignment, Assignee agrees to pay an Assignment Fee in the amount of Four Hundred Fifty Dollars and no/100 (\$450.00) to Landlord.

3. Assignee hereby agrees to and shall be bound by and comply with all of the terms, provisions, duties, conditions, and obligations of tenant under the Ground Lease. For purposes of notice under the Ground Lease, the address of Assignee is 745 Warehouse Rd., San Angelo, Texas 76903.

4. Nothing in this Assignment shall be construed or be deemed to modify, alter, amend or change any term or condition of the Ground Lease, except as set forth herein.

5. This Assignment is subject to the consent and filing requirements of the Town of Addison, Texas.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment on the day and year first set forth above.

ASSIGNOR:
Hangar Six, Inc.

Walter Fuller
By: Walter Fuller, President

ASSIGNEE:
Turbine Aircraft Services, Inc.

Tom L. Berscheidt
By: Tom L. Berscheidt, President

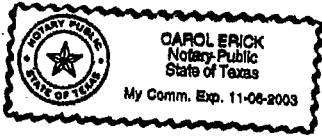
ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared WALTER FULLER known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

2002 GIVEN under my hand and seal of office this 2nd day of July.

[SEAL]



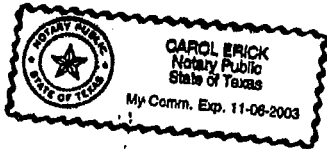
Carol Erick
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared TOM L. BERSCHIEDT known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

2002 GIVEN under my hand and seal of office this 2nd day of July.

[SEAL]



Carol Erick
Notary Public, State of Texas

CONSENT OF LANDLORD

The Town of Addison, Texas is the Landlord in the Ground Lease described in the foregoing Assignment, and hereby consents to the foregoing Assignment of the Ground Lease to Assignee, waiving none of its rights under the Ground Lease as to the Assignor or the Assignee.

LANDLORD:

TOWN OF ADDISON, TEXAS

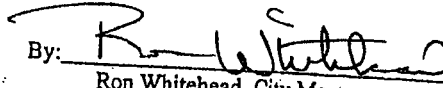
By: 
Ron Whitehead, City Manager

EXHIBIT "A"

Being a tract of land situated in the William Lomax Survey, Abstract 792, Dallas County, Texas, and located on Addison Municipal Airport, Addison, Texas, and being more fully described as follows:

BEGIN at an iron pin found for the northwest corner of an 8.295 acre tract of land conveyed to Addison Airport, Inc. by deed recorded in Volume 4846, Page 568, Dallas County Deed Records, said iron pin also being the southwest corner of a tract of land conveyed to O.J. Broughton and E.E. Ericson by deed recorded in Volume 4350, Page 491, Dallas County Deed Records; THENCE S 00 deg 20 min 20 sec E, 50.00 feet; THENCE S 82 deg 45 min W, 18.64 feet; THENCE S 00 deg 08 min E, 83.56 feet; THENCE S 20 deg 10 min 40 sec E, 195.14 feet; THENCE S 69 deg 30 min W, 297.00 feet; THENCE S 20 deg 10 min 40 sec E, 65.00 feet; THENCE S 69 deg 30 min W, 71.35 feet; THENCE S 20 deg 30 min E, 162.75 feet to a point on the northeast corner of Ray Stern 1.752 acre tract; THENCE S 69 deg 37 min W, along the north line of said tract, 305.0 feet to a point being 115.0 feet east of the centerline of the existing North/South Taxiway and 162.75 feet south of the existing East/West Taxiway; THENCE S 20 deg 23 min E, parallel to and 115.0 feet from the centerline of said North/South Taxiway, 250.0 feet to the POINT OF BEGINNING:

THENCE N 69 deg 49 min 15 sec E, 184.80 feet;
THENCE S 20 deg 12 min 32 sec E, 6.19 feet;
THENCE N 69 deg 38 min E, 105.44 feet;
THENCE S 20 deg 22 min 03 sec E, 10.0 feet;
THENCE N 68 deg 02 min 57 sec E, 103.31 feet;
THENCE S 20 deg 28 min 15 sec E, 149.26 feet;
THENCE S 24 deg 33 min 34 sec W, 56.54 feet;
THENCE S 69 deg 35 min 25 sec W, 353.58 feet;
THENCE N 20 deg 23 min W, 203.50 feet to the POINT OF BEGINNING,
containing 1.764 acres of land (76847.594 s.f.), more or less.

Bill of Sale

Date: July 2, 2002

Seller: HANGAR SIX, INC.

Seller's Mailing Address: P.O. Box 6, Addison, Texas 75001 (Dallas County)

Buyer: TURBINE AIRCRAFT SERVICES, INC.

Buyer's Mailing Address: 745 Warehouse Road, San Angelo, Texas 76903
(Tom Green County)

Consideration: Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

Transferred Properties: All improvements located on the leasehold described in lease between City of Addison and Hangar Six, Inc., dated May 23, 1984, consisting of a metal hangar building approximately 105' x 170' with covered awning for parking, commonly known as Hangar 6, located at 4550 Jimmy Doolittle Drive, Addison, Dallas County, Texas.

Reservations from Transfer: NONE

Exceptions to Transfer and Warranty: NONE

Seller, for the Consideration and subject to the Reservations from Transfer and the Exceptions to Transfer and Warranty, sells, transfers, and delivers the Transferred Properties to Buyer, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Buyer and Buyer's heirs, successors, and assigns forever. Seller binds Seller and Seller's heirs and successors to warrant and forever defend all and singular the Transferred Properties to Buyer and Buyer's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Seller but not otherwise, except as to the Reservations from Transfer and the Exceptions to Transfer and Warranty.

As a material part of the Consideration for this deed, Grantor and Grantee agree that Grantee is taking the Property "AS IS" with any and all latent and patent defects and that there is no warranty by Grantor that the Property has a particular financial value or is fit for a particular purpose. Grantee acknowledges and stipulates that Grantee is not relying on any representation, statement, or other assertion with respect to the Property condition but is relying on Grantee's examination of the Property. Grantee takes the Property with the express understanding and stipulation that there are no express or implied warranties except for limited warranties of title set forth in this Bill of Sale.

When the context requires, singular nouns and pronouns include the plural.

HANGAR SIX, INC., SELLER

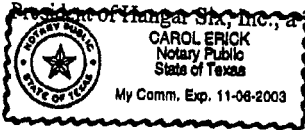
By: Walter Fuller
Walter Fuller, President

TURBINE AIRCRAFT SERVICES, INC., BUYER

By: Tom L. Berscheidt
Tom L. Berscheidt, President

STATE OF TEXAS §
COUNTY OF DALLAS §

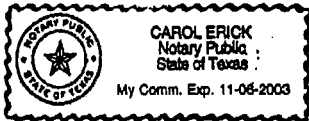
This instrument was acknowledged before me on July 2, 2002, by Walter Fuller,
President of Hangar Six, Inc., a Texas corporation, on behalf of said corporation.



Carol Erick
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

This instrument was acknowledged before me on July 2, 2002, by Tom L. Berscheidt,
President of Turbine Aircraft Services, Inc., a Texas corporation, on behalf of said corporation.



Carol Erick
Notary Public, State of Texas

MEMORANDUM OF LEASE

The Town of Addison, Texas, as Landlord, and Turbine Aircraft Services, Inc. (by assignment), a Texas corporation, as Tenant, are parties to a Ground Lease dated May 23, 1984 and amended by that Amendment to Ground Lease between the parties dated July 2, 2002, in which Ground Lease Landlord has leased the premises described in Exhibit "A" attached hereto. The Ground Lease provides that, if certain conditions precedent are met by Tenant, the Ground Lease shall end, unless earlier terminated, on June 30, 2032; if such conditions precedent are not met by Tenant, the Ground Lease shall end, unless earlier terminated, on June 30, 2014.

Executed effective the 20 day of July, 2002, but signed on the dates of the respective acknowledgements.

TURBINE AIRCRAFT SERVICES, INC.

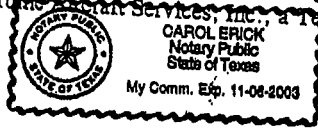
By: Tom L. Berscheidt
Tom L. Berscheidt, President

CITY OF ADDISON

By: R. White
Name:
Position:

STATE OF TEXAS §
COUNTY OF DALLAS §

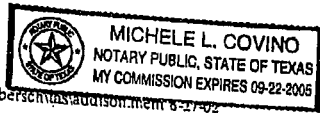
This instrument was acknowledged before me on July 2, 2002, by Tom L. Berscheidt of Turbine Aircraft Services, Inc., a Texas corporation, on behalf of said corporation.



Carol Erick
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

This instrument was acknowledged before me on July 9th, 2002, by Ron White as City Manager of the City of Addison.



Michele L. Covino
Notary Public, State of Texas

EXHIBIT "A"

Being a tract of land situated in the William Lomax Survey, Abstract 792, Dallas County, Texas, and located on Addison Municipal Airport, Addison, Texas, and being more fully described as follows:

BEGIN at an iron pin found for the northwest corner of an 8.295 acre tract of land conveyed to Addison Airport, Inc. by deed recorded in Volume 4846, Page 568, Dallas County Deed Records, said iron pin also being the southwest corner of a tract of land conveyed to O.J. Broughton and E.E. Ericson by deed recorded in Volume 4350, Page 491, Dallas County Deed Records; THENCE S 00 deg 20 min 20 sec E, 50.00 feet; THENCE S 82 deg 45 min W, 18.64 feet; THENCE S 00 deg 08 min E, 83.56 feet; THENCE S 20 deg 10 min 40 sec E, 195.14 feet; THENCE S 69 deg 30 min W, 297.00 feet; THENCE S 20 deg 10 min 40 sec E, 65.00 feet; THENCE S 69 deg 30 min W, 71.35 feet; THENCE S 20 deg 30 min E, 162.75 feet to a point on the northeast corner of Ray Stern 1.752 acre tract; THENCE S 69 deg 37 min W, along the north line of said tract, 305.0 feet to a point; said point being 115.0 feet east of the centerline of the existing North/South Taxiway and 162.75 feet south of the existing East/West Taxiway; THENCE S 20 deg 23 min E, parallel to and 115.0 feet from the centerline of said North/South Taxiway, 250.0 feet to the POINT OF BEGINNING;

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THENCE S 20 deg 28 min 15 sec E, 149.26 feet;
THENCE S 24 deg 33 min 34 sec W, 56.54 feet;
THENCE S 69 deg 35 min 25 sec W, 353.58 feet;
THENCE N 20 deg 23 min W, 203.50 feet to the POINT OF BEGINNING, containing 1.764 acres of land (76847.594 s.f.), more or less.

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of May 23, 1984, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City"), Addison Airport of Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and HANGAR SIX, INC. (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to that certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor to AATI); and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being delineated in a plat attached hereto as Exhibit B; and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AATI, upon the terms and conditions set forth herein;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. **Base Lease:** All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if written verbatim herein, and Tenant by Tenant's execution hereof acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.

2. **Definition of Landlord and Effect of Default under the Base Lease:** The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that (i) until such time as the City notifies Tenant to the contrary in writing, Tenant is fully authorized to make all payments due under this Lease to AATI, and (ii) that default by AATI under the Base Lease shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. **Term:** The term hereof shall commence on the earlier of July 1, 1984, or the first day of the first calendar month after Tenant completes the construction hereinbelow described and opens for business at the demised premises (the applicable date being hereinafter referred to as the "Commencement Date"), and shall end 288 360 months thereafter; provided, however, that any entry upon the demised premises by Tenant prior to the Commencement Date shall be subject to all of the terms and conditions hereof except that rental shall not accrue.

4. **Rental:** Subject to adjustment as hereinbelow provided, Tenant agrees to pay to Landlord, without offset or deduction, rent for the demised premises at the rate of EIGHTEEN HUNDRED EIGHTY-NINE AND 17/100 per month in advance. The first of such monthly installment shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. **Adjustment of Rental:** Commencing on the second anniversary of the Commencement Date and on every bi-annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i) A comparison shall be made between the Consumers' price index-All Items for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as it existed on the Commencement Date and as it exists on the first day of the calendar month preceding the then applicable Adjustment Date.

(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4.

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Price Index as closely as feasible shall be substituted therefor.

6. **Use of Demised Premises and Construction of Improvements.** The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts; aircraft maintenance and repair; aircraft storage; aircraft training; aircraft charter; and aircraft rentals; and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

- 1 - Metal building 170' x 105' with enclosed offices and associated aircraft ramp and vehicle parking.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a first class, workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.

7. **Acceptance of Demised Premises.** Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition.

8. **Securing Governmental Approvals and Compliance with Law.** Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense.

9. **Assignment, Subletting and Mortgaging of Leasehold Estate;**

A. Without the prior written consent of Landlord, Tenant may not assign this Lease or any rights or Tenant hereunder (except to a leasehold mortgagee as hereinbelow provided) or sublet the whole or any part of the demised premises. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of paragraph 6 pertaining to the use of the demised premises. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder or sublet the demised premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the demised premises are assigned or sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described in paragraph 6 or for other construction upon the demised premises approved from time to time by Landlord in writing. In the event that Tenant pursuant to mortgages or deeds of trust mortgages the leasehold estate of Tenant created hereby, the leasehold mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee become the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the rental due hereunder and otherwise fully perform the terms and conditions of this Lease.

C. All mortgages or deeds of trust which Tenant mortgages the leasehold estate of Tr _____ created hereby shall contain provisions (i) requiring the leasehold mortgagee to give Landlord fifteen (15) days written notice prior _____ accelerating the debt of Tenant to such mortgagee and/or initiating foreclosure proceedings under said mortgages or deeds of trust, and (ii) allowing Landlord during such fifteen (15) day notice period to cure Tenant's default and prevent said acceleration and/or foreclosure proceedings, and thereafter at Landlord's option to assume Tenant's position under said mortgages or deeds of trust.

D. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a leasehold mortgage and written notice to such effect has been given to Landlord, to give the holder of such leasehold mortgagee at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the leasehold mortgagee, or as otherwise may be specified by the leasehold mortgagee to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such leasehold mortgage shall have the right, for a period of fifteen (15) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified. It being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this Lease without first giving any such leasehold mortgagee the notice provided for herein and affording any such leasehold mortgagee the right to cure such default as provided for herein.

E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such mortgagee and its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to such proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the demised premises to the mortgage of such proposed leasehold mortgagee.

10. **Property Taxes and Assessments:** Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord's "paid receipts" or other written evidence that all such taxes have been paid by Tenant.

11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the demised premises clean and free of trash and in good repair and condition, with all fixtures and equipment situated in the demised premises in working order, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs therefor expended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant on demand.

12. **Alterations, Additions and Improvement.** After completion of the improvements described in paragraph 6, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the demised premises without the prior written consent of Landlord. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements in and to the demised premises shall be performed in a first class, workmanlike manner, and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection therewith.

13. **Insurance.** Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning, and other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than eighty percent (80%) of the full insurable value of the demised premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the demised premises, such insurance to afford protection to Landlord of not less than \$500,000.00 with respect to any one person, \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workmen's compensation insurance covering all persons employed by Tenant in connection with any work done on or about the demised premises with respect to which claims for death or bodily injury could be asserted against Landlord or the demised premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Hangar keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per aircraft and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of Tenant.

(vii) During any period of construction, a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance (i) shall be issued by insurance companies acceptable to Landlord, (ii) shall name Landlord as an additional insured or loss payee, as the case may be, and (iii) shall provide for at least ten (10) days written notice to Landlord prior to cancellation or modification. Tenant shall provide Landlord with duplicate originals of all insurance policies required by this paragraph.

14. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly commence and complete the restoration, repair and replacement of said buildings, structures and equipment as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction, with such alterations in and additions thereto as may be approved in writing by Landlord (hereinafter sometimes referred to as the "Restoration").

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be protected in acting upon any certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact or as to any matter therein set forth. Such certificate shall be full warranty, authority and protection to Landlord in acting thereon, and Landlord shall be under no duty to take any action other than as set forth in this paragraph 14.

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof (less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses) shall be applied as follows:

(i) Net insurance proceeds as above defined shall be paid to Tenant or as Tenant may direct from time to time as Restoration progresses to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant to Landlord accompanied by (a) certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and material in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration, and (b) an opinion of counsel satisfactory to Landlord that there exist no mechanics', materialmen's or similar liens for labor or materials except such, if any, as are discharged by the payment of the amount requested.

(ii) Upon receipt by Landlord of evidence of the character required by the foregoing clauses (i)(a) and (b) that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics', materialmen's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

E. In the event that Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration after Landlord has given Tenant thirty (30) days prior written notice requesting the commencement of Restoration or that Tenant diligently proceeds to the completion of same if Tenant during such thirty (30) day period does not so commence or proceed to diligently complete Restoration. In such event, Landlord shall retain the insurance proceeds, and Tenant shall pay any deficiency if such proceeds are not sufficient for Restoration.

15. Condemnation:

A. If during the term hereof, any part of the demised premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the demised premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises, and Landlord shall refund to Tenant any prepaid but unaccrued rental less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the rental due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder, as adjusted from time to time pursuant to paragraph 5, by a fraction, the numerator of which shall be the number of square feet remaining in the demised premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

C. If this Lease is not terminated pursuant to Section A, Tenant shall promptly restore the improvements on the demised premises and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interest may appear. If this Lease is terminated pursuant to Section A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

16. Utilities. Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the demised premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, tap-in fees and services furnished to the demised premises during the term hereof. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

17. Common Facilities. Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and egress to the demised premises, other airport installations, and all other reasonable services which may be provided without charge from time to time by Landlord in operating the Airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be rearranged, modified, changed or terminated from time to time at Landlord's sole discretion.

18. Rules and Regulations. Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, notify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other Tenants and customers of the Airport.

19. Signs and Equipment. After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right from time to time to install and operate advertising signs and radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. Landlord's Right of Entry. Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs permitted under this Lease, (iii) to show the demised premises to any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the demised premises customary signs advertising the demised premises for lease or for sale.

21. Indemnity and Exculpation:

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, or to any other person whomsoever, for any injury to persons or damage to property on or about the demised premises or any adjacent area owned by Landlord caused by the negligence or misconduct of Tenant, Tenant's employees, servants, customers, invitees, subtenants, licensees or concessionaires or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder; and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or dampness or by fire, explosion, falling plaster or ceiling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public or quasi-public work, or of any other persons whomsoever, excepting only duly authorized agents and employees of Landlord.

22. Default by Tenant. The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment of rent or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.

C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

D. Filing of a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof by Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.

E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Abandonment by Tenant of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose leased.

23. Remedies of Landlord. Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the option to pursue any one or more of the following remedies without the notice or demand whatsoever:

A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrearages in rent, enter upon and take possession of the demised premises and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to relet the demised premises on satisfactory terms or otherwise.

B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrearages in rent, enter upon and take possession of the demised premises and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Tenant shall pay to Landlord on the date of such termination damages in any amount equal to the excess, if any, of the total amount of all monthly rental and other amounts to be paid by Tenant to Landlord hereunder for the period which would otherwise have constituted the unexpired portion of the term of this Lease over the then fair market rental value of the demised premises for such unexpired portion of the term of this Lease.

C. Enter upon and take possession of the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof. Landlord may relet the demised premises and receive the rent therefor. Tenant agrees to pay to Landlord monthly

and from time to time any deficiency that may arise by reason of any such letting. In determining the amount of such deficiency, brokerage commissions, attorneys' fees, modeling expenses and other costs of letting shall be subtracted from the amount of rent received under such letting.

D. Enter upon the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to pay Landlord on demand for expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, together with interest thereon at the rate of ten percent (10%) per annum from the date expended until paid. Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by negligence of Landlord or otherwise.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, conditions and covenants herein contained.

24. Default by Landlord. No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant's use and possession of the demised premises or render Landlord liable for damages or entitle Tenant to be relieved from any of Tenant's obligations hereunder (including the obligation to pay rent) or grant Tenant any right of deduction, abatement, set-off or recoupment or entitle Tenant to take any action whatsoever with regard to the demised premises or Landlord until thirty (30) days after Tenant has given Landlord written notice specifically setting forth such default by Landlord, and Landlord has failed to cure such default within said thirty (30) day period, or in the event such default cannot be cured within said thirty (30) day period then within an additional reasonable period of time so long as Landlord has commenced curative action within said thirty (30) day period and thereafter is diligently attempting to cure such default. In the event that Landlord fails to cure such default within said thirty (30) day period, or within said additional reasonable period of time, Tenant shall have the right to:

(i) Proceed to cure such default and deduct the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum from the next succeeding rental installment(s) due by Tenant to Landlord hereunder; or

(ii) Proceed to cure such default and bring suit against Landlord for the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum.

If any mortgagee of Landlord has given Tenant its address for notices and specifically requests such notice, Tenant agrees to give the notice required hereinabove to such mortgagee at the time Tenant gives same to Landlord, and to accept curative action, if any, undertaken by such mortgagee as if such curative action had been taken by Landlord.

25. Waiver of Subrogation. Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this Lease for any and all loss of, or damage to, any of such party's property located within or upon, or constituting a part of, the demised premises, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Such mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto, inasmuch as such mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party hereby agrees immediately to give to each insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such mutual waivers, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverages by reason of such waivers.

26. Title to Improvements. Any and all improvements on the demised premises shall become the property of Landlord upon the expiration or termination of this Lease; provided, however: (i) if Tenant is not in default hereunder, Tenant shall have the right to remove all personal property and trade fixtures owned by Tenant from the demised premises, but Tenant shall be required to repair any damage to the demised premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense; and (ii) Landlord may elect to require Tenant to remove all improvements from the demised premises and restore the demised premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense.

27. Mechanics' and Materialmen's Liens. Tenant agrees to indemnify and hold Landlord harmless of and from all liability arising out of the filing of any mechanics' or materialmen's liens against the demised premises by reason of any act or omission of Tenant or anyone claiming under Tenant, and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in paragraph 37 as additional rent; provided, however, that Landlord shall not so satisfy such liens until fifteen (15) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such fifteen (15) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the demised premises.

28. Title. Tenant accepts the demised premises subject to: (i) the Base Lease; (ii) the Rules and Regulations; (iii) easements and rights-of-way and (iv) zoning ordinances and other ordinances, laws, statutes or regulations now in effect or hereafter promulgated by any governmental authority having jurisdiction over the demised premises.

29. Quiet Enjoyment and Subordination. Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease and to grant the estate demised herein, and that Tenant, upon payment of the rents herein reserved, and performance of the terms, conditions, covenants and agreements herein contained, shall peaceably and quietly have, hold and enjoy the demised premises during the full term of this Lease; provided, however, that Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust or other lien presently existing upon the demised premises. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed or trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien.

30. Rent on Net Return Basis. Except for the rental due under the Base Lease during the time that AATI is the Landlord hereunder, it is intended that the rent provided for in this Lease shall be an absolutely net return to Landlord for the term of this Lease, free of any loss, expenses or charges with respect to the demised premises, including, without limitation, maintenance, repairs, replacement, insurance, taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

31. Holding Over. Should Tenant, or any of Tenant's successors in interest fail to surrender the demised premises, or any part thereof, on the expiration of the term of this Lease, such holding over shall constitute a tenancy from month to month only terminable at any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly rental equal to two hundred percent (200%) of the rent paid for the last month of the term of this Lease.

32. Waiver of Default. No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

33. Release of Landlord Upon Transfer. All of Landlord's personal liability for the performance of the terms and provisions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the demised premises by Landlord, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee of Landlord's interest in this Lease and the demised premises.

34. Attorneys' Fees. If, on account of any breach or default by Landlord or Tenant of their respective obligations under this Lease, it should become necessary for the other to employ an attorney to enforce or defend any of such party's rights or remedies hereunder, and should such party prevail, such party shall be entitled to collect reasonable attorneys' fees incurred in such connection from the other party.

35. Financial Information. Tenant agrees that Tenant will from time to time upon the written request of Landlord during the term of this Lease furnish to Landlord such credit and banking references as Landlord may reasonably request.

36. Estoppel Certificates. Tenant agrees that from time to time, upon not less than ten (10) days' prior written request by Landlord Tenant will deliver to Landlord a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Landlord is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

D. If requested by Landlord, Tenant will not pay rent for more than one (1) month in advance and that this Lease will not be amended without notice to Landlord's mortgagee and that the same will not be terminated without the same notice required by the Lease to be

furnished to Landlord also being furnished to Landlord's mortgagee and Landlord's mortgagee fails to cure such default within the curative period allowed Landlord under this lease.

Landlord agrees that from time to time, upon not less than ten (10) days' prior written request by Tenant, Landlord will deliver to Tenant a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

37. **Interest on Tenant's Obligations and Manner of Payment.** All monetary obligations of Tenant to Landlord under this Lease remaining unpaid ten (10) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date" shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice.

38. **Independent Contractor.** It is understood and agreed that in leasing and operating the demised premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord.

39. **Force Majeure.** In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. **Exhibits.** All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

41. **Use of Language.** Words of any 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, unless the context otherwise requires.

42. **Captions.** The captions or headings or paragraphs in this Lease are inserted for convenience only, and shall not be considered in construing the provisions hereof if any question of intent should arise.

43. **Successors.** The terms, conditions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any notices required or permitted to be delivered by Landlord to Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

44. **Severability.** If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. **Notices.** Any notice or document required or permitted to be delivered hereunder may be delivered in person or shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at the addresses indicated below, or at such other addresses as may have theretofore been specified by written notice delivered in accordance herewith.

LANDLORD:

TENANT:

Addison Airport of Texas, Inc.
P. O. Box 34087
Dallas, Texas 75234

Hangar Six, Inc.
P. O. Box 6
Addison, Texas 75001

City of Addison, Texas

(214) 233-2945

P. O. Box 144

Addison, Texas 75001

46. **Fees or Commissions.** Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. **Counterparts.** This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

48. **Governing Law and Venue.** This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

49. **Entire Agreement and Amendments.** This Lease, consisting of forty-nine (49) paragraphs and Exhibits A through B attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

EXECUTED as of the day month and year first above written.

LANDLORD:

ADDISON AIRPORT OF TEXAS, INC.

By: 

Its: 

CITY OF ADDISON, TEXAS

By: 

Its: 

TENANT:

By: 

Its: _____

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared William H. Hester
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 10th day of June, 19 54.

John H. Hester
Notary Public

Dallas
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared _____
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____, 19 _____.

Notary Public

County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Walter Hester
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 5th day of June, 19 54.

John H. Hester
Notary Public

Dallas
County, Texas

MEMORANDUM OF LEASE

The Town of Addison, Texas, as Landlord, and Turbine Aircraft Services, Inc. (by assignment), a Texas corporation, as Tenant, are parties to a Ground Lease dated May 23, 1984 and amended by that Amendment to Ground Lease between the parties dated July 2, 2002, in which Ground Lease Landlord has leased the premises described in Exhibit "A" attached hereto. The Ground Lease provides that, if certain conditions precedent are met by Tenant, the Ground Lease shall end; unless earlier terminated, on June 30, 2032; if such conditions precedent are not met by Tenant, the Ground Lease shall end, unless earlier terminated, on June 30, 2014.

Executed effective the 20 day of July, 2002, but signed on the dates of the respective acknowledgements.

TURBINE AIRCRAFT SERVICES, INC.

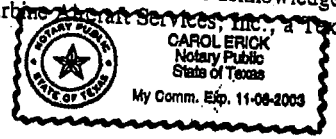
By: Tom L. Berscheidt
Tom L. Berscheidt, President

CITY OF ADDISON

By: R. Whitman
Name:
Position:

STATE OF TEXAS §
COUNTY OF DALLAS §

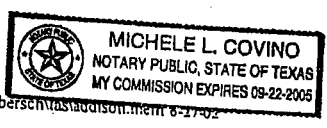
This instrument was acknowledged before me on July 2, 2002, by Tom L. Berscheidt of Turbine Aircraft Services, Inc., a Texas corporation, on behalf of said corporation.



Carol Erick
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

This instrument was acknowledged before me on July 9th, 2002, by Ron Whitman as City Manager of the City of Addison.



Michele L. Covino
Notary Public, State of Texas

AGREEMENT FOR
OPERATION OF THE ADDISON AIRPORT
BETWEEN
THE CITY OF ADDISON, TEXAS
AND
ADDISON AIRPORT, INC.

THIS AGREEMENT, made and entered into the 30th day of December, 1976, by and between the CITY OF ADDISON, TEXAS, a municipal corporation acting by and through the City Council (hereinafter "City") and ADDISON AIRPORT, INC., a Texas corporation (hereinafter "Company"), with an address at P.O. Box 34067, Dallas, Texas 75234.

WITNESSETH:

WHEREAS, the City has entered into a Contract of Sale whereby the City will acquire the principal portions of the existing Airport known as Addison Airport, in Dallas County, Texas, it being contemplated that the City will purchase approximately three hundred sixty-four (364) acres ("Property"), in part with federal funds available for such purpose, the Property being reflected and described on Exhibit "1" attached hereto.

WHEREAS, the City and the Company are desirous of having the Company operate and conduct all lawful, reasonable and appropriate activity at the Airport for the use of the general public and generally in accordance with the operations description set forth in Section 7 hereof; and

WHEREAS, in the exercise of its lawful authority, the City has entered into that certain Grant Agreement with the United States of America (acting through the Federal Aviation Administration (FAA), dated December 30, 1976, for the purpose of obtaining funds for the acquisition of the Property.

WHEREAS, the Company agrees to carry out the terms and conditions set forth in that certain Grant Agreement; and

WHEREAS, the City, during the term of this Agreement, agrees to consult with the FAA on the adjustment or modification of any term or condition in the Grant Agreement which because of the peculiar circumstances of the Airport operation the Company believes to be unworkable or impractical; and

WHEREAS, it has been found and determined by the City in accordance with its lawful duties, that it is essential, appropriate and necessary for its public purposes and for the public to acquire such adequate general aviation facilities; and

WHEREAS, the Mayor of the City of Addison has been duly authorized and empowered to execute the Agreement; and

WHEREAS, it is the intention of the parties that the Airport shall be operated in a manner as would be accomplished by a reasonably prudent airport operator and in accordance with sound business practices;

NOW, THEREFORE, for and in consideration of the mutual covenants, conditions and agreements herein set forth, the parties hereto hereby agree and contract as follows:

The City hereby leases to Company, and the Company hereby takes, upon the terms and conditions hereinafter specified, the following premises:

- (i) the land described in Exhibit "1" as the Property and the improvements thereon owned by the City;
- (ii) all easements, rights and appurtenances relating to the land (all property described in clauses (i) and (ii) above is herein sometimes collectively called the "Leased Premises"); and
- (iii) City hereby assigns to Company all of its right, title and interest in and to the leases set forth in Exhibit "B" to the Contract of Sale.

As consideration for this Agreement, and in addition to the rents payable hereunder, the Company agrees to pay to the City the sum of Eight Hundred Thousand (\$800,000.00) Dollars, in cash, said payment to be made simultaneous with the release of this Agreement from escrow pursuant to that certain Escrow Agreement dated December 30, 1976, by and between the City, Company and Southwest Land and Title Company ("Escrow Agreement").

In the event this Agreement is not delivered out of escrow to the City and is returned to Company by reason of the Escrow Agreement, the Company shall have no liability for any payment to the City hereunder and this entire Agreement shall be null and void and of no force or effect as of the date this Agreement is executed.

Section 1. Definitions

- (a) "Airport" means the Addison Airport as shown on Exhibit "2" hereof;
- (b) "Improvements" means all improvements that specifically serve the Airport, including, but not limited to, streets, roadways, parking areas, aprons, runways, sewers and waterlines, all buildings and structures and additions, substitutions, accessions, and replacements thereto on the Leased Premises.
- (c) "Gross Receipts" means all monies paid to the Company for sales made and for services rendered or agreed to be rendered at or from the Airport regardless of the time or place of receipt of the order therefor, and for sales made and for services rendered or agreed to be rendered outside the Airport if the order therefor is received at the Airport, the charges, rentals, fees and other payments of whatever kind of nature paid to the Company under any lease, sublease, permit, license, or any other agreement, oral or written, relating to the Airport, all landing, parking and other fees and charges paid to the Company from any user of the Airport, revenues paid to the Company for the sale or delivery of aviation fuel, petroleum and other products, including any fuel flowage fees, any other revenues of any type arising out of or in connection with the Company's services and operations at the Airport, including its operations thereof. Any addition, change, modification or alteration in the Company's method of performing its Airport function or responsibility which would adversely affect the Gross Receipts shall first require the approval of the City.

Section 2. Representations by City

The City is the duly and lawfully created, existing and recognized owner of the Leased Premises, having the power to enter into the transactions hereunder, and by proper action the City has been duly authorized to execute and deliver this Agreement.

Section 3. Representations by Company

The Company is a corporation duly incorporated under the laws of the State of Texas, is in good standing under the laws of said State; is duly authorized to do business in the State of Texas; has the power to enter into this Agreement without violating the terms of any other agreement to which it may be a party; and by proper corporate action had been duly authorized to execute and deliver this Agreement.

It generally will occupy and possess the Leased Premises for the public purposes of the City as set forth in Section 7 hereof.

Section 4. Term of Agreement

Subject to the terms, covenants, conditions and agreements contained in this Agreement, the Company shall have and hold the Leased Premises for a term commencing on the date of closing of the purchase of the Property in the Contract of Sale and ending 20 years thereafter.

The Company agrees to yield and deliver peaceably to the City possession of the Leased Premises together with all buildings, structures, improvements, additions and other installations therein or thereon, on the date of the expiration of this Agreement, promptly and in good operating condition, the intention being that when the Leased Premises are returned to the City they shall be in first-class condition giving due consideration to normal wear and tear and shall be free and clear of any and all liens, debts, contracts, leases or encumbrances of whatsoever kind, nature and description.

Section 5. Rent

(a) Company shall pay the City, on demand, the sum of \$100,000.00, as a special assessment for public improvements to be made by the City of Addison. The Company shall not be assessed or otherwise be liable for any further such assessments made outside of the Leased Premises during the term of the Agreement.

(b) The Company agrees to pay the City \$6,250.00 per month, or 3% of the Company's monthly Gross Receipts, whichever amount is the greater. Such installment shall be payable to the City of Addison, Dallas County, Texas, commencing on the 20th day of the second month after the effective date of this Agreement for the first month hereof, and on the 20th day of each calendar month thereafter for the calendar month preceding. Payment of such amounts shall be reduced by any real property or personal property taxes assessed by the City of Addison on the Property or assessed by the City of Addison on the Improvements or this Agreement, commencing with the effective date of this Agreement, such reduction to be credited against the next succeeding installments of rent hereunder from and after date of payment of such taxes by the Company. The Company shall render to the City, on the 20th day of each calendar month, a sworn statement showing its Gross Receipts for each preceding month.

Section 6. Taxes and Assessments

The Company shall pay when due and before any fine, penalty, interest or cost may be added for non-payment: all levies, fees, water and sewer rents or other rents, rates and charges, permit fees, inspection fees and other charges, if any, in each case whether general and special, ordinary and extraordinary, which are lawfully imposed, whether or not the same were within the contemplation of the parties

herein, together with any interest and penalties thereon, which imposed or levied upon or assessed against or in respect to this Agreement, or which may be a lien upon the Leased Premises. The Company shall pay all of the personal property taxes assessed by the City for the year 1976.

Section 7. Uses of Leased Premises

(a) The Company shall have control of the operation of the Leased Premises and shall operate them on a nondiscriminatory and uniform basis consistent with the normal public use of airports of a similar kind, and in accordance with all applicable laws and regulations. The use of the areas thereof shall be for the following purposes only:

- (i) For the handling and accommodation of operators, crews and travelers arriving at or departing from the Leased Premises;
- (ii) For the storage, parking, maintenance and servicing of aircraft in covered and open areas;
- (iii) For the sale, maintenance, repair, servicing, overhaul, conversion and modification of aircraft, and aircraft engines, assemblies, accessories and component parts;
- (iv) For the storage of fuel and for the fueling of aircraft;
- (v) For the charter and leasing of aircraft;
- (vi) For schools for the training of aeronautical pilots, mechanics, repairmen, navigators and dispatchers, and other aeronautical personnel;
- (vii) For the storage, parking, maintenance, servicing and fueling of automotive vehicles, automotive equipment and other equipment owned or operated by the Company in connection with the operation of the Leased Premises or by other persons using the Leased Premises for other purposes authorized hereunder;
- (viii) For the operation of stores, concessions and other consumer service activities, reasonably required for the accommodation of operators, crews and travelers arriving at or departing from the Leased Premises by aircraft, and other persons doing business with or who are the guests of the Company or other users of the Leased Premises;
- (ix) For the fabrication, manufacture, testing or development of aeronautical materials which will be used or installed in aircraft at the Leased Premises; and
- (x) For all operational, administrative, office and other such related functions in connection with the activities authorized hereunder;

The provisions of this Section shall be inserted and enforced by the Company in the agreement(s) of any other future user of the Leased Premises.

(b) In the performance of the Uses of the Airport granted by the City hereunder, the Company agrees to operate the Airport for the use and benefit of the public; to make available all airport facilities and services to the public on fair and reasonable terms and without unjust discrimination and to provide space on the Airport, to the extent available, and to grant rights and privileges for use of the landing facilities of the Airport to all qualified persons, firms and corporations desiring to conduct aeronautical operations at the Airport.

(c) The Company shall perform the above-named Uses in a manner which shall be compatible with the latest FAA-approved Airport Layout Plan.

(d) Any clause or provision of this Agreement to the Company notwithstanding:

(i) The Company agrees to operate the Airport in accordance with the obligations of the City to the Federal Government under above-described Grant Agreement. In furtherance of this general covenant, but without limiting its general applicability, the Company specifically agrees to operate the Airport for the use and benefit of the public; to make available all airport facilities and services to the public on fair and reasonable terms and without discrimination and to provide space on the Airport, to the extent available, and to grant rights and privileges for use of the landing area facilities of the Airport to all qualified persons, firms and corporations desiring to conduct aeronautical operations on the Airport. In this connection, the Company may from time to time adopt standard rules and regulations concerning the use and operation of the Airport, provided such rules and regulations shall not constitute a violation of the Grant Agreement.

(ii) It is specifically understood and agreed that nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act.

(iii) The City reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent the Company from erecting, or permitting to be erected, any building or other structures on the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

(iv) This Agreement shall be subordinate to the provisions of any existing or future agreement entered into between the City and the United States to obtain federal aid for the improvement or operation and maintenance of the Airport.

Section 8. Orderly Conduct of Operations

The Company shall conduct its operations in a proper and orderly manner and will not annoy, disturb or be offensive to others. The Company shall take all reasonable measures to control the conduct, demeanor and appearance of its employees, agents, representatives, contractors, and the conduct and demeanor of its customers, invitees and those doing business with it in the Leased Premises.

The terms of this Section shall be inserted and enforced by the Company in the agreement(s) of any other user of the Airport.

Section 9. Standards of Operation

The Company shall not knowingly commit any nuisances on the Leased Premises, or do or permit to be done anything which may result in the creation or commission of a nuisance on the Leased Premises.

The terms of this Section shall be inserted and enforced by the Company in the agreement(s) of any other user of the Airport.

Section 10. Insurance

The Company will maintain at its expense insurance on the Leased Premises of the following character:

(a) Insurance against loss or damage to improvements by fire, lightning, other risks from time to time included under the standard extended coverage policies, and sprinkler and vandalism and malicious mischief, all in amounts sufficient to prevent City or Company from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than 80% of the full insurable value of the Leased Premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to City, and, thereafter, proper adjustment in the limits of insurance coverage shall be affected.

(b) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Leased Premises, such insurance to afford protection to City of not less than \$500,000.00 with respect to any one accident, and not less than \$200,000.00 with respect to property damage. Policies of such insurance shall be for the benefit of City and Company.

(c) Workmen's compensation insurance covering all persons employed by Company in connection with any work done on or about the Leased Premises with respect to which claims for death or bodily injury could be asserted against City, Company or the Leased Premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(d) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(e) Such other insurance on the improvements in such amounts and against such other insurable hazards which at the time are commonly obtained in the case of property similar to the improvements.

(f) In addition to all other insurance required hereunder, the Company will maintain at its expense hangar keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per aircraft and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of the Company.

Section 11. Carriers, Insureds, etc.

The insurance referred to in Section 10 shall be effected under a valid and enforceable policy or policies or contract or contracts issued by (1) an insurer or insurers permitted to do business in the State of Texas approved by the City, which approval will not be unreasonably withheld. Such insurance shall name as the insured parties thereunder the City and the Company, as their respective interest may appear. The Company may prosecute any claim against, or contest any settlement proposed by, any insurer at its expense. In such event, the Company may bring such prosecution or contest any settlement in the name of the City, Company or both, and City will join therein at the Company's written request upon the City's receipt of an agreement by the Company to indemnify City against all costs, liabilities and expenses in connection with such prosecution or contest.

Section 12. Delivery of Evidence of Insurance

evidence of insurance or insurance certificates for insurance required in Section 10 hereof. The Company shall within ten days prior to the expiration of any such insurance, deliver the place of expired policies other original duplicate policies or other certificates of the insurers endorsed as in above provided in Section 10 hereof evidencing renewal of such insurance.

Section 13. Casualty

If any improvements or any part thereof owned by the City shall be damaged or destroyed by fire, theft or other casualty, the Company shall with reasonable promptness and diligence, rebuild, replace, and repair any damage or destruction to the improvements, at its expense in conformity with the requirements of Section 14, in such manner as to restore the same to a unit of equal size, quality and condition to that which existed prior to such damage or destruction. Insurance proceeds payable with respect to such casualty shall belong to the Company to the extent necessary to make such repairs.

It is agreed that damage or destruction, whether partial or total, by any cause whatsoever, of the improvements, except upon termination of this Agreement as is provided for herein, shall not release the Company from any obligation under this Agreement.

Section 14. Maintenance and Repair

The Company agrees and acknowledges that it has received the Leased Premises in good order and condition, and further agrees to accept the premises as is. The Company further agrees that it will, at its expense, keep and maintain the Leased Premises, and the improvements in good repair and appearance, and in good mechanical condition, except for ordinary wear and tear, and will with reasonable promptness make all, interior and exterior, structural and non-structural, foreseen and unforeseen, ordinary and extraordinary changes, repairs, substitutions and replacements (substantially equivalent to the original work) of any kind and nature which may be required to be made upon or in connection with the Leased Premises and improvements or any part thereof, in order to keep and maintain the Leased Premises and improvements in as good repair, mechanical condition and appearance as they were originally, except for ordinary wear and tear.

Section 15. Failure to Commence and Complete Repairs

In the event the Company fails to commence or complete repairs, replacements or painting which is required hereunder within a period of thirty days after written notice from the City, or fails to continue and diligently complete any such repair, the City may at its option make such repairs, replacement or do such painting, the cost of which shall be paid by the Company upon written demand.

Subject to the right of existing sub-leases, the City, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Airport for the purpose of inspecting the Leased Premises, for observing the performance by the Company of its obligations under this Agreement, and for the doing of any act or thing which the City may be obligated or have the right to do under this Agreement.

Nothing in this Section shall impose or shall be construed to impose upon the City any obligations to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure to do so. The City shall not in any event be liable for any injury or damage to any property or to any person happening on or about the Leased Premises nor for any injury or damage to the Leased Premises nor to any property of the Company or of any other person located in or thereon other than those occasioned by the acts of the City.

Section 16. Alterations, Construction by Company for Airport Purposes

Company may erect structures, make improvements, install fixtures, or do any other construction work on the Leased Premises, or alter, modify or make additions, improvements, repairs to, or replacement of any improvements or any structure now existing or hereafter built on the Leased Premises.

Any such alterations, additions, improvements, installations, repairs, substitutions or replacements shall be expeditiously completed, in compliance with all laws, ordinances, orders, rules, regulations and requirements applicable thereto. All work done in connection with each such alteration, addition, improvement, installation, repair, substitution or replacement shall comply with the requirement of any insurance policy required to be maintained by Company hereunder, with any applicable requirements of the Agreement.

Any improvement to or alteration of the Airport under this Section or under Section 17 shall be consistent with the latest FAA-approved version of the Airport Layout Plan.

Section 17. Alteration, Construction by City

The City may erect structures, make improvements, install fixtures, or do any other construction work on the Airport, whether Airport-related or not; provided, however, the erection of such structures, the making of such improvements, the installation of such fixtures, or the doing of such construction work shall not unreasonably interfere with the operation or development of the Airport, including the maximization of revenues. The City shall give the Company reasonable advance written notice of any action taken hereunder.

Any such alterations, additions, improvements, installation, repairs, substitutions or replacements shall be completed in compliance with all laws, ordinances, orders, rules, regulations and requirements applicable thereto. All work done in connection with each alteration, addition, improvement, installation, repair, substitution or replacement shall be done at the City's expense and shall comply with the requirement of the insurance policy required to be maintained by the City or Company, hereunder. As to any construction, buildings or other structures constructed by the City which are not related to the Airport and its operations, Company shall not be required to furnish insurance.

Section 18. Liens

The Company will not directly or indirectly create or permit to be created or to remain, and will promptly discharge, at its expense, any mortgage, lien, security interest, encumbrance or charge on, pledge of, or conditional sale or other title retention agreement with respect to:

- (a) The Leased Premises or any part thereof,
- (b) City's ownership interest, or
- (c) The rent or other sums payable by Company under this Agreement.

The existence of any mechanic's, laborer's, materialmen's, supplier's, or vendor's lien, or any right in respect thereof shall not constitute a violation of this provision if payment is not yet due upon the contract or for goods or services, or the lien(s) are being contested in good faith by the Company.

This Section shall not apply to security interests or other liens with respect to buildings or improvements on, or which may later be constructed on, the Leased Premises which are not owned by the City.

Section 19. Prices and Rates

The Company shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service. In furtherance of this objective, a list of charges will be maintained and available for inspection by the public for all services, materials, supplies and privileges provided by the Company and any Airport tenant. However, the Company, and any Airport tenant, may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

The Company shall, from time to time, as the need arises, make and publish changes in the prices being charged; provided, however, fifteen (15) days prior to any such changes, the Company shall provide to the City a list of such charges. If no objection is received by the City to such changes in prices within fifteen (15) days, the price changes shall become effective. The City may object to any changes in prices within the fifteen-day period; provided, however, the only basis for any such objection by the City will be on the ground that such pricing change would constitute a violation of a present or future Grant Agreement with the Federal Aviation Administration.

It is further understood and agreed that in the event others on the Airport undertake to sell or dispense fuels or lubricants for aircraft or other machinery being used on the Airport, the Company shall impose reasonable standards consistent with any grant agreements with respect to any fueling operations in order to assure adequate safety and efficient operations on or about the Airport. Further, any persons selling or dispensing fuel or lubricants for aircraft or other machinery shall pay to the Company a reasonable and non-discriminatory fuel flowage fee.

Section 20. Subleases

(a) The Company shall have the right and is expressly hereby authorized to sublease such portions of the Leased Premises as it shall deem appropriate for the growth and development of the Airport and the maximization of revenues; provided any such sublease shall be for the purpose of carrying out one or more of the activities set forth in Section 7. During the existence of this Agreement, all revenues from any sublease shall belong to the Company, subject only to the rights of the City to a percentage of Gross Receipts as provided in Section 5 (b).

(b) The Company shall not enter into any sublease with any tenant which is owned or controlled, in whole or in part, by any of the officers, directors or stockholders of the Company without the prior written approval of the City, which approval shall not be unreasonably withheld.

(c) The Company shall not enter into any sublease unless the term of such sublease, including any renewal or option

(d) Upon request by the Company, from time to time, that a sublease is entered into by the Company, the City shall deliver to any such subtenant its estoppel certificate certifying unto the subtenant that this Agreement is in full force and effect.

Section 21. Applicable Governmental Requirements

The Company agrees,

(a) at its expense, to procure from governmental authority, having jurisdiction, all licenses, certificates, permits or other authorization which may be necessary for the conduct of its operations or for any additional construction required pursuant to the terms of this Agreement.

(b) that it shall, at its expense, comply with and cause the Leased Premises and Company's operations to comply with all governmental statutes, laws, rules, orders, regulations and ordinances affecting the Leased Premises or any part thereof or the use or occupancy or any part thereof.

Section 22. Indemnification

Company covenants and agrees that it will defend, indemnify and save harmless the City, its council, officers, agents and employees from and against any and all actions, suits, claims, demands, liabilities, losses, damages, costs, expenses or judgments of any nature whatsoever, arising from:

(a) any injury to, any nuisance, or the death of any person or any damage to property on the Leased Premises, or any damage to property on the Leased Premises, or in any manner growing out of or connected with the use, non-use, condition or occupancy of the Leased Premises or any part thereof or resulting from the condition thereof,

(b) the ownership, use or non-use or condition of the Improvements, or

(c) violation by Company of any agreement or condition of this Agreement, and of any contract or agreement to which Company is a party, or any restriction, statute, law, ordinance or regulation or otherwise, in each case affecting the Leased Premises or the ownership, occupancy or use thereof.

In case any action or proceeding be brought against the City by reason of any such claim, the Company covenants upon notice from the City to resist or defend such action, and the City will cooperate and assist in the defense of such action or proceeding, if reasonably requested so to do by the Company; provided, however, that the Company shall not be liable for damages not covered by insurance required to be carried pursuant to this Agreement and caused solely by the negligence or deliberate act of the City, or any of its council, officers, agents, servants or employees. This provision shall not operate to indemnify others when liability for damages arises due to the fault of such others, unless they are insured or indemnified parties under the insurance policies or contracts required by this Agreement.

Section 23. Federal Airport Aid

The City has made application to the Federal Aviation Administration for a grant(s) of federal funds to partially defray the cost of acquiring the Leases Premises. The Company, in its management, operation, maintenance and use of the Airport, shall be subject to and hereby assumes the terms, conditions and provisions of any and all grant agreements and project applications imposed on the City by the Federal Aviation Administration, and any other federal obligations or restrictions with respect thereto. The Company shall in its agreements with other users of the Airport insert in said agreements the appropriate provisions and requirements as required by any and all of the provisions of the grant agreement and the project applications, the assurances set forth therein and any other federal obligations or restrictions with respect thereto.

To the extent that the City considers it prudent, considering the requirements attached to the acceptance of such funds, the City shall continue to apply for and make maximum use of all available federal and state funds for the development of the Airport; provided nothing in this Section obligates or requires the City to apply for such funds, other than funds necessary to acquire Additional Purchases.

Section 24. Notice to Indemnified Parties

Notwithstanding the indemnification set forth in Section 22, the Company shall forward to the City a copy of every notice, summons, complaint, or other process received in any legal proceedings encompassed by such indemnification or in any way affecting the rights of the City, or any other indemnified party.

Section 25. Liability of Officials

No officers, agent or employee of the City or the Company shall be personally liable for any of their acts carrying out the provisions of the Agreement, in exercising any power or authority granted to them pursuant to the Agreement, it being understood that in such matters they act as agents and representatives of the City and the Company.

Section 26. Non-Discrimination

Company will, in its operations on the Airport, be bound by the Civil Rights obligations imposed on the City. Company will not deny any benefits to or otherwise discriminate against any person or group on the basis of race, color, sex, or national origin. Company will comply with applicable portions of, and will effect City's compliance with the Attachment 2 (Including OST Regulations, Part 21) attached hereto and incorporated herein by reference for all purposes.

Section 27. OMBE: Advertisements, Bids, Concessions:

In addition to complying with the above and normal procedures required of the City by state/federal law and agreements, the Company will send a copy of all invitations for bids, advertised or negotiated, for concessions or other businesses at the Airport to the appropriate Office of Minority Business Enterprise (OMBE) representative as identified by the FAA Regional Civil Rights Office. The Company will disclose and make information about the contracts, contracting procedures and requirements available to the designated OMBE representative and minority firms on the same basis that such information is disclosed and made available to other organizations or firms. Responses by minority firms to invitations for bids shall be treated in the same manner as all other responses to the invitations for bids.

Section 28. Assignment

Except as explicitly set forth herein or contemplated by this Agreement, the Company shall not assign, sublet, sell, convey or transfer its rights under this Agreement or any part thereof without the prior written consent of the City, provided, however, that this Agreement may be assigned in its entirety without such consent for a period of one year from the effective date of this Agreement. The City hereby agrees that it will not unreasonably withhold its consent to such an assignment or sublease, sale, transfer, and shall not make any charge for any such assignment, sublease, sale or transfer made with its consent.

Section 29. Events of Default and Remedies

The following shall be "events of default" as to the Company under this Agreement and the term "event of default" as to the Company shall mean, whenever it is used in this Agreement, any one or more of the following events:

(a) Failure by the Company to pay when due or cause to be paid when due the Rent required to be paid under Section 5 hereof.

(b) Failure by the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to the Company by the City, unless the City shall agree in writing to an extension of such time prior to its expiration.

(c) The Leased Premises shall be abandoned, deserted or vacated by the Company or any lien shall be filed against the Leased Premises or any part thereof in violation of this Agreement and shall remain unreleased for a period of sixty days from the date of such filing unless within said period the Company is contesting in good faith the validity of such lien.

(d) The dissolution or liquidation of the Company or the filing by the Company or a voluntary petition in bankruptcy, or failure by the Company within sixty days to lift any execution, garnishment or attachment of such consequence as will impair its ability to carry on its operations at the Leased Premises, or the adjudication of the Company as a bankrupt, or general assignment by the Company for the benefit of its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Company in any proceeding for its reorganization instituted under the provisions of the general bankruptcy act, as amended, or under any similar act which may hereafter be enacted. The term "dissolution or liquidation of the Company", as used in this subsection, shall not be construed to include cessation of the corporate existence of the Company following a transfer of all or substantially all of its assets as an entirety, under the conditions permitting actions contained in Section 29 hereof, which such dissolution or liquidation it is acknowledged will occur.

Section 30. Remedies on Default

Whenever any event of default as to the Company referred to in Section 30 hereof shall have happened and be subsisting, the City may take any one or more of the following remedial steps as against the Company:

(a) The City may re-enter and take possession of the Leased Premises without terminating this Agreement and sublease (or operate as a sublessee) the Leased Premises for the account of the Company, holding the Company liable for the difference between the rents and other amounts payable by the Company hereunder and the rents and other amounts payable by such sublessee in such subleasing or, if operated by the City, the difference between the net revenues received from such operations and the rents and other amounts payable by the Company hereunder.

(c) The City may take whatever other action at law or in equity as may appear necessary or desirable to collect the rent then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Agreement.

Section 31. No Remedy Exclusive

No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or hereafter existing under law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it in this Section, it shall not be necessary to give any notice, unless such notice is herein expressly required by law.

Section 32. No Additional Waiver Implied

In the event any covenant contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 33. Termination by Company

The Company may terminate this Agreement upon the occurrence of any one or more of the following reasons:

(a) In the event the Airport shall be closed or its operations curtailed by more than fifty percent of its achieved operating level in terms of daily average departing and arriving flights, the Company in its reasonable discretion may cease or curtail its operations in the Leased Premises during the period that the Airport operations have ceased or have been so curtailed, and if such condition shall continue unabated for more than two years, the Company shall have the right and option to terminate the Agreement upon thirty days prior written notice to the City.

(b) The City shall fail to perform any of its obligations under this Agreement within sixty days after receipt of notice of default hereunder from the Company (except where fulfillment of its obligations require actively over a period of time and the City shall commence to perform whatever may be required for fulfillment within sixty days after the receipt of notice and continue such performance without interruption, except for causes beyond its control).

Upon the occurrence of any of the foregoing events, or at any time thereafter during the continuation of any such condition, the Company may, by sixty days written notice terminate this Agreement, such termination to be effective upon the date set forth in such notice and to have the same effect as if the terms hereof had expired on that date, subject, as aforesaid, to the provisions of this Section.

No waiver by the Company of any default on the part of the City, in the performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the City shall be or shall be construed to be a waiver by the Company of any other or subsequent default in the performance of any of said terms, covenants and conditions.

Section 34. Access and Egress

Except as set forth in this Agreement, the City hereby grants to the Company full and unrestricted access to and egress from the Leased Premises and between the Leased Premises and the public roadways for the Company, its employees, guests, patrons, invitees, contractors, suppliers of materials, furnishers of services, its or their equipment, vehicles, machinery and other property, without charge to Company or to said employees, guests, patrons, invitees, contractors, suppliers of materials and furnishers of services, or their said equipment, vehicles, machinery or other property.

Section 35. Company's Right to Remove Property

The Company shall have the right at any time during the term of this Agreement or any renewal or extension thereof, or at the expiration or earlier termination thereof, to remove any nonessential personal property which it may have on the Leased Premises, including, without limitation, furniture, equipment and machinery; provided the City will purchase from the Company, at its then fair market value, any personal property which the City deems essential.

Section 36. Termination, Settlement

In the event the City exercises its right to terminate the Agreement or any part thereof, the Company and the City shall endeavor in good faith to negotiate a sale by the Company to the City or its designee of the Company's personal property located on the Leased Premises. Upon termination of the Agreement, the City may, and the Company shall, remove any improvements on the Leased Premises belonging to the Company at the Company's expense if required by the City.

Section 37. Settlement

In the event that any sums due or to become due the Company upon termination of this Agreement are paid or payable to the City, the City shall not have any obligation to make such payment or settlement to the Company,

(i) until receipt of payment due to City from Company in accordance with pertinent provisions of this Agreement under which termination is permitted and,

(ii) until Company has paid all other sums due under this Agreement.

Section 38. Outlet Enjoyment

The City covenants that through the term hereof, the Company shall have, hold and enjoy peaceful and uninterrupted possession of all of the Leased Premises, subject to the performance of the covenants as herein provided.

Section 39. No Third Party Beneficiary

No provision contained in or incorporated by the Agreement shall create or give to any third party or parties any claim or right of action against the Company or the City, beyond such claims or rights of action which legally exist in the absence of any provision of said Agreement.

Section 40. Severability

Each and every covenant and agreement contained in this Agreement is and shall be construed to be a separate and independent covenant and agreement.

Section 41. Binding Effect

All of the covenants, conditions, and obligations contained in this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Company, subject to the limitations contained herein restricting such assignment by the Company, to the same extent as if each such successor and assign were in each case named as a party to this Agreement. This Agreement may not be altered, modified, or discharged except by a writing signed by the City and the Company.

Section 42. Governing Law

This Agreement shall be governed by and interpreted under and in accordance with the laws of the State of Texas.

Section 43. Venue

The venue of any action drawn under this Agreement shall lie in Dallas County, in the State of Texas.

Section 44. Force Majeure

Neither the City or the Company shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage, or any other circumstances for which it is not responsible or which is not in its control, and the time for performance shall be automatically extended by the period the party is prevented from performing its obligations hereunder.

Section 45. Issuance of Revenue Bonds for Future Improvements

City and Company acknowledge that as the Airport develops such circumstances may require that additional improvements ("Future Improvements") will be needed in order to provide convenient and necessary services at the Airport. Subject to the approval of plans and specifications by the City as submitted by the Company, the City may make such acquisitions, additions, extensions, improvements and modifications to the Airport as shall be recommended by the Company. In order to obtain funds for such purposes, the City, in its discretion, may provide for the issuance of Airport revenue bonds.

Section 46. Airport Boundaries

The City will not grant any access, privilege, license, or permission of any kind to any person, firm or corporation using, owning or occupying any land outside the designated boundaries of the Airport as shown on Exhibit "2" hereof, to use or have access to the Airport.

Section 47. Covenant by Company

It is understood and agreed by the parties hereto, that the Company will not make any improvements, changes, alterations,

Section 48. Record Keeping

The Company shall maintain in accordance with accepted accounting practice and make available to an authorized representative of the City for consideration records, books and its annual audit prepared by an Independent Certified Public Accountant. The Company shall permit such authorized representative of the City to inspect such books and records during ordinary business hours of the Company and at times reasonably convenient to the Company.

Section 49. Notices

Notices provided for in this Agreement shall be sufficient if sent by registered mail, postage prepaid, addressed if to the City — The City of Addison, P. O. Box 144, Addison, Texas, 75001, Attention: City Administrator, or to such other address and person it may direct in writing; and if to Company — Addison Airport, Inc., P. O. Box 34067, Dallas, Texas 75234, or to such other address and person as it may direct in writing. Notices shall be deemed completed when mailed unless otherwise herein required.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and sealed as of the date first above written.

ATTEST:

Joyce N. Stevens
SECRETARY

CITY OF ADDISON, TEXAS

BY: James Redding

APPROVED AS TO FORM:

Robert H. McCall
CITY ATTORNEY

ADDISON AIRPORT, INC.

ATTEST:

Margaret E. Bunch
SECRETARY

BY: [Signature]

FIELD NOTES

BEING a tract of land out of the E. Cook Survey, Abstract 326, the William Lomax Survey, Abstract 792, the George Syms Survey, Abstract 1344, the William Rowe Survey, Abstract 1257, and part of Lot 1, and Lot 2 of Block "A" of Carroll Estates Addition, Dallas County, Texas, and being more fully described as follows:

BEGINNING at a fence post found for the apparent intersection of the North right-of-way line of Keller Springs Road, a 50 foot street, and the East line of Dooley Road, a 60 foot street, said beginning point being S 89° 58' 54" E 30.00 feet, thence N 0° 05' 50" E 25.00 feet from the apparent northwest corner of the E. Cook Survey, Abstract 326;

THENCE N. 89° 58' 54" W. a distance of 105.72 feet with the North line of said Keller Springs Road to an angle point in the right-of-way;

THENCE N. 56° 19' 03" W. a distance of 90.20 feet with said angle in the right-of-way to a point in the East right-of-way line of Dooley Road;

THENCE N. 0° 03' 47" W. a distance of 1457.70 feet with the East line of said Dooley Road to a point;

THENCE N. 20° 38' 30" W. a distance of 170.87 feet to the apparent West right-of-way line of said Dooley Road;

THENCE S. 0° 03' 47" E. a distance of 313.49 feet with the apparent West line of said Dooley Road to a point;

THENCE N. 89° 23' 56" W. a distance of 208.00 feet to an iron pin;

THENCE N. 0° 14' 32" W. a distance of 161.00 feet to an iron pin;

THENCE N. 89° 56' 00" W. a distance of 203.65 feet to a point;

THENCE N. 20° 38' 30" W. a distance of 2156.07 feet to a point in the apparent East right-of-way line of New Dooley Road, a 100 foot street;

THENCE N. 0° 09' 30" E. a distance of 1189.87 feet with the East line of said New Dooley Road;

THENCE N. 89° 53' 26" E. a distance of 1165.44 feet to a point in the apparent West line of Dooley Road;

THENCE S. 0° 03' 47" E. with the apparent West line of Dooley Road, at 335.02 feet passing a concrete monument for a total distance of 1550.38 feet to an iron pin;

THENCE S. 20° 46' 10" E. a distance of 539.44 feet with the West line of said Dooley Road to an iron pin for the beginning point of a curve to the left;

THENCE in a southeasterly direction with the curved West line of said Dooley Road having a central angle of 69° 19' 04", a radius of 337.18 feet a distance of 407.93 feet to a point in the South right-of-way line of Keller Springs Road;

THENCE N. 89° 54' 46" E. a distance of 2135.61 feet with the South line of said Keller Springs Road to a point in the West right-of-way line of Addison Road;

THENCE S. 0° 14' 20" E. a distance of 307.44 feet with the West line of said Addison Road to an iron pin;

THENCE S. 89° 45' 40" W. a distance of 200.00 feet to a point;

THENCE S. 0° 14' 20" E. a distance of 210.72 feet to a point;

THENCE S. 43° 16' W. a distance of 1595.29 feet to an iron pin;

THENCE S. 46° 44' E. a distance of 202.51 feet to a point;

THENCE S. 20° 43' E. a distance of 350.85 feet to a point;

THENCE N. 69° 17' E. a distance of 30.00 feet to a point;

THENCE N. 71° 12' 51" E. a distance of 185.72 feet to a point;

THENCE N. 44° 44' 08" E. a distance of 7.05 feet to an iron pin found for the Southwest corner of a tract of land conveyed to O.J. Broughton and E.E. Ericson by deed recorded in Volume 4350, Page 491, Deed Records of Dallas County;

THENCE N. 89° 54' 40" E. a distance of 819.46 feet with the South line of the Broughton tract to an iron pin in the West line of said Addison Road;

THENCE S. 0° 14' 20" E. a distance of 490.82 feet with the West line of said Addison Road to a point in the apparent common survey line between the William Lomax Survey, Abstract 792, and the E. Cook Survey, Abstract 326;

THENCE S. 89° 37' 20" E. a distance of 58.08 feet with said common survey line to a point in the West line of said Addison Road and the beginning of a curve to the left;

THENCE Southerly with said curve, and the West line of Addison Road, having a central angle of 1° 53' 11", a radius of 746.30 feet, for a distance of 24.57 feet;

THENCE S. 26° 12' 50" E. 34.05 feet with the West line of Addison Road to the beginning of a curve to the right;

THENCE in a southeasterly direction with the curved West line of said Addison Road having a central angle of 25° 50', a radius of 686.30 feet for a distance of 309.44 feet;

THENCE S. 0° 22' 50" E. a distance of 2061.91 feet with the West line of said Addison Road to an angle point in the right-of-way;

THENCE N. 89° 37' 10" E. a distance of 10.00 feet with said angle in the right-of-way to a point in the West line of said Addison Road;

THENCE S. 0° 22' 50" E. a distance of 812.30 feet with the West line of Addison Road to a point;

THENCE S. 69° 37' W. a distance of 185.70 feet to a point;

THENCE S. 0° 22' 50" E. a distance of 263.11 feet to a point;

THENCE S. 66° 06' 26" W. a distance of 17.27 feet to a point;

THENCE S. 0° 22' 50" E. a distance of 211.04 feet to an iron pin in the North right-of-way line of the St. Louis and Southwestern Railroad;

THENCE S. 66° 06' 26" W. a distance of 759.90 feet with the North line of said St. Louis and Southwestern Railroad to an iron pin and the most easterly corner of Addison Airport Industrial District;

THENCE N. 67° 01' 55" W. a distance of 273.80 feet to an iron pin in the easterly line of said Addison Airport Industrial District;

THENCE N. 20° 39' 35" W. a distance of 572.28 feet with the easterly line of said Addison Airport Industrial District to an iron pin;

THENCE S. 75° 48' 25" W. a distance of 9.95 feet to a point;
 THENCE N. 89° 56' 35" W. a distance of 658.63 feet to a point;
 THENCE N. 0° 03' 25" E. a distance of 160.00 feet to a point;
 THENCE N. 89° 56' 35" W. a distance of 160.00 feet to a point in the East right-of-way line of Dooley Road;
 THENCE N. 0° 03' 25" E. a distance of 10.00 feet with the East line of Dooley Road to a point;
 THENCE S. 89° 56' 35" E. a distance of 797.46 feet to a point;
 THENCE N. 75° 48' 25" E. a distance of 408.36 feet to an iron pin in the easterly line of said Addison Airport Industrial District;
 THENCE N. 20° 39' 35" W. a distance of 2386.20 feet with the easterly line of said Addison Airport Industrial District to an iron pin for the northeast corner of Addison Airport Industrial District;
 THENCE N. 20° 43' 53" W. a distance of 320.72 feet to an iron pin;
 THENCE N. 89° 49' 30" E. a distance of 9.98 feet to an iron pin;
 THENCE N. 20° 17' 10" W. a distance of 389.50 feet to an iron pin;
 THENCE N. 89° 54' 10" W. a distance of 117.08 feet to an iron pin in the apparent East right-of-way line of said Dooley Road;
 THENCE N. 0° 05' 50" E. a distance of 502.30 feet with the apparent East line of said Dooley Road to the place of beginning and containing 365.340 acres of land, more or less, save and except the following 1 acre tract;

Beginning at a fence post found for the apparent intersection of the North right-of-way line of Keller Springs Road, a 50 foot street, and the East line of Dooley Road, a 60 foot street, said point being S. 89° 58' 54" E. 30.00 feet, thence N. 0° 05' 50" E. 25.0 feet from the apparent northwest corner of the E. Cook Survey, Abstract 326; Thence N. 89° 58' 54" W. 105.72 feet with the apparent North line of Keller Springs Road; Thence N. 56° 19' 03" W. 90.20 feet to a point in the East line of Dooley Road; Thence N. 0° 03' 47" W. 1457.70 feet with the apparent East line of Dooley Road; Thence N. 20° 38' 30" W. 170.87 feet to a point in the apparent West line of Dooley Road and the BEGINNING POINT of this description;

THENCE S. 0° 03' 47" E. 209.0 feet with the West line of Dooley Road;
 THENCE N. 89° 23' 56" W. 208.0 feet to an iron pin;
 THENCE N. 0° 14' 32" W. 209.0 feet to an iron pin;
 THENCE S. 89° 23' 56" E. 208.0 feet to the place of beginning and containing 1.0 acres of land, more or less.

The plat hereon is a true and accurate representation of the property as determined by actual survey, the lines and dimensions of said property being as indicated by the plat; all improvements being within the boundaries of the property.

Easements of record that could be located are shown. This plat is subject to any easements of record not shown.

5 JAN 1977

Date

W. J. Wischmeyer
 W. J. Wischmeyer
 Registered Professional Engineer

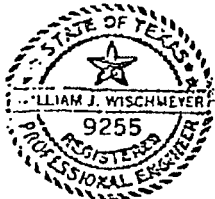


EXHIBIT "A"
 PROPERTY MAP
 ADDISON MUNICIPAL AIRPORT
 ADDISON, TEXAS

Riewe & Wischmeyer, Inc.

CONSULTING ENGINEERS
 DALLAS TEXAS

DECEMBER 1976

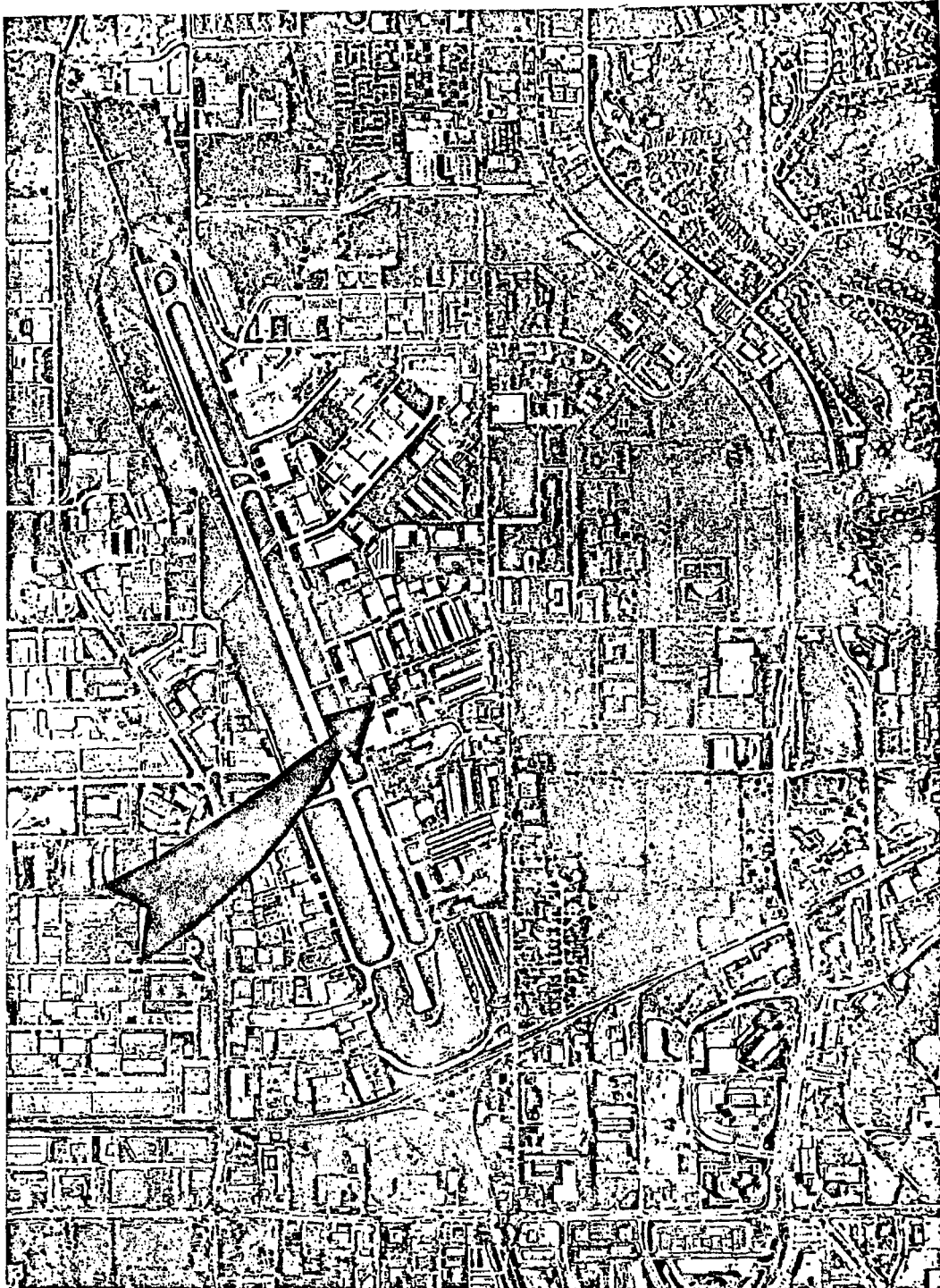


EXHIBIT B TO EARLY TERMINATION OF GROUND LEASE AGREEMENT

SAMPLE FORM AGREEMENT - NOT FOR EXECUTION

MEMORANDUM OF LEASE TERMINATION

This Memorandum of Lease Termination (“Memorandum”) is dated the ____ day of _____, 20__, and is acknowledged and executed by and on behalf of the **TOWN OF ADDISON**, a Texas home-rule municipality (“Landlord” or “City”), and **RR INVESTMENTS, INC.**, a Texas corporation (“Tenant”).

WHEREAS, by way of various assignments, Tenant leased from Landlord that certain real property located at 4550 Jimmy Doolittle Drive (ALP #A5) at Addison Airport and more particularly described on **Exhibit 1** attached hereto pursuant to the terms and conditions of that certain Ground Lease entered into and made effective May 23, 1984, in which Hangar Six, Inc. was named as the original tenant; and

WHEREAS, subject to the terms and provisions of the above-referenced Ground Lease, the parties hereto terminated the Ground Lease effective _____, 2023.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The above and foregoing recitals are true and correct and are incorporated into this Memorandum and made a part hereof for all purposes.
2. Unless otherwise provided for under the above-referenced Ground Lease, neither party hereto has any further duty or obligation to the other with respect to the Ground Lease hereafter.
3. This Memorandum is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish, or supplement the provisions of the Ground Lease or any other written agreement entered into by the parties hereto.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto execute this Memorandum of Lease Termination effective as of the date first given above.

TENANT:

RR INVESTMENTS, INC.
a Texas corporation

By: _____

Printed Name: _____

Title: _____

LANDLORD:

Town of Addison
a Texas home-rule municipality

By: _____
David Gaines, City Manager

SAMPLE FORM AGREEMENT - NOT FOR EXECUTION

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 20____.

[SEAL]

Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Wesley S. Pierson, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 20____.

[SEAL]

Notary Public, State of Texas

EXHIBIT 1

PROPERTY LEGAL DESCRIPTION AND PROPERTY SURVEY

PROPERTY #0200 ALP-5
4550 Jimmy Doolittle Drive, Addison Airport

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), and lying in the south line of Addison Airport Property #0231 and, having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 58.76 feet passing a 'PK" nail found in the south line of said Jimmy Doolittle Drive at the northwest corner of Addison Airport Property #0210, continuing along the west line of said Property #0210, in all a distance of 62.52 feet to a 'PK' nail found;

THENCE along the west line of said Property #0210 the following:

North 68 Degrees 43 Minutes 35 Seconds East, 14.96 feet to a 1/2-inch iron rod found;

South 21 Degrees 16 Minutes 25 Seconds East, 113.96 feet to a cut 'x' found;

South 68 Degrees 56 Minutes 04 Seconds West, 14.96 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 15 Seconds East, 23.69 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 6.26 feet to a cut 'x' set;

South 21 Degrees 13 Minutes 44 Seconds East, 7.30 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 5.12 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 44 Seconds East, 41.95 feet to a cut 'x' set in the north line of Taxiway Sierra, from which a 'PK' nail found at the southwest corner of said Property #0210 bears South 21 Degrees 13 Minutes 44 Seconds East, 3.00 feet;

THENCE South 68 Degrees 36 Minutes 46 Seconds West, at all times remaining 60.00 feet north of and parallel to the centerline of Taxiway Sierra, 382.10 feet to a 'PK' nail set;

THENCE North 21 Degrees 14 Minutes 10 Seconds West, 246.36 feet to a 3/8-inch iron rod found at the southwest corner of said Property #0231;

THENCE North 68 Degrees 44 Minutes 36 Seconds East, along the south line of said Property #0231, 330.08 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 21 Degrees 06 Minutes 33 Seconds East, along the south line of said Property #0231, 3.41 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 68 Degrees 19 Minutes 44 Seconds East, along the south line of said Property #0231, 63.31 feet to the **POINT of BEGINNING** and **CONTAINING** 2.254 acres of land.

Addison Airport,
Vol. 2005131, Pg. 82
DIRACT

**PARCELA
PROPERTY #0200**

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82, of the Deed Records of Dallas County, Texas (DRDC), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), and lying in the south line of Addison Airport Property #0231 and, having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 56.76 feet passing a PK nail found in the south line of said Jimmy Doolittle Drive at the northwest corner of Addison Airport Property #0210, continuing along the west line of said Property #0210, in an arc distance of 62.52 feet to a PK nail found;

THENCE along the west line of said Property #0210 the following:

North 68 Degrees 43 Minutes 35 Seconds East, 14.96 feet to a 1/2-inch iron rod found;

South 21 Degrees 16 Minutes 25 Seconds East, 113.96 feet to a cut 'X' found;

South 68 Degrees 56 Minutes 04 Seconds West, 14.96 feet to a cut 'X' found;

South 21 Degrees 13 Minutes 15 Seconds East, 23.69 feet to a cut 'X' set;

South 68 Degrees 46 Minutes 16 Seconds West, 6.26 feet to a cut 'X' set;

South 21 Degrees 13 Minutes 44 Seconds East, 7.30 feet to a cut 'X' set;

South 68 Degrees 46 Minutes 16 Seconds West, 5.12 feet to a cut 'X' found;

South 21 Degrees 13 Minutes 44 Seconds East, 41.95 feet to a cut 'X' set in the north line of Taxway Sierra, from which a PK nail found at the southwest corner of said Property #0210 bears South 21 Degrees 13 Minutes 44 Seconds East, 3.00 feet;

THENCE South 68 Degrees 36 Minutes 46 Seconds West, at all times remaining 60.00 feet north of and parallel to the centerline of Taxway Sierra, 382.10 feet to a PK nail set;

THENCE North 21 Degrees 14 Minutes 10 Seconds West, 246.36 feet to a 3/8-inch iron rod found at the southwest corner of said Property #0231;

THENCE North 68 Degrees 44 Minutes 36 Seconds East, along the south line of said Property #0231, 330.08 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 21 Degrees 06 Minutes 33 Seconds East, along the south line of said Property #0231, 3.41 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

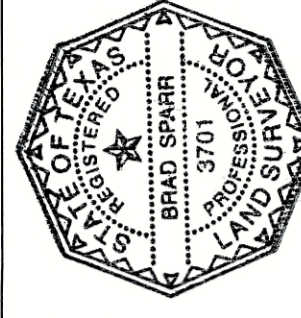
THENCE North 68 Degrees 19 Minutes 44 Seconds East, along the south line of said Property #0231, 63.31 feet to the **POINT OF BEGINNING** and **CONTAINING** 2.254 acres of land.

Property #0200 4550 Jimmy Doolittle Drive

To: Addison Airport, exclusively;

I, Brad Sparr, a Registered Professional Land Surveyor for Sparr Surveys, do hereby certify that this survey was made on the ground, that this drawing correctly represents the facts found at the time of survey and that this professional service conforms to the current Texas Society of Professional Land Surveyors Standards and Specifications for a Category 1B Condition II Survey.

Brad Sparr
Registered Professional
Land Surveyor No. 3701



Sparr Surveys
2553 C.R. 722
McKinney, Texas 75069
(214) 544-2297

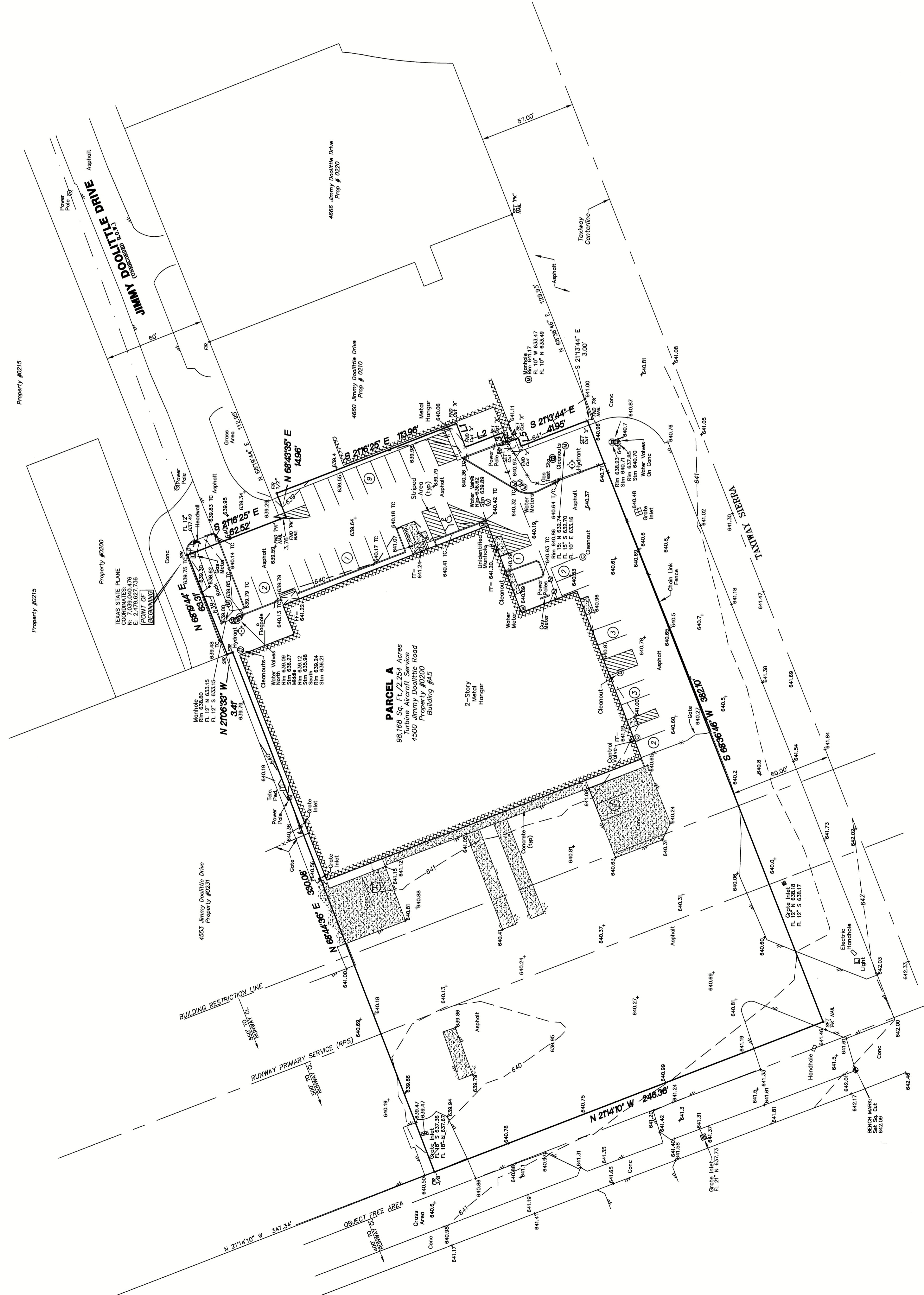
**PROPERTY #0200
2.254 ACRE TRACT**
SITUATED IN THE
ADDISON AIRPORT
TOWN OF ADDISON
DALLAS COUNTY, TEXAS

DRAWN BY: B.D.S./CAD
CHECKED BY: B.D.S.
SCALE: 1" = 30'
DATE: SEPT. 18, 2018
REV. 10-01-2018
JOB NO. 19000M-5

This survey was prepared for
ADDISON AIRPORT.
THIS PLAN IS VALID UNLESS IT BEARS AN
ORIGINAL SIGNATURE AND EMBOSSED SEAL,
AND UNLESS IT IS REPRODUCED IN FULL.
IT DOES NOT APPLY TO ANY COPIES.

LINE TABLES

No.	BEARING	DIST.
L1	S 68°56'04" W	14.96'
L2	S 21°13'15" E	23.69'
L3	S 68°46'16" W	6.26'
L4	S 21°13'15" E	7.30'
L5	S 68°46'16" W	5.12'



NOTES
BEARINGS BASED ON ADDISON AIRPORT CONTROL.
PK DENOTES A FOUND IRON ROD.
SR DENOTES A 5/8" IRON ROD SET WITH PLASTIC CAP
STAMPED "SPARR SURVEYS".

EXHIBIT B

**GROUND LEASE AGREEMENT
RR INVESTEMENTS, INC.**

**4550 JIMMY DOOLITTLE DRIVE,
ADDISON AIRPORT
ALP #A6; PROPERTY 0200**

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Summary of Exhibits
• Exhibit 1 : Legal Description of Addison Airport
• Exhibit 2 : Property Survey of Demised Premises
• Exhibit 3 : Legal Description of Demised Premises
• Exhibit 4A : Description of New Building Improvements and Approved Site Plan Aircraft Apron Improvements
• Exhibit 4B : Description of New Building Improvements and Approved Site Plan Terminal Building Improvements
• Exhibit 5 : Form of Irrevocable Standby Letter of Credit
• Exhibit 6 : Forms of Memorandum of Lease
• Exhibit 7 : Master Landlord Sublease Consent Form
• Exhibit 8 : Description of Eddie Rickenbacker Drive
• Exhibit 9 : Landlord’s Areas of Repair or Reconstruction of Common Area Infrastructure
• Lease Addendum #1 : Tenant’s Leasehold Minimum Maintenance and Repair Standards and Practices
• Lease Addendum #2 : Existing Improvements; Demolition and Site Preparation
• Lease Addendum #3 : Construction of New Building Improvements

GROUND LEASE AGREEMENT

This Ground Lease Agreement (“Lease” or “Agreement”) is made and entered into as of _____, 2023 (the "Effective Date"), by and among the **TOWN OF ADDISON, TEXAS**, a Texas home-rule municipality (hereinafter referred to as “Landlord” or “City”), and **RR INVESTMENTS, INC.**, a Texas corporation (hereinafter referred to as “Tenant”) (Landlord and Tenant are sometimes referred to herein together as the "Parties").

WITNESSETH:

WHEREAS, the Landlord is the record title owner of the Addison Airport, a description of which is set forth in [Exhibit 1](#) attached hereto and incorporated herein (the “Airport”); and

WHEREAS, Landlord is operator and manager of the Airport, and any person or entity appointed or authorized by Landlord from time to time to manage or operate the Airport on behalf of the Landlord (severally and/or collectively) hereinafter referred to as “Airport Manager” or “Manager”); and

WHEREAS, the Town of Addison, as a home-rule municipality, operates under a municipal charter that has been adopted or amended as authorized by Article XI, Section 5, of the Texas Constitution. The Town of Addison, as a municipality, from time to time establishes and enforces federal, state and local ordinances, codes and regulations, which in doing so is acting in its governmental capacity, which may be the same or separate as its capacity as Landlord and Manager provided for herein; and

WHEREAS, on May 23, 1984, the Town of Addison and Addison Airport of Texas, Inc. as landlord, and Hangar Six, Inc, as tenant, entered a ground lease affecting the airport land commonly known to be located at 4550 Jimmy Doolittle Drive (“ALP-A5”) and by the way of various amendments, modifications and assignments, RR Investments, Inc. is the assignee and holder of the leasehold interests thereof and, hereby recognized as the tenant of this ground lease (the “4550 Jimmy Doolittle Ground Lease”).

WHEREAS, the Town of Addison (now the sole and absolute landlord under the 4550 Jimmy Doolittle Ground Lease) and RR Investment, Inc. desire to terminate the 4550 Jimmy Doolittle Ground Lease early, by separate agreement, simultaneously with the Parties entering into and executing this Lease.

WHEREAS, Tenant desires to lease from the Landlord, and Landlord desires to lease to Tenant, a portion of the Airport generally described and hereinafter referred to as that certain parcel of improved and unimproved land consisting of approximately 4.05 acres (approximately 176,592 gross square feet) located at what is commonly known as 4550 and 4553 Jimmy Doolittle Road Drive (as also identified as Property #0200 and Property #0240 (ALP-A5 and A6, respectively in the Airport Master Plan) at the Airport, as shown in [Exhibit 2](#) (a survey illustration of the leased premises) and being more particularly described in [Exhibit 3](#), (the legal description of the leased premises), each attached hereto and incorporated herein (collectively the “[Property Survey](#)”), together with the non-exclusive right to use the Common Facilities as defined in [Section 17](#) hereinbelow (which parcel is referred to herein as the “[Demised Premises](#)”) according to the terms and conditions set forth in this Agreement. The Property Survey, which is mutually agreed to and accepted by the Parties, was prepared by a licensed surveyor in the state of Texas and provides a legal description by metes and bounds and establishes the gross square feet of land area contained within the Demised Premises used as the multiplier to calculate Base Rent identified in [Section 3](#) hereinbelow. By mutual written agreement, the Parties may, during the lease term, adopt an updated Property Survey prepared by a registered licensed surveyor in the state of Texas, which shall supersede and replace both Exhibit #2 and Exhibit #3, respectively.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

Section 1. Demise of the Premises:

In consideration of and subject to the terms, covenants and conditions set forth in this Agreement, Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, the Demised Premises. This Lease is given and entered into subject to (i) all federal, state, and local laws, statutes, constitutional provisions, charters, ordinances, codes, rules, regulations, directives, policies, permits, standards, and orders (including, without limitation, court orders) of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the State of Texas, the Federal Aviation Administration, and the Texas Department of Transportation) whether in existence or hereafter enacted, adopted or imposed, and including, without limitation, any and all grant agreements or grant assurances, the Rules and Regulations, and the Minimum Standards, now existing or as hereafter agreed to, adopted or imposed, (ii) all restrictive covenants affecting the Demised Premises, (iii) all restrictions, easements, and other encumbrances on or matters affecting the Demised Premises, whether of record or not or which would be revealed by a survey of the Demised Premises, and (iv) and all of the terms, conditions, and provisions of this Lease. In furtherance of the foregoing, Landlord represents to Tenant that, to the best of Landlord’s actual knowledge, there are no mortgages, deeds of trust or monetary liens affecting the Demised Premises which are not filed of record.

Section 2. Term:

A. Base Term. Subject to the termination and all other provisions of this Lease, the term hereof (the "Term") shall commence on the first day of the first calendar month following the Effective Date (the "Commencement Date") and shall end June 30th, 2048 (the "Expiration Date"). At the request of one party or the other, the Parties hereby mutually agree to execute and record a Memorandum of Lease substantially in the form of Exhibit 6A attached hereto and incorporated herein by reference, evidencing the Ground Lease, its Commencement Date and Expiration Date.

B. Extended Term Option: Provided Tenant:

a. is not then in default beyond the expiration of applicable notice and cure periods under this Agreement or any other agreement with Landlord, and

b. satisfactorily achieves Final Completion of the Terminal Building Improvements as provided for in Lease Addendum #3 attached hereto and incorporated herein by reference) on or before the thirty-seventh full calendar month following the Commencement Date of this Agreement, then:

Tenant shall have the option to extend the Base Term, which Base Term, which Base Term shall be extended so not to exceed the then prevailing Texas statutory lease term limit so authorized under Section 22.021 of the Texas Transportation Code (currently equal to 480 months), but in no event to exceed 600 full calendar months from the Commencement Date (the "Extended Term"). Should Tenant qualify for the Extended Term, the Parties hereby mutually agree to execute and record a Memorandum of Lease substantially in the form of Exhibit 6B attached hereto and incorporated herein by reference, memorializing the Extended Term, which shall thereafter have the same meaning as Base Term as referenced herein. Should Tenant fail to complete the New Land Improvements as required pursuant to Lease Addendum #1, Tenant shall not be entitled to this Extended Term causing the Base Term to remain unchanged except for subject to adjustment pursuant to Section 4 - Adjustment of Rent.

Section 3. Rental; Security Deposit:

A. Subject to adjustment as hereinbelow provided, Tenant agrees to and shall pay to Landlord, without notice, demand, offset or deduction, rental each month over the Term for the Demised Premises as set forth below:

1. Base Rent: Tenant agrees to and shall pay Landlord annual rent for the Demised Premises as follows (hereinafter "Base Rent"):

a. From the Commencement Date until the last day of the calendar month following the earlier of (i) the date Tenant commences aeronautical operations or the storage of aircraft on any portion of the Aircraft Apron Improvements as provided for and described in Lease Addendum #3 and Exhibit 4A, or (ii) the second anniversary of the Commencement Date, Tenant shall pay the Base Rent sum amount of \$76,420.80 payable in twelve equal installments of \$6,368.40.

b. Beginning the first day of the calendar month following the earlier of (i) or, (ii) above, Tenant shall pay the new Base Rent sum amount of \$132,874.56 payable in twelve equal monthly installments of \$11,072.88 (the “Stepped-Up Rent”). In any event, the Stepped-Up Rent is subject to adjustment pursuant to Section 4 below.

2. Base Rent is to be paid in twelve equal monthly installments in advance of or before the first day of each calendar month, with the first monthly payment of Base Rent due and payable on or before the Commencement Date. Thereafter, Base Rent is subject to periodic adjustment over the Term as set forth in Section 4 below. All Rent is due on the first day of each month and is delinquent after the 10th day of each month and subject to the provisions of Section 39.

3. For purposes of this Lease, the term “Rent” means Base Rent, the Stepped-Up Rent, (as each may be subject to adjustment under Section 4), Additional Rent, and all other sums that Tenant may owe to Landlord or otherwise be required to pay under this Lease. For purposes herein, “Additional Rent” shall mean any lien incurred by Tenant and any interest accrued thereon paid by Landlord, any per diem rental to be paid by Tenant pursuant to Lease Addendum #3, any other sum of monies required to be paid by Tenant under this Lease. Landlord shall have the same rights and remedies for nonpayment of any Rent as for non-payment of Base Rent.

4. Rent is payable to Landlord by personal or corporate check made payable to “Addison Airport,” electronic transfer, ACH, or by credit card at the location given herein or to such other address as Landlord may designate from time to time. Landlord reserves the right to require the form of payment of rent to be by certified or cashier’s check or money order. Cash is an unacceptable form of payment of rent without Landlord’s prior written consent. Rent payments are payable to:

Addison Airport
P. O. Box 222331
Dallas, Texas 75222-2331

5. Security Deposit: Not applicable.

Section 4. Adjustment of Rent:

A. Commencing on the second anniversary of the Commencement Date and on every second anniversary thereafter (hereinafter referred to as the “Adjustment Date”), the monthly Rental due under Section 3.A.1. (Base Rent or Stepped-Up Rent, as the case may be) shall be adjusted as follows (“Adjusted Rent”):

B. Annual Rent (including Base Rent or Stepped-Up Rent, as the case may be) shall be adjusted to reflect changes in the Consumers’ Price Index – All Items for Dallas, Texas Metropolitan Area (hereinafter referred to as the “Consumer Price Index”), as quoted in the publication *Consumer Price Index for All Urban Consumers (CPI-U)* for the Dallas-Fort Worth Consolidated Metropolitan Statistical Area which is issued by the U.S. Department of Labor, Bureau of Labor Statistics. The basic index (“Basic Index”) is the Consumer Price Index existing as of the Commencement Date.

The current index (“Current Index”) is the Consumer Price Index on the first day of the calendar month preceding the then applicable Adjustment Date.

1. Beginning with the first full month following the then applicable Adjustment Date, the annual Rent (including the Base Rent or Stepped-Up Rent, as the case may be) shall be adjusted so that it equals the product of the annual Rent (including the Base Rent or Stepped-Up Rent, as the case may be) multiplied by a fraction, the numerator of which is the Current Index and the denominator of which is the Basic Index (the “Adjusted Rental”), but in no event shall such annual Rent (including the Base Rent or Stepped-Up Rent, as the case may be) ever be decreased below the Base Rent set forth in [Section 3.A.1](#).

2. Landlord shall calculate Adjusted Rent in accordance with the above-described method and give Tenant written notice of the newly Adjusted Rent (“Adjusted Rent Notice”) within a commercially reasonable period of time following the publication of the Consumer Price Index. Tenant is obligated to pay any Adjusted Rent accrued between the Adjustment Date and the date of Landlord’s Adjusted Rent Notice.

3. In the event that the Consumer Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Consumer Price Index as closely as feasible (as determined by Landlord) shall be substituted therefor.

Section 5. Use of Demised Premises:

During the Term the Demised Premises shall be used and occupied by Tenant as set forth hereinbelow:

A. Permitted Uses:

The Demised Premises may be used and occupied by Tenant only for the following uses:

1. Constructing, owning and operating an aircraft hangar; passenger lounge; public terminal; administrative offices; shop space used in connection with the sale of aircraft and aircraft part; aircraft maintenance and repair; aircraft storage; aircraft training, aircraft charter; aircraft rentals; vehicle parking; dispensing fuel in accordance with any licenses issued by the Town of Addison subject to any ordinances, rules, standards and regulations of the City; and not otherwise without the prior written consent of Landlord.

2. Hangar size to be not less than 21,000 building gross square feet, excluding office, passenger terminal and shop space.

3. Hangar Door Height not less than 28 feet high. Aircraft apron shall be of design capacity of 100,000 pounds dual wheel aircraft.

4. Off-street parking with count to meet or exceed local building codes. Regard shall be given to permitted use at peak demand.

5. Incidental support, services, and materials in connection with the aircraft stored or based at the Demised Premises, including maintenance and repair.

6. Any portion of the Demised Premises designed and constructed for aircraft storage may be used only for the purpose of storing aircraft in accordance with the FAA Policy on the Non-Aeronautical Use of Airport Hangars.

7. Other uses as authorized in advance and in writing by the Town of Addison.

B. Prohibited or Restricted Use of Demised Premises:

The following uses are expressly prohibited:

1. Any use that would conflict with the FAA policy on the Non-Aeronautical Use of Airport Hangars as may be amended or modified (*FR/Vol. 81, No. 115, June 15, 2016; 14 CFR Chapter 1 [Docket No. FAA 2014-0463]*);

2. For any illegal purpose or any other activity (federal, state, county and municipal laws, rules, regulations, standards and policies) that, in Landlord's reasonable opinion, would create a nuisance, unreasonably disturb other tenants of the Airport, or which may cause an increase in Landlord's insurance costs, whether or not such increased costs are actually incurred.

3. Tenant acknowledges that Landlord is bound by the terms and conditions, whether now existing or agreed in the future, of any and all Federal Aviation Administration, Texas Department of Transportation, and other grant agreements, grant assurances and regulations regarding the Airport, and the terms or any grant, loan, regulation, or agreement under Section 22.055 of the Texas Transportation Code, as amended or superseded. Tenant agrees not to knowingly take any action or refrain from taking any action in relation to the Demised Premises that would cause Landlord to be in violation of such regulations or standards.

4. The Tenant shall not at any time abandon or leave the Demised Premises vacant for any extended period of time but shall in good faith continuously throughout the term of this Lease conduct and carry on in the entire Demised Premises the type of use for which the Demised Premises are leased, except during periods in which the Demised Premises may not be occupied as a result of fire or other casualty, or reasonable periods for repairs and alterations, all such repairs and alterations to be diligently pursued to completion.

5. The Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (i) no person shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of said facilities on the basis of race, creed, color, national origin, sex, age or handicap; (ii) that in the construction of any improvements on, over or under the Demised Premises and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of said facilities on the basis of race, creed, color, national origin, sex, age or handicap; and (iii) that the Tenant shall

use the Demised Premises in material compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 and as said Regulations may be amended.

6. To the extent the Demised Premises is used for commercial purposes, the Tenant agrees to furnish all services on a fair, equal, and non-unjustly discriminatory basis to all users thereof and to charge fair, reasonable, and not unjustly discriminatory prices for such services, provided that the Tenant may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

Section 6. Construction of Improvements:

A. In connection with the use and occupancy of the Demised Premises by Tenant, Tenant will cause to be constructed on the Demised Premises throughout the Term, buildings and other improvements at Tenant's sole cost, expense and risk (except as may be otherwise agreed to in writing by Landlord and Tenant), which are to be approved in advance by Landlord, such approval not to be unreasonably withheld, conditioned or delayed. For purposes herein, the term "Building Improvements" shall mean, without limitation, any Existing Building Improvements as defined in [Lease Addendum #2](#), New Building Improvements as defined in [Lease Addendum #3](#) (as each are provided for herein) and any other future building or improvements made to, constructed, installed, located or placed upon the Demised Premises during the Term, as may be extended or modified. Except as provided for by this Lease (including [Lease Addendum #2](#) (if applicable) and [Lease Addendum #3](#)), Tenant may not construct, locate, install, place or erect any other improvements upon the Demised Premises without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed.

B. **Existing Building Improvements; Demolition and Site Preparation:** See [Lease Addendum #2](#) attached hereto and incorporated herein by reference.

C. **Construction of New Building Improvements:** See [Lease Addendum #3](#) attached hereto and incorporated herein by reference.

Section 7. Acceptance of Demised Premises:

TENANT ACKNOWLEDGES THAT TENANT HAS FULLY INSPECTED THE DEMISED PREMISES AND ACCEPTS THE DEMISED PREMISES AND THAT THE DEMISED PREMISES ARE LEASED TO TENANT "AS IS, WHERE IS, AND WITH ALL FAULTS AND PATENT AND LATENT DEFECTS," AND LANDLORD HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS, ANY REPRESENTATION, PROMISE, COVENANT, AGREEMENT, GUARANTY OR WARRANTY OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, AS TO THE QUANTITY, QUALITY, CONDITION, SUITABILITY, HABITABILITY, OR FITNESS OF THE PROPERTY INCLUDING

WITHOUT LIMITATION THE DEMISED PREMISES AND THE IMPROVEMENTS THEREON, FOR ANY PURPOSE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION REGARDING SOIL CONDITIONS, AVAILABILITY OF UTILITIES [SUBJECT TO [SECTION 16](#)], DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, OR ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ALSO ACKNOWLEDGES AND AGREES THAT TENANT'S INSPECTION AND INVESTIGATION OF THE DEMISED PREMISES HAVE BEEN ADEQUATE TO ENABLE TENANT TO MAKE TENANT'S OWN DETERMINATION WITH RESPECT TO THE SUITABILITY OR FITNESS OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO SOIL CONDITIONS, AVAILABILITY OF UTILITIES [SUBJECT TO [SECTION 16](#)], DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, AND ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH ARE AN INTEGRAL PORTION OF THIS LEASE AND THAT LANDLORD WOULD NOT AGREE TO LEASE THE DEMISED PREMISES TO TENANT AS SET FORTH HEREIN WITHOUT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH. TENANT FURTHER ACKNOWLEDGES THAT TENANT IS NOT IN A DISPARATE BARGAINING POSITION WITH RESPECT TO LANDLORD. TENANT ACKNOWLEDGES AND AGREES FURTHER THAT THIS LEASE IS SUBJECT TO ANY AND ALL CURRENTLY EXISTING TITLE EXCEPTIONS OR OTHER MATTERS OF RECORD OR ANY MATTER OR ITEM VISIBLE OR APPARENT FROM AN INSPECTION AFFECTING THE DEMISED PREMISES. TENANT WAIVES ANY EXPRESS OR IMPLIED WARRANTIES OF SUITABILITY, HABITABILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND FURTHER WAIVES ALL CLAIMS BASED ON ANY DEFECT IN THE DEMISED PREMISES WHETHER OR NOT SUCH DEFECT COULD HAVE BEEN DISCOVERED BY TENANT'S REASONABLE INSPECTION. TENANT, AT ITS COST, SHALL BE ENTITLED TO PERFORM A PHASE I ENVIRONMENTAL STUDY, PROVIDING A COPY THEREOF TO LANDLORD, ALL AS MAY BE SPECIFIED IN MORE DETAIL IN [SECTION 22.D](#). BELOW. WITHOUT LIMITING THE FOREGOING, THERE IS NO WARRANTY, EXPRESS OR IMPLIED, OF SUITABILITY, MERCHANTABILITY, HABITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE GIVEN IN CONNECTION WITH THIS LEASE.

In accepting the Demised Premises, Tenant acknowledges that this Lease shall be construed to provide Rent to Landlord on a Net Return Basis, as set out in [Section 32](#), below.

Section 8. Securing Governmental Approvals and Compliance with Law; Noise Abatement:

A. This Lease is subject to and Tenant shall comply in all material respects with all federal, state, and local laws, statutes, constitutional provisions, charters, ordinances, codes, rules, regulations, directives, policies, permits, standards, and orders (including, without limitation, court

orders) of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the State of Texas, the Federal Aviation Administration (“FAA”), Texas Department of Transportation (“TxDOT”), the United States Environmental Protection Agency (“EPA”), and the Texas Commission on Environmental Quality (“TCEQ”)) whether applicable or related to, directly or indirectly, the use and occupancy of the Demised Premises and whether in existence or hereafter enacted, adopted or imposed, and including, without limitation, any and all grant agreements or grant assurances for which Landlord, at its sole absolute discretion accepts and is or becomes obliged (collectively “Laws”).

B. Tenant at Tenant’s sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the Demised Premises.

C. Tenant acknowledges that Landlord is bound by the terms and conditions, whether now existing or made in the future, of all FAA, TxDOT, and other grant agreements, grant assurances and regulations regarding the Airport, and the terms of any grant, loan, regulation, or agreement under Section 22.055 of the Texas Transportation Code, as amended or superseded. Tenant agrees not to knowingly take any action or refrain from taking any action in relation to the Demised Premises that would cause Landlord to be in violation of such regulations or standards.

Section 9. Assignment, Subletting and Mortgaging of Leasehold Estate; Stored Aircraft Information: Aircraft Information:

A. Assignment:

1. Without the prior written consent of Landlord (which consent may be granted or withheld in Landlord’s sole and absolute discretion and opinion), Tenant shall have no power to and may not assign, sell, pledge, encumber, license, transfer, or otherwise convey in any manner whatsoever, including by merger, consolidation, operation of law, or otherwise (together, “assign” or “assignment,” and the person or entity to whom an assignment is made being an “assignee”), this Lease or any rights, duties, or obligations of Tenant hereunder (except to a “Permitted Transferee” as defined below, a “Tenant Affiliate” as defined below, and to a leasehold mortgagee as hereinbelow provided and in accordance with and subject to all of the terms and conditions of this Lease) nor sublet (except as provided for in Section 9.B below) in whole or in part any portion of the Demised Premises, and any such assignment or any subletting shall be null and void and may be deemed by Landlord (in Landlord’s sole discretion) an Event of Default subject to notice and cure as provided in Section 23 of the Lease. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of Section 5 pertaining to the use of the Demised Premises. In the event of any Landlord-approved assignment or subletting, Tenant shall not assign Tenant’s rights, duties, or obligations hereunder nor sublet the Demised Premises without first obtaining a written agreement from each such assignee or sublessee whereby each such transferee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an Event of Default while the Demised Premises are assigned or sublet, Landlord, in addition to any other rights and remedies provided herein or by law, may at Landlord’s option, collect directly from such assignee or subtenant all rents becoming due under such

assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder. Landlord's consent to any assignment or subletting will not act as a waiver of any rights or remedies granted to or retained by Landlord under this Lease and shall not act as an election of remedies nor shall it prohibit Landlord from exercising its rights and remedies with respect to any other actual or proposed assignment or subletting, and Landlord's consent to any assignment shall not relieve Tenant or any Guarantor of any liability to Landlord under this Lease or otherwise.

2. If consent by Landlord to an assignment is required hereunder, Tenant shall deliver a written request to Landlord for Landlord's consent to the proposed assignment, which shall include, in addition to any other information or materials that Landlord may request: (i) the full legal name of the proposed assignee, including the name and title the person directly or indirectly holding a controlling ownership interest in the proposed assignee (if an entity); (ii) the nature and character of the assignee's business; (iii) all material terms of the proposed assignment; and (iv) certified financial statements of the proposed assignee or other evidence of the proposed assignee to perform its obligations under this Lease.

3. For purposes hereof, an assignment will be deemed to occur if the person or persons who own or have voting control of more than 50% of Tenant on the Effective Date cease to own or have voting control of more than 50% of Tenant at any time during the Term. Tenant shall provide to Landlord from time to time, as requested by Landlord, but no more than once per calendar year, and in a form acceptable to Landlord, a written certification confirming that no such assignment has occurred without Landlord's consent, if such consent is required hereunder. For purposes hereof, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership or voting securities.

4. Tenant shall have the right to assign this Lease, or sublet the Demised Premises or any portion thereof, without the consent of Landlord, to any entity (a) with which Tenant may merge or consolidate, or (b) which is a parent or subsidiary of Tenant (collectively "Tenant Affiliate"). Tenant, or its successor in interest shall give Landlord written notice of any such assignment of this Lease to a Tenant Affiliate within thirty (30) days of said assignment, which said notice shall affirm the Tenant Affiliate information required by Section 48 below.

5. For purposes hereof and any applicable law, and without limitation as to other grounds for Landlord withholding consent, it shall be deemed to be reasonable for Landlord to withhold its consent to an assignment when any one or more of the following apply:

- a.** the proposed assignee is of a character or of a reputation or is engaged in a business which is not consistent with the master or strategic plan of the Airport as determined by Landlord; or
- b.** the proposed assignee has not demonstrated sufficient financial responsibility, or creditworthiness to the satisfaction of Landlord in light of the duties, obligations, and responsibilities of the tenant under the Lease at the time when the consent is requested; or

c. the proposed assignee's intended use of the demised premises as defined in the Lease is inconsistent with the Lease; or

d. the proposed assignment would cause Landlord to be in violation of another lease or agreement to which Landlord is a party or to which Landlord or the Airport is subject (including, without limitation, any grant agreements or grant assurances of the FAA or any other governmental entity or agency); or

e. if at any time consent is requested or at any time prior to the granting of consent, Tenant is in default under the Lease or would be in default under the Lease but for the pendency of a grace or cure period; or

f. the proposed assignee does not intend to occupy the entire Demised Premises as described in the Lease and conduct its business therefrom for a substantial portion of the then remaining term of the Lease.

6. For purposes herein and any applicable law, and without limitation as to other grounds for Landlord delaying consent, it shall be deemed to be reasonable for Landlord to delay its consent for a period of forty-five (45) days pursuant to Section 51 after the receipt by Landlord of all information requested by Landlord regarding or in connection with the proposed assignment and the proposed assignee.

B. Subletting:

1. Notwithstanding the foregoing, Landlord hereby acknowledges and consents to Tenant's subletting of the Demised Premises for the purpose of renting aircraft storage (i.e. hangar space) only, provided that each sublease is evidenced by written agreement, signed and executed by Tenant and each and every sublessee and fairly states:

a. Each sublessee agrees to be bound by the terms and provisions of this Lease to the extent such extends to a sublessee;

b. In the event of any conflict between the terms of this Lease and the terms of the sublease, the terms of the Lease shall control;

c. Such subletting shall not constitute a novation of the Lease;

d. Sublessee shall be obligated to obtain Landlord's consent to any action as to which Tenant is obligated to obtain such consent under the Lease;

e. Any such sublease is to automatically terminate upon termination of this Lease notwithstanding any other provision of the sublease to the contrary; Landlord shall have no responsibility or obligation for the performance by Tenant of its obligations under any sublease; and

f. In the event of occurrence of an Event of Default while the Demised Premises are sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such subtenant all rents becoming due under such subletting and apply such rent against any sums due to Landlord hereunder.

2. If Tenant desires to sublease the Demised Premises for any purpose other than aircraft storage only as set forth in Section 9(B)(1) above¹, Tenant shall obtain in advance Landlord's prior written consent, which must be evidenced by written agreement signed and executed by Tenant and made subject to the "Master Landlord Sublease Consent," substantially in the form of the rider to sublease attached hereto and incorporated herein by reference as Exhibit 7. Without Landlord's Consent, any such sublease is null and void.

3. Neither Landlord's consent to a sublease set forth in this Section 9(B), the exercise by Landlord of its rights and remedies hereunder, nor the sublease or any other instrument shall give sublessee any rights directly or indirectly against Landlord or create or impose any obligation, duty, responsibility, or liability of Landlord in favor of or for the benefit of sublessee.

4. Furthermore, Tenant agrees that in no way does any sublease release Tenant from any of its covenants, agreements, liabilities and duties under this Lease; Landlord's consent to a sublease set forth in this Section 9(B) does not constitute approval by Landlord of the terms of any such sublease; that nothing herein contained shall be deemed a waiver or release of any of the Landlord's rights or remedies under this Lease or pursuant to law, in equity, or otherwise; that Tenant shall remain fully liable for the performance of each and every term, provision, covenant, duty and obligation of the Tenant under this Lease, including, without limitation, the duty to make any and all payments of Rent; and that any violation of any terms and conditions of this Lease by a sublessee may constitute an Event of Default, subject to notice and cure as provided in Section 23 of the Lease.

5. Upon request by Landlord, Tenant shall provide to Landlord within five (5) business days of receipt of each request a complete and accurate roster of any subtenants which shall include, but not be limited to, name, mailing address, email address, daytime telephone number, 24-hour emergency contact information, together with the make, model, aircraft type and "N" number of any aircraft regularly stored or located on or in the Demised Premises. Tenant's failure to provide said information as prescribed constitutes an Event of Default, subject to notice and cure, as provided in Section 23 of this Lease.

C. Mortgaging of Leasehold Estate:

1. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of (i) obtaining funds for the construction of the New Building Improvements described in Lease Addendum #3, or to reimburse Tenant for funds advanced by Tenant for such purpose or to refinance any such loan, or (ii) other construction upon the Demised Premises approved from time to time by Landlord in writing, or (iii) for any other purpose which may be approved from time to time by Landlord in writing. If Tenant borrows money

for any purpose provided for above, and the lender requires a mortgage, deed of trust or some other form of security interest (a “Mortgage”) to secure the loan, then Tenant may, without Landlord’s further consent, enter into a Mortgage with a bank or lender (or, if the bank’s or lender’s interest have been assigned by or on behalf of a mortgage beneficiary, to such person or entity so assigned) herein referred to as a “Leasehold Mortgagee”). The Leasehold Mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee becomes the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant’s obligation to pay the Rent due hereunder and otherwise fully perform the terms and conditions of this Lease.

2. A Mortgage is not an assignment of this Lease or of Tenant’s interest in this Lease, and a Mortgage does not and shall not be construed to make Landlord a principal or surety on the loan or any other financial obligation secured by the deed of trust or similar security. Any Mortgage affecting Tenant’s leasehold estate shall contain provisions (i) requiring the leasehold mortgagee to give Landlord at least fifteen (15) days written notice prior to accelerating the debt of Tenant to such mortgagee and/or initiating foreclosure proceedings under said mortgages or deeds of trust, and (ii) allowing Landlord during such fifteen (15) day notice period to cure Tenant’s default and prevent said acceleration and/or foreclosure proceedings, and thereafter at Landlord’s option to assume Tenant’s position under said Mortgage.

3. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a Mortgage and written notice to such effect has been given to Landlord, to give the Leasehold Mortgagee at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the Leasehold Mortgagee, or as otherwise may be specified by the leasehold mortgagee to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such Mortgage shall have the right, for a period of thirty (30) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord’s right to terminate this Lease without first giving any such Leasehold Mortgagee the notice provided for herein and affording any such Leasehold Mortgagee the right to cure such default as provided for herein. If the default cannot objectively be cured within the cure period, and if the Leasehold Mortgagee proceeds diligently and in good faith to cure the default, then the Leasehold Mortgagee will be entitled a reasonable additional period of time to cure the default but, not to exceed six (6) months from the date of the Leasehold Mortgagee’s notice.

4. If this Lease is terminated for Tenant’s breach before the end of the Term, for any reason other than a default that has not been cured by Tenant or Leasehold Mortgagee within the period specified in subsection 9(C)(3) above, including, without limitation, as a result of a rejection or disaffirmation of the Lease in a bankruptcy, insolvency or other proceeding affecting creditor’s rights, then Landlord shall provide a copy of the termination notice to the Leasehold Mortgagee. Upon the written request of Leasehold Mortgagee made any time within thirty (30) days after the

receipt of such notice from Landlord, Landlord shall agree to enter into a new lease of the Demised Premises with Leasehold Mortgagee for the remainder of the Term of the Lease upon the same covenants, conditions, limitations and agreements contain in the Lease, except for such provisions which must be modified to reflect any such termination, rejection or disaffirmance and the passage of time, provided, that, in the event of any such termination, rejection or disaffirmance, Leasehold Mortgagee (or such successor or assign) (A) shall pay to Landlord, simultaneously with the delivery of such new lease, all unpaid amounts due under the Lease up to and including the date of the commencement of the term of such new lease and all reasonable and substantiated expenses incurred by Landlord to prepare such new lease, and (B) otherwise shall cure all other defaults under the Lease promptly and with due diligence after the delivery of such new lease. If Landlord does not enter into a new lease with the Leasehold Mortgagee, then the Leasehold Mortgagee shall immediately remove all trade fixtures and other personal property from the Premises and repair to Landlord's reasonable satisfaction, any damage caused to the Demised Premises by the removal. The Leasehold Mortgagee shall not remove or tamper with any Building Improvement on the Demised Premises.

5. Landlord further agrees to execute and deliver to any proposed Leasehold Mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such Leasehold Mortgagee after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such Leasehold Mortgagee performs all of the obligations of Tenant hereunder and is not in default; provided, however, that notwithstanding the foregoing or any other provision of this Lease, such Leasehold Mortgagee or its successors and assigns after foreclosure or transfer in lieu of foreclosure shall not and does not have the right and shall not and does not have the power to assign (as defined in Subsection A. of this Section above) this Lease, or any right, interest, obligation, or liability hereunder, or any part of the Demised Premises, without the prior written approval of Landlord, and any attempted assignment without such approval shall be null and a cause for immediate termination of this Lease by Landlord, it being the intent of this provision that such mortgagee shall have no greater right to assign or sublet this Lease, or any right, interest, obligation, or liability hereunder, or any part of the Demised Premises, than the Tenant has as set forth in this Section. Landlord also agrees to consider the execution and delivery to such proposed Leasehold Mortgagee any other documents which such proposed Leasehold Mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the Demised Premises to the mortgage of such proposed Leasehold Mortgagee. If the Leasehold Mortgagee succeeds to Tenant's interest under this Lease, the Leasehold Mortgagee shall attorn to Landlord as if it were the Tenant under this Lease. The Leasehold Mortgagee's duty to so attorn to Landlord arises immediately upon the Leasehold Mortgagee succeeding to Tenant's interest under this Lease, and the duty to attorn is self-executing, requiring no formal writing or further action by Landlord or the Leasehold Mortgagee.

Section 10. Property Taxes and Assessments:

A. Following the Commencement Date, Tenant shall pay, before they become delinquent, any and all property taxes or assessments, and any other governmental charges, fees or expenses (collectively, the "Taxes"), levied or assessed on any improvements on the Demised

Premises, the personal property and fixtures on the Demised Premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord "paid receipts" or other written evidence that all such taxes have been paid by Tenant. In the event Tenant shall fail to pay any such taxes, assessments, or charges prior to delinquency, Landlord shall have the right to pay (but not the obligation) or may cause all taxes, assessments, or charges to be paid, and the reasonable costs thereof expended by Landlord plus interest thereon as provided in [Section 39](#) of this Lease shall be paid by Tenant on demand. Subject to the payment of any outstanding Taxes, Tenant may protest, appeal or institute other formal proceedings to affect a reduction or abatement of real estate taxes and assessments with respect to real estate taxes and assessments levied against the improvements on the Demised Premises (if Tenant has title to and owns the same) and/or the Tenant's leasehold interest in the Lease for any tax fiscal year that ends after the Commencement Date of this Lease. Such protest, appeal or other proceedings may be conducted only in the name of Tenant. To this end and at Tenant's expense, Tenant shall give Landlord written notice of any such protest or appeal and resolution thereof. Notwithstanding the foregoing, Tenant shall not contest the determination that the buildings and/or improvements are subject to taxation. If a final (non-appealable) determination is rendered by Dallas Central Appraisal District or a court of appropriate and competent jurisdiction that any such buildings or other improvements are not subject to property taxation, the Rent (as the same may be adjusted) for the year in which such final determination becomes effective shall be increased by an amount equal to the property tax revenue from such buildings and improvements that Tenant would have paid to Landlord in that year but for such final determination (and such initial increased amount shall be paid to Landlord on or before December 31 of such year, unless otherwise agreed to by Landlord); thereafter, Rent (as the same may be adjusted) as so increased shall continue, subject to adjustment as set forth in this Lease.

Section 11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and in a first class condition (as defined in [Lease Addendum #1](#)) (in accordance with any construction and/or maintenance standards and specifications established by Landlord or Airport Manager from time to time and all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, Texas) all the Demised Premises and all buildings, improvements, fixtures, equipment and personal property (excluding aircraft stored in the Building Improvements) on the Demised Premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the Demised Premises clean and free of trash and in good repair and condition (in accordance with any construction and/or maintenance standards and specifications established by Landlord or Airport Manager from time to time and all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, Texas), with all fixtures and equipment situated in the Demised Premises in good working order, reasonable wear and tear excepted. Tenant shall reimburse Landlord for and indemnify Landlord against all damages which Landlord incurs from Tenant's delay in vacating the Demised Premises.

B. Notwithstanding the foregoing, set forth as [Lease Addendum #1](#) attached hereto and incorporated herein by reference and made a part hereof, are "[Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices](#)," which are intended as maintenance and repair standards and practices Landlord expects of Tenant. Tenant (and any of its successors or assigns)

hereby agrees to meet or exceed the Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices throughout the Term. Notwithstanding the foregoing, as provided in [Section 18](#) below, Landlord reserves the right, in its sole discretion, to introduce and adopt other regulations deemed appropriate and necessary by Landlord for the purpose, among other things, of protection of the property of Landlord. In the event Landlord should formally adopt similar leasehold maintenance and repair standards governing such practices of all ground leaseholds at the Airport ("[Replacement Maintenance Standards](#)"), such encompassing regulations and practices shall be provided to Tenant in writing and shall supersede and replace [Lease Addendum #1](#) in its entirety upon the effective date of such Replacement Maintenance Standards for the duration of the Term or until otherwise modified, repealed, or revised by Landlord.

Section 12. Alterations, Additions and Improvements:

After completion of the New Building Improvements described in [Lease Addendum #3](#), Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the Demised Premises or any improvements thereon or modifications thereto without the prior written consent of Landlord or Manager. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld, conditioned or delayed by Landlord or Manager. Tenant shall have the right without Landlord's or Airport Manager consent to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations (including, without limitation and as may be required by law, obtaining a building permit).

All alterations, modifications, additions and improvements in and to the Demised Premises shall be performed in a first class, workmanlike manner, shall comply with all the standards and requirements set out above in [Section 8](#), and in [Lease Addendum #3](#) and Tenant shall promptly pay and discharge all costs, expenses, claims for damages (including incidental, special, and consequential damages), liens and any and all other liabilities and obligations which arise in connection therewith and shall defend, indemnify, and hold harmless Landlord and Airport Manager, and their respective officials, officers, employees, and agents, from and against any and all such costs, expenses, claims, liens, liabilities, and obligations as set forth in [Lease Addendum #3](#).

Section 13. Insurance:

A. Unless otherwise specified herein, at all times in connection with this Lease and during the Term hereof, Tenant shall purchase and maintain at Tenant's sole cost and expense and from a company or companies lawfully authorized to do business in Texas such insurance coverages relating to the Demised Premises as follows:

1. Insurance against loss or damage to improvements by fire, lightning, and all other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than one hundred percent (100%) of the full insurable value of the Demised Premises and any and all improvements thereon. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a

qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, thereafter, proper adjustment in the limits of insurance coverage shall be affected.

2. Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$1,000,000 general aggregate for bodily injury, death or property damage or destruction occurring on, in or about the Demised Premises, which coverage shall include products/completed operations (\$1,000,000 products/ completed operations aggregate). Coverage for products/completed operations must be maintained for at least two (2) years after construction work has been completed. Coverage must include contractual liability.

3. Statutory limits of workers compensation insurance and employer's liability with limits of liability of not less than \$1,000,000.00 each-occurrence each accident/\$1,000,000.00 by disease each-occurrence/\$1,000,000.00 by disease aggregate.

4. If applicable, boiler and pressure vessel insurance on all steam boilers and air compressors, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$500,000.00 for damage to or destruction of property resulting from such perils.

5. In connection with the design and construction of any improvements on the Demised Premises, architects, engineers, and constructions managers, including design/build contractors used by Tenant, shall carry professional liability insurance at minimum limits of \$250,000.00; this coverage must be maintained for at least two (2) years after the improvements are completed, and if coverage is written on a claims-made basis, a policy retroactive date equivalent to the inception date of this Lease (or earlier) must be maintained.

6. Hangarkeepers Legal Liability insurance, at limits of \$1,000,000.00 per-occurrence is required if Tenant is engaged in maintenance, repair, or servicing of aircraft belonging to a third-party, or if Tenant is otherwise involved in any operation in which Tenant has care, custody, or control of an aircraft that belongs to a third-party.

7. Aircraft liability insurance against third party bodily injury or death and property damage or destruction at minimum limits required by regulatory agencies having jurisdiction at the Airport and which are acceptable to Landlord, but in any event not less than \$1,000,000.00 each occurrence (applies to the ownership, operation or use of aircraft by Tenant or any subtenant). Policy shall include non-owned aircraft liability with a minimum of \$1,000,000 and medical expense coverage with a limit of \$5,000 for any one person.

8. Business Automobile Liability insurance for all Tenant owned and non-owned vehicles being operated on the Airport with a minimum combined single limit of \$1,000,000 for bodily injury and property damage.

9. If Tenant is fueling aircraft at the Airport pursuant to a fueling permit or license issued by Landlord, Tenant shall maintain a minimum of \$1,000,000 in Pollution Liability

Insurance coverage, which may be satisfied through sudden and accidental pollution coverage under Tenant's commercial general liability policy.

10. Such other insurance in such amounts and against such other insurable hazards, which at the time are commonly obtained within the aeronautical industry for similar types of building improvements and other improvements that may be located on the Demised Premises and Tenant's permitted use of the Demised Premises.

B. Tenant shall cause all such policies of insurance to comply with the following and be specifically endorsed as follows:

1. The Town of Addison, Texas, and the Airport Manager and their respective past and present officials, officers, employees and agents shall be named as additional insureds, or loss payees as the case may be, except with respect to the professional liability policies and workers compensation insurance;

2. All insurance policies which name the Town of Addison, Texas and the Airport Manager and their respective past and present officials, officers, employees and agents as additional insureds must be endorsed to read as primary coverage and non-contributory regardless of the application of other insurance;

3. A waiver of subrogation in favor of the Town of Addison, Texas and the Airport Manager and their respective past and present officials, officers, employees and agents shall be contained in each policy required herein;

4. All insurance policies shall be endorsed to the effect that the Town of Addison, Texas and the Airport Manager will receive at least sixty (60) days written notice prior to cancellation or non-renewal of the insurance (except that if such insurance is canceled for non-payment of premium, such notice shall be ten (10) days.);

5. All insurance policies shall be endorsed to require the insurer to immediately notify Landlord and the Airport Manager of any material change in the insurance coverages;

6. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions applicable to the claims of the Town of Addison or the Airport Manager;

7. Tenant may maintain reasonable and customary deductibles, subject to approval by Landlord; and

8. Insurance must be purchased from insurers that are financially acceptable to Landlord and licensed to do business in the State of Texas.

C. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of insurance, satisfactory to Landlord, evidencing all coverage above, shall be prepared and executed by the insurance company or its authorized agent, promptly delivered to Landlord and updated as may be appropriate, and shall:

1. List each insurance coverage described and required herein. Such certificates will also include a copy of the endorsements necessary to meet the requirements and instructions contained herein; and

2. Specifically set forth the notice-of-cancellation or termination provisions to the Town of Addison and the Airport Manager.

D. For insurance and bond requirements during periods of Building Improvement demolition and construction, refer to Lease Addendum #2 and, Lease Addendum #3, respectively.

E. Landlord reserves the right to review the insurance requirements contained herein and to reasonably adjust coverages and limits when deemed necessary and prudent by Landlord.

Section 14. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures, equipment, or any other improvements on or at the Demised Premises (including the Building Improvements), or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of any building, structure, equipment, or other improvements (including the Building Improvements) on or at the Demised Premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly commence and diligently complete the restoration, repair and replacement of said building, structure, equipment, or other improvements as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction and with at least as good workmanship and quality as such building, structure, equipment, or other improvements on or at the Demised Premises being repaired or replaced, with such alterations in and additions thereto as may be approved in writing by Landlord (hereinafter sometimes referred to as the "Restoration"). Notwithstanding the foregoing, in the event the Building Improvements or any other improvements on the Demised Premises shall be destroyed or substantially damaged during the last five (5) years of the Lease Term, then Tenant shall have no obligations for Restoration and shall notify Landlord in writing within thirty (30) days of such substantial damage or destruction whether Tenant elects to undertake Restoration or terminate this Lease. Tenant's failure to timely make such election as aforesaid shall be deemed an election by Tenant to terminate this Lease. Tenant's termination of this Lease pursuant to this Section 14 shall otherwise be in accordance with the terms and provisions of this Lease. For purposes of the foregoing, "substantial" shall mean such damage to the Building Improvements as shall render the Building Improvements unfit for their intended purpose. For purposes of this Section 14.B. and Section 14.E., the term "promptly" shall mean within ninety (90) days after Landlord and Tenant have mutually agreed upon the plans and specifications for the Restoration, provided Tenant shall in good faith and with reasonable diligence cooperate with Landlord in first proposing and then agreeing upon plans and specifications for the Restoration. All Restoration plans (whether design, architectural, or otherwise) shall be approved in writing by Landlord prior to the commencement of construction.

All such design and construction shall comply with other Sections of this Lease concerning the design and construction of buildings and other improvements on or at the Demised Premises, including without limitation [Sections 6 \(including Lease Addendum #2\), 8, and 13](#) hereof.

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the Demised Premises shall be held by Landlord. Landlord shall be protected, and fully indemnified in accordance with [Sections 6 and 21](#) hereof and other relevant provisions of this Lease, in acting upon any certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact or as to any matter therein set forth. Such certificate shall be full warranty, authority and protection to Landlord in acting thereon and Landlord shall be under no duty to take any action other than as set forth in this [Section 14](#).

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the Demised Premises, or any part thereof (less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses ("Net Insurance Proceeds")) shall be applied as follows:

1. Net insurance proceeds as above defined shall be paid to Tenant or as Tenant may direct from time to time as Restoration progresses to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant to Landlord accompanied by (a) certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and material in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration, and (b) evidence satisfactory to Landlord that there exist no mechanics', materialmen's or similar liens for labor or materials except such, if any, as are discharged by the payment of the amount requested.

2. Upon receipt by Landlord of the certificate and evidence required by the foregoing clauses (1) (a) and (b) that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics', materialman's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

E. In the event that Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration. Landlord's right to commence or complete Restoration shall begin after Landlord has given Tenant at least thirty (30) days written notice requesting (i) the commencement of Restoration, or (ii) that Tenant diligently proceed to the completion of Restoration, and Tenant during such thirty (30) day period fails to commence or fails to proceed to diligently complete Restoration. In such event, Landlord shall be entitled to obtain the insurance proceeds, and Tenant shall promptly pay any deficiency if such proceeds are not sufficient for Restoration.

F. In the event of termination of this Lease by Landlord as a result of Tenant's failure to commence or complete (as the case may be) the Restoration, this Lease shall terminate and come to an end upon Landlord's termination as aforesaid as though the date of such termination by Landlord were the date of expiration of the term of this Lease, and all insurance proceeds shall be paid to Landlord.

Section 15. Condemnation:

A. If during the term hereof, any part of the Demised Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the Demised Premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the Demised Premises, and Landlord shall refund to Tenant any prepaid but unaccrued Rental less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the Demised Premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the Rental due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly Rental installment due hereunder, as adjusted from time to time pursuant to [Section 4](#), by a fraction, the numerator of which shall be the number of square feet remaining in the Demised Premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the Demised Premises. The Rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the Demised Premises.

C. If this Lease is not terminated pursuant to [Section 15.A.](#), above, Tenant shall promptly restore any building and any other improvements on the Demised Premises, and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the Demised Premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interest may appear. If this Lease is terminated pursuant to [Section 15.A.](#), condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

Section 16. Utilities:

Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the Demised Premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone, data connectivity, or any other utility connections, tap-in fees, impact fees, and services furnished to the Demised Premises during the term hereof. Tenant agrees to contact all utility service providers prior to any excavation or digging on the Demised Premises. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services, except to the extent caused by the gross negligence or willful misconduct of Landlord.

Section 17. Common Facilities:

Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and egress to the Demised Premises, other Airport installations, and all other reasonable services which may be provided with or without charge from time to time by Landlord in operating the Airport ("Common Facilities"). All such Common Facilities shall at all times be under the exclusive control, operation and management of Landlord and may be rearranged, modified, changed, altered, removed, or terminated from time to time at Landlord's sole discretion.

Section 18. Airport Governing Documents:

Landlord, in its sole and absolute discretion, shall have the right from time to time to adopt, amend, modify, alter, and terminate in a reasonable manner certain rules and regulations, standards of operations, policies, procedures and practices deemed necessary and appropriate for the purpose of assuring the safety, welfare, fairness and equality without unjust discrimination, convenience and protection of property of Landlord, Tenant, other tenants and users of the Airport, their customers, and the general public (herein collectively referred to as the "Airport Governing Documents.") Tenant hereby agrees to comply in all material aspects at all times with these Airport Governing Documents.

As of the Effective Date of this Lease such Airport Governing Documents include, without limitation:

1. Addison Airport Minimum Standards and Requirements for Commercial Aeronautical Service Providers vr. 2004 (also commonly referred to as the "Minimum Standards" or "Airport Minimum Standards"); and
2. *Addison Airport Rules and Regulations* vr. 2010 (also commonly referred to as the "Rules and Regulations" or "Airport Rules and Regulations"), which shall govern Tenant's use of the Demised Premises and all Common Facilities of the Airport; and
3. *Addison Airport Rates and Charges* – a schedule of the current rates, fees and charges assessed by the Airport for various services and facilities, which are generally approved in connection with the Airport's annual budgetary process but may be amended from time to time as deemed reasonable and appropriate.

Landlord has also adopted the National Business Aviation Association (NBAA) Noise Abatement Program (<https://nbaa.org/aircraft-operations/environment/noise-abatement-program/>) revised in 2015. Unless Landlord adopts a noise abatement program of its own, Tenant and Tenant's subtenants and their aeronautical guest and invitees are required to comply with NBAA's recommended noise abatement procedures, which are suitable for any aircraft type and airport operating environment.

Section 19. Signs and Equipment:

After first securing Landlord's approval, Tenant shall have the right from time to time to install and operate signs depicting Tenant's name and operate radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the Demised Premises that may be reasonably necessary for the operation of Tenant's business, provided such signs and equipment are installed and maintained in compliance with all applicable governmental laws, rules, and regulations, including the Town of Addison's sign ordinance, and do not interfere with the operation of any navigation facilities or Airport communications (including, without limitation, navigation facilities or Airport communications used or operated by the Federal Aviation Administration).

Section 20. Landlord's Right of Entry:

Landlord and Landlord's authorized representatives shall have the right, during normal business hours and upon one (1) day notice (not counting Saturdays, Sundays or holidays), except in the case of emergencies, to enter the Demised Premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs permitted under this Lease, (iii) to show the Demised Premises to any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the Demised Premises customary signs advertising the Demised Premises for lease.

Section 21. Indemnity and Exculpation:

A. Exculpation.

Landlord and the elected officials, the officers, employees, representatives, agents, and volunteers of Landlord, individually or collectively, in both their official and private capacities, (each a "Landlord Person" and collectively the "Landlord Persons"), and Airport Manager and Airport Manager's owner's, officers, employees, representatives, and agents, in both their official and private capacities, (each a "Manager Person" and collectively the "Manager Persons"), shall not be liable to Tenant or to any of Tenant's owners, directors, officers, shareholders, partners, managers, employees, agents, consultants, servants, customers, invitees, patrons, subtenants, licensees, concessionaires, contractors, subcontractors, or any other person or entity for whom Tenant is legally responsible, and their respective owners, directors, officers, shareholders, partners, managers, employees, agents, consultants, servants, customers, invitees, patrons, subtenants, licensees, concessionaires, contractors, and subcontractors, (each a "Tenant Person" and collectively "Tenant Persons"), or to any other person whomsoever, for any death or injury to persons or damage to or destruction of property or any other harm on or about the Demised Premises or any adjacent area owned by Landlord caused by or resulting from any act or omission of Tenant or any Tenant Persons, or arising out of the use or occupation of the Demised Premises by Tenant or any Tenant Persons and/or the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder.

B. Tenant's Indemnity Obligation.

Tenant shall DEFEND (with counsel reasonably acceptable to Landlord), INDEMNIFY, AND HOLD HARMLESS Landlord and all other Landlord Persons and Airport Manager and all Manager Persons (Landlord and all other Landlord Persons, and Airport Manager and all other Manager Persons, being collectively the "Indemnified Persons") from and against any and all claims, actions, proceedings, causes of action, demands, losses, harm, damages, penalties, fines, liability, expenses, lawsuits, judgments, costs, and fees (including reasonable attorney fees and court costs) of any kind and nature whatsoever made upon, incurred by, suffered by, or asserted against any of the Indemnified Persons, whether directly or indirectly (collectively for purposes of this Section, "Damages"), that result from, relate to, are based upon, or arise out of, in whole or in part, (I) any condition of the Demised Premises caused in whole or in part by Tenant or by any Tenant Persons; (II) any act or omission of Tenant or any Tenant Persons under, in connection with, or in the performance of, this Lease; (III) any representations or warranties by Tenant under this Lease; (IV) any personal injuries (including but not limited to death) to any Tenant Persons and to any third persons or parties arising out of or in connection with Tenant's breach or default by Tenant in the performance of Tenant's obligations under this Lease; and/or (V) the Demised Premises becoming out of repair due to the fault of Tenant or any Tenant Persons for any reason, including by failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling. THIS DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE (BUT EXCLUDING ANY DAMAGES CAUSED IN WHOLE OR IN PART BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF THE INDEMNIFIED PERSONS (OR ANY OF THEM), OR CONDUCT BY THE INDEMNIFIED PERSONS (OR ANY OF THEM) THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL CONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE INDEMNIFIED PERSONS. Tenant's liability under this indemnity obligation shall be reduced by that portion of the total amount of the Damages (excluding defense fees and costs) equal to the Indemnified Person's or Indemnified Persons' proportionate share of the negligence or conduct that would give rise to strict liability of any kind, that caused the loss. Likewise, Tenant's liability for Indemnified Person's or Indemnified Persons' defense costs and attorneys' fees shall be limited to a portion of the defense costs and attorneys' fees equal to the Indemnified Person's or Indemnified Persons' proportionate share of the negligence or conduct that would give rise to strict liability of any kind, that caused the loss.

Tenant shall promptly advise Landlord and Airport Manager in writing of any claim or demand against any Indemnified Persons, Tenant, or any Tenant Persons related to or arising out of Tenant's activities under this Lease and shall see to the investigation and defense of such claim or demand at Tenant's sole cost and expense. The Indemnified Persons shall have the right, at the

Indemnified Person's or Indemnified Persons' option and own expense, to participate in such defense without relieving Tenant of any of its obligations hereunder.

C. Release.

Tenant hereby **RELEASES** Landlord and all other Landlord Persons, and Airport Manager and all other Manager Persons, (i) for any death or injury to any person or persons or damage to or destruction of property of any kind resulting from the Demised Premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling or for any other reason whatsoever, and (ii) any loss or damage that may result from or be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public, or quasi-public work, **INCLUDING, WITHOUT LIMITATION, ANY AND ALL CLAIMS WHICH ARISE FROM, OR ARE ALLEGED OR FOUND TO HAVE BEEN CAUSED BY, IN WHOLE OR IN PART, THE NEGLIGENCE (BUT EXCLUDING CLAIMS WHICH ARISE FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF ANY OF THE INDEMNIFIED PERSONS, OR CONDUCT BY ANY OF THE INDEMNIFIED PERSONS THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND.**

D. THE PROVISIONS OF THIS SECTION 21 SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS LEASE.

Section 22. Environmental Compliance:

A. No Storage or Disposal: Tenant shall not install, store, use, treat, transport, discharge or dispose (or permit or acquiesce in the installation, storage, use, treatment, transportation, discharge or disposal by Tenant, its directors, officers, shareholders, members, partners, agents, employees, invitees, contractors, subcontractors, independent contractors, or subtenants) on the Demised Premises or any portion of the Common Facilities, any: (a) asbestos in any form; (b) urea formaldehyde foam insulation; (c) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million; or (d) any other chemical, material, air pollutant, toxic pollutant, waste, or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by the Resource Conservation Recovery Act (42 U.S.C. §6901, et seq., as amended or superseded), the Comprehensive and Environmental Response Compensation and Liability Act (42 U.S.C. §9601, et seq, as amended or superseded), the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act, and/or the Clean Water Act, or any other federal, state, county, regional, local or other governmental authority laws, rules, orders, standards, policies, or regulations, or which, even if not so regulated may or could pose a hazard to the health and safety of the occupants of the Demised Premises and/or any portions of the Common Facilities, and which is either: (i) in amounts in excess of that permitted or deemed safe under any applicable law, rule, order, standard, policy, or regulation or (ii) in any manner prohibited or deemed unsafe under applicable law, rule, order, standard, policy, or regulation. (The substances referred to in (a), (b), (c) or (d) are collectively referred to hereinafter as "Hazardous Materials").

B. Cleanup Laws: Tenant shall, at Tenant's own expense, comply with any presently existing or hereafter enacted laws relating to Hazardous Materials (collectively, "Cleanup Laws"); provided, however that Tenant shall not be responsible for correcting any violation of the Cleanup Laws under this Section that existed prior to the Effective Date. In furtherance and not in limitation of the foregoing, Tenant shall, at Tenant's own expense, make all submissions to provide all information to, and comply with all requirements of the appropriate governmental authority (the "Authority") under the Cleanup Laws. Should any Authority require that a cleanup plan be prepared and that a cleanup be undertaken because of the existence of Hazardous Materials which were installed, stored, used, treated, transported, disposed of or discharged on the Demised Premises and/or any portion of the Common Facilities, by Tenant, its directors, shareholders, members, partners, officers, agents, employees, invitees, independent contractors, contractors, subcontractors, licensees, subtenants, any other person entering the Demised Premises under express or implied invitation of Tenant, or any person directly or indirectly employed by or acting under Tenant, during the Term of this Lease, Tenant shall, at Tenant's own expense, prepare and submit the required plans and financial assurances and carry out the approved plans in accordance with such Cleanup Laws and to Landlord's satisfaction. At no expense to Landlord, Tenant shall promptly provide all information requested by Landlord for preparation of affidavits or other documents required by Landlord to determine the applicability of the Cleanup Laws to the Demised Premises and/or any portion of the Common Facilities, as the case may be, and shall sign the affidavits promptly when requested to do so by Landlord.

TENANT'S FURTHER INDEMNITY OBLIGATION. TENANT SHALL INDEMNIFY, DEFEND, SAVE AND HOLD HARMLESS LANDLORD AND ALL OTHER LANDLORD PERSONS, AND AIRPORT MANAGER AND ALL OTHER MANAGER PERSONS, FROM AND AGAINST, AND REIMBURSE LANDLORD AND ALL OTHER LANDLORD PERSONS, AND AIRPORT MANAGER AND ALL OTHER MANAGER PERSONS, FOR, ANY AND ALL OBLIGATIONS, DAMAGES, INJUNCTIONS, FINES, PENALTIES, DEMANDS, CLAIMS, COSTS, FEES, CHARGES, EXPENSES, ACTIONS, CAUSES OF ACTION, JUDGMENTS, LIABILITIES, SUITS, PROCEEDINGS AND LOSSES OF WHATEVER KIND OR NATURE (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS), AND ALL CLEANUP OR REMOVAL COSTS (COLLECTIVELY FOR PURPOSES OF THIS SUBSECTION, "DAMAGES") AND ALL ACTIONS OF ANY KIND ARISING OUT OF OR IN ANY WAY CONNECTED WITH, (I) THE GENERATION, INSTALLATION, STORAGE, USE, TREATMENT, TRANSPORTING, DISPOSAL OR DISCHARGE OF HAZARDOUS MATERIALS IN OR ON THE DEMISED PREMISES AND/OR ANY PORTION OF THE AIRPORT, INCLUDING THE COMMON FACILITIES, OR ANY PROPERTY ADJACENT TO THE AIRPORT, BY TENANT OR ANY TENANT PERSONS, AND (II) ALL FINES, SUITS, PROCEDURES, CLAIMS AND ACTIONS OF ANY KIND ARISING OUT OF TENANT'S FAILURE TO PROVIDE ALL INFORMATION, MAKE ALL SUBMISSIONS AND TAKE ALL STEPS REQUIRED BY THE AUTHORITY UNDER THE CLEANUP LAWS OR ANY OTHER ENVIRONMENTAL LAW, RULE, STANDARD, REGULATION, OR POLICY. SUCH DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE (BUT NOT TO THE EXTENT CAUSED BY THE

GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF THE LANDLORD, ANY OTHER LANDLORD PERSON, AIRPORT MANAGER, OR ANY OTHER MANAGER PERSON, OR BY ANY ACT OR OMISSION OF LANDLORD, ANY OTHER LANDLORD PERSON, AIRPORT MANAGER, OR ANY OTHER MANAGER PERSON THAT MAY GIVE RISE TO STRICT LIABILITY OF ANY KIND. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL MISCONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE LANDLORD, AND ANY OTHER LANDLORD PERSON, AND AIRPORT MANAGER, AND ANY OTHER MANAGER PERSON. TENANT'S LIABILITY UNDER THIS INDEMNITY OBLIGATION SHALL BE REDUCED BY THAT PORTION OF THE TOTAL AMOUNT OF THE DAMAGES (EXCLUDING DEFENSE FEES AND COSTS) EQUAL TO THE INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, THAT CAUSED THE LOSS. LIKEWISE, TENANT'S LIABILITY FOR INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' DEFENSE COSTS AND ATTORNEYS' FEES SHALL BE REDUCED BY A PORTION OF THE DEFENSE COSTS AND ATTORNEYS' FEES EQUAL TO THE INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, THAT CAUSED THE LOSS. In addition to and not in limitation of Landlord's other rights and remedies, Tenant's failure to abide by the terms of this Section shall be restrainable by injunction.

C. Environmental Notices: Tenant shall promptly supply Landlord with copies of any notices, correspondence and submissions made by Tenant to or received by Tenant from any governmental authorities of the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, the FAA, TxDOT, or any other local, state or federal authority that requires submission of any information concerning environmental matters or Hazardous Materials.

D. Prior to the Commencement Date of the Lease, the Tenant, at Tenant's sole cost and expense, may conduct a Phase I Environmental Site Assessment ("ESA") with respect to the Demised Premises. If a Phase I ESA indicates the likely presence of Hazardous Materials (as defined in this Lease) on the Demised Premises, Tenant shall be entitled to (i) ask Landlord to remedy the reported condition at Landlord's sole cost and expense if, and only if, a Phase II ESA is not recommended; or (ii) if a Phase II ESA is recommended, Tenant may, at its sole option, terminate the Lease or conduct a Phase II ESA at Tenant's sole cost and expense. If the Phase II ESA indicates the presence of Hazardous Materials on the Demised Premises, Tenant shall be entitled to: (a) remedy the condition at its sole cost, expense and risk, or (b) ask Landlord to remedy the reported condition at Landlord's sole cost, expense and risk, which the Landlord shall make such determination at its sole discretion, or (c) elect to terminate and disaffirm the Lease, in which case the Lease shall become null and void *ab initio*, whereupon no further obligation shall be borne of either party hereto. A full copy of any ESA shall be delivered promptly to Landlord upon its issuance.

E. Survival: Tenant's defense and indemnity and hold harmless obligation and Tenant's liability pursuant to the terms of [Sections 6, 21 and 22](#) shall survive the expiration or earlier termination of this Lease.

Section 23. Default by Tenant:

Each of the following events, inclusive of those events of default otherwise referenced herein, shall be deemed to be an Event of Default (herein so called) by Tenant under this Lease:

A. Failure of Tenant to pay any installment of Rent or any other sum payable to Landlord hereunder, or failure to pay or cause to be paid taxes (to the extent Tenant is obligated to pay or cause same to be paid), utilities, or insurance premiums, or any other payment which Tenant is to make under this Lease, on the date that same is due and such failure shall continue for a period of ten (10) days after the date on which such payment is to be made.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease (other than the payment of Rent or other sum of money, or the payment of taxes, utilities or insurance premiums, or other payments Tenant is to make under this Lease, as set forth in [Subsection A.](#) of this [Section 23](#)) and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant; provided, however, in the event such failure is not susceptible of cure within such thirty (30) day period, then such thirty (30) day period shall be extended for an additional period of time (not to exceed an additional sixty [60] days) so long as Tenant has provided Landlord written notice of the curative measures Tenant proposes to undertake and commenced to cure such failure within the initial thirty (30) day period and thereafter diligently pursues such cure.

C. INTENTIONALLY DELETED.

D. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

E. Filing of a petition under any section or chapter of the Bankruptcy Code, as amended, or under any similar law or statute of the United States or any State thereof by Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor and same is not dismissed within sixty (60) days of filing.

F. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations and same is not dismissed within sixty (60) days of filing.

G. Abandonment or cessation of use of the Demised Premises or any substantial portion thereof for the purpose leased by Tenant for a period of thirty (30) consecutive days.

H. Tenant is in default of any other lease or agreement with the Town of Addison after notice and opportunity to cure, or, provided Tenant is the holder of a valid aviation fuel dispensing permit or license issued by the Town of Addison, is in default of said fuel dispensing permit or license after notice and opportunity to cure.

Section 24. Remedies of Landlord:

A. Upon the occurrence of any Event of Default by Tenant under this Lease, Landlord, without prejudice to any other legal, equitable, or contractual right or remedy, shall have the option to pursue any one or more of the following rights or remedies using lawful force if necessary or appropriate, without notice or demand whatsoever:

1. Terminate this Lease or any of Tenant's rights under this Lease, with or without reentering or repossessing the Demised Premises. Landlord may also terminate this Lease at any time after a termination of occupancy or possession occurs as described herein..
2. Terminate Tenant's right to occupy or possess all or any part of the Demised Premises without terminating this Lease and with or without reentering or repossessing the Demised Premises.
3. Recover unpaid Rent and any Damages (as defined below);
4. Re-enter and re-possess all or any part of the Demised Premises by changing or picking the locks, access codes, or other access control devices, and taking any other self-help or judicial action, to exclude Tenant and other occupants from the Demised Premises. Re-entry or repossession of the Demised Premises by Landlord will not be construed as an election by Landlord to terminate this Lease.
5. Remove and store (at Tenant's sole cost) any property (other than aircraft) on the Demised Premises.
6. Sue for eviction, specific enforcement, equitable relief, Rent, damages, or any other available remedy.
7. Cure Tenant's default, and if Landlord does so, Tenant shall reimburse Landlord within 30 days after Landlord delivers an invoice for any actual, out-of-pocket expenses Landlord incurred effecting compliance with Tenant's obligations.
8. Withhold or suspend any payment that this Lease would otherwise require Landlord to make.
9. Exercise all other remedies available to Landlord at law or in equity (including, without limitation, injunctive and other extraordinary remedies).

B. For purposes of this Section, "Damages" includes, without limitation, all actual, incidental, and consequential damages, court costs, interest, and attorneys' fees incurred by Landlord and arising from Tenant's breach of this Lease, including, without limitation, the cost of (i) recovering possession of the Demised Premises, (ii) removing and storing Tenant's and any other occupant's or other property, (iii) re-letting the Demised Premises, including, without limitation, the costs of brokerage commissions and cleaning, decorating, repairing, or altering the Demised Premises for a substitute tenant or tenants, (iv) collecting any money owed by Tenant or

a substitute tenant, (v) repairing any damage caused by any Tenant Persons, (vi) performing any obligation of Tenant under the Lease, and (vii) any other loss or cost incurred by Landlord as a result of, or arising from, Tenant's breach of the Lease or Landlord's exercise of its rights and remedies for such breach.

C. Unless Landlord delivers signed, written notice thereof to Tenant explicitly accepting surrender of the Demised Premises, providing for termination of this Lease, or evicting Tenant, no act or omission by Landlord or Airport Manager or their respective officials, officers, employees, or agents will constitute Landlord's acceptance of surrender of the Demised Premises, termination of Lease, or an actual or constructive eviction of Tenant (including, without limitation, Tenant's delivery of keys to any of Landlord's or Manager's officials, officers, employees, or agents or Landlord's repossession, reentry, or reletting of the Demised Premises).

D. Pursuit of any of the foregoing rights or remedies by Landlord shall not preclude Landlord's pursuit of any of the other rights or remedies herein provided or any other rights or remedies provided by law, in equity, or otherwise, nor shall pursuit of any right or remedy herein provided constitute a forfeiture or waiver of any Rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, conditions and covenants herein contained.

Section 25. Default by Landlord:

No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant's use and possession of the Demised Premises or render Landlord liable for damages (including consequential damages) or entitle Tenant to be relieved from any of Tenant's obligations hereunder (including the obligation to pay Rent) or grant Tenant any right of deduction, abatement, set-off or recovery or entitle Tenant to take any action whatsoever with regard to the Demised Premises or Landlord until thirty (30) days after Tenant has given Landlord written notice specifically setting forth such default by Landlord, and Landlord has failed to cure such default within said thirty (30) day period, or in the event such default cannot be cured within said thirty (30) day period then within an additional reasonable period of time so long as Landlord has commenced curative action within said thirty (30) day period and thereafter is diligently attempting to cure such default. In the event that Landlord fails to cure such default within said thirty (30) day period, or within said additional reasonable period of time, Tenant shall have the right as its sole and exclusive remedy to:

A. Proceed to cure such default (provided such cure occurs entirely within the Demised Premises) and deduct the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum from the next succeeding Rental installment(s) due by Tenant to Landlord hereunder;

B. Proceed to cure such default (provided such cure occurs entirely within the Demised Premises) and bring suit against Landlord for the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum; or

C. Seek, through judicial action, a declaratory judgment action, and limited equitable remedies of injunction and specific performance, as well as actual damages directly resulting from such default (but subject to the provisions of subsection B. of Section 26, below).

If any mortgagee of Landlord has given Tenant its address for notices and specifically requests such notice, Tenant agrees to give the notice required hereinabove to such mortgagee at the time Tenant gives same to Landlord, and to accept curative action, if any, undertaken by such mortgagee as if such curative action had been taken by Landlord.

Section 26. Mitigation of Damages:

A. In lieu of any obligation imposed by law on Landlord to mitigate damages arising from Tenant's abandonment of the Demised Premises in breach of this Lease, Landlord, beginning within a reasonable period after the termination of Tenant's right to possess the Demised Premises have been relet (but subject to the provisions of this subsection A. set forth below), will use commercially reasonable efforts to mitigate damages by marketing the Demised Premises for lease, and Tenant will remain liable for all Rent and for Damages incurred by Landlord (as the term "Damages" is defined in Section 24, above).

B. Landlord and Tenant agree to the following criteria in connection with Landlord's obligation (if any) to mitigate damages as described above:

1. Landlord will have no obligation to solicit or entertain negotiations with any other prospective tenants of the Demised Premises until and unless Landlord obtains full and complete possession of the Demised Premises, including without limitation, the final and acceptable legal right to relet the Demised Premises free of any claim of Tenant.

2. Landlord will not be obligated to offer the Demised Premises to a prospective tenant when other premises suitable for that prospective tenant's use are (or soon will be) available in any other premises located at Addison Airport.

3. Landlord will not have any obligation to lease the Demised Premises for any rental less than the current rate then prevailing for similar space at Addison Airport (or if no similar space is available, the current fair market rental then prevailing for similar space in comparable buildings in the same market area as the Demised Premises) nor shall Landlord be obligated to enter into a new lease under any terms or conditions that are unacceptable to Landlord.

4. Landlord will not be obligated to enter into any lease with any prospective tenant whose reputation is not acceptable to Landlord, in Landlord's commercially reasonable judgment and opinion.

5. Landlord will not be obligated to enter into a lease with any prospective tenant: (i) which does not have, in Landlord's commercially reasonable judgment and opinion, sufficient financial resources and operating experience to operate the Demised Premises in a first-class manner and meet its financial obligations; or (ii) whose proposed use of the Demised Premises is not a permitted use under the terms of this Lease.

6. Landlord will not be required to expend any amount of money to alter, remodel or otherwise make the Demised Premises suitable for use by any prospective tenant.

If Landlord makes the Demised Premises available for reletting under the criteria set forth hereinabove, Landlord will be deemed to have fully satisfied Landlord's obligation (if any) to mitigate damages under this Lease and under any law or judicial ruling in effect on the date of this Lease or at the time of Tenant's default, and **Tenant hereby waives and releases**, to the fullest extent legally permissible, any right to assert in any action by Landlord to enforce the terms of this Lease, any defense, counterclaim, or rights of setoff or recoupment respecting the mitigation of damages by Landlord (or alleged failure by Landlord to adequately mitigate its damages), unless and to the extent Landlord maliciously or in bad faith fails to act in accordance with the requirements of this Section.

No rent collected from a substitute tenant for any month in excess of the Rent due under the Lease for that month will be credited or offset against unpaid rent for any other month or any other Damages. Tenant stipulates that the mitigation requirements expressed in this Section are objectively reasonable. **TO THE FULLEST EXTENT PERMITTED BY LAW, TENANT WAIVES ANY OTHER OBLIGATION BY LANDLORD TO MITIGATE ITS DAMAGES AFTER TENANT FAILS TO PAY RENT OR VACATES OR ABANDONS THE PREMISES.**

C. Tenant's right to seek actual damages as a result of a default by Landlord under this Lease shall be conditioned on Tenant taking all actions reasonably required, under the circumstances, to minimize any loss or damage to Tenant's property or business, or to any of Tenant's officers, employees, agents, invitees, or other third parties that may be caused by any such default of Landlord.

Section 27. Waiver of Subrogation:

Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this Lease for any and all loss of, or damage to, any of such party's property located within or upon, or constituting a part of, the Demised Premises, which loss or damage is covered by valid and collectible casualty, fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Such mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto. Inasmuch as such mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party hereby agrees immediately to give to each insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such mutual waivers, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverages by reason of such waivers.

Section 28. Title to Improvements:

A. Any and all improvements on the Demised Premises, including, without limitation, any buildings constructed on the Demised Premises by or for Tenant, shall be owned by Tenant during the term of this Agreement. The term "improvements" shall include, without limitation, the Building Improvements) as defined in [Section 6](#).

B. Upon the expiration or earlier termination of this Lease, whether by expiration of the Term (as it may be amended or modified) or, by reason of default on the part of Tenant, or for any other reason whatsoever, the improvements (including, without limitation, the Building Improvements), and all parts thereof, shall merge with the title of the Demised Premises, free and clear of any claim of Tenant and all persons or entities claiming under or through Tenant (including, without limitation, any holder of a leasehold mortgage), and shall become the property of Landlord. Upon the expiration or earlier termination of this Lease, Tenant shall deliver up to Landlord the Demised Premises clean and free of trash and in good repair and condition in accordance to the prevailing Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices set forth in Lease Addendum #1, as amended or modified, with all fixtures situated in the Demised Premises delivered in good working order, reasonable wear and tear excepted; provided however, that if Tenant is not in default under the Lease at the time, Tenant shall have the right to remove all personal property (including aircraft stored in the Building Improvements) and trade fixtures owned by Tenant from the Demised Premises, but Tenant shall be required to repair any damage to the Demised Premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense.

C With no less than sixty (60) months remaining to the Term, or if the Lease is earlier terminated as provided for in this Lease, Landlord may elect, upon written notice, require Tenant to: demolish and remove, or cause to be removed, any or all Building Improvements, made to the Demised Premises pursuant to this Lease including, but not limited to, those Building Improvements described in Lease Addendum #2 and Lease Addendum #3 attached hereto.

D. Upon the expiration or early termination of this Lease, Tenant shall, at Landlord's request, execute a recordable instrument evidencing the termination of this Lease and giving the effective date of said termination or Expiration Date.

Section 29. Mechanics' and Materialmen's Liens; Lien for Rent:

A. Tenant agrees to DEFEND, INDEMNIFY and HOLD HARMLESS to the full extent as provided in this Lease, Landlord and all Landlord Persons, and Airport Manager and all Manager Persons, from and against all liability arising out of the filing of any mechanics' or materialmen's liens against the Demised Premises by reason of any act or omission of Tenant or anyone claiming under Tenant (including, without limitation, any Tenant Persons), and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in Section 39 as Additional Rent; provided, however, that Landlord shall not so satisfy such liens until thirty (30) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such thirty (30) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the Demised Premises, unless a shorter period of time is dictated by applicable law.

Section 30. INTENTIONALLY DELETED.

Section 31. Quiet Enjoyment and Subordination:

Landlord covenants, represents and warrants that Landlord has the full right and power to execute and perform this Lease and to grant the estate demised herein and that Tenant, upon payment of the Rent and performance of the terms, conditions, covenants and agreements herein contained, shall (subject to all of the terms and conditions of this Lease) peaceably and quietly have, hold and enjoy the Demised Premises during the full term of this Lease. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien hereafter placed on the Demised Premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien hereafter placed on the Demised Premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this Lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien.

Section 32. Rent on Net Return Basis:

The Rent provided for in this Lease shall be an absolute net return to Landlord for the term of this Lease, free of any loss, expenses or charges with respect to the Demised Premises, including, without limitation, maintenance, repairs, replacement, insurance, taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

Section 33. Holding Over:

Should Tenant, or any of Tenant's successors in interest fail to surrender the Demised Premises, or any part thereof, on the expiration of the Term of this Lease, such holding over shall constitute a tenancy from month to month only terminable at any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly Rental equal to one hundred fifty percent (150%) of the Base Rent owed or paid for the last month of the Term of this Lease.

Section 34. Waiver of Default:

No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein. Landlord will not be deemed to have waived any right or Tenant's breach of any obligation under this Lease, unless Landlord delivers a signed writing, addressed to Tenant explicitly relinquishing that right or breach. No custom or practice arising during the administration this Lease will waive, or diminish, Landlord's right to insist upon strict performance of Tenant's obligations. No restrictive endorsement or other statement on or accompanying any check or payment will be deemed an accord and satisfaction or novation, and Landlord will be entitled to accept any such check or payment, without prejudice, to Landlord's rights to recover the full amount due and to exercise its other remedies.

Section 35. Release of Landlord Upon Transfer:

All of Landlord's personal liability for the performance of the terms and provisions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the Demised Premises by Landlord, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee of Landlord's interest in this Lease and the Demised Premises.

Section 36. Attorneys' Fees:

If, on account of any breach or default by either Party to this Lease, it shall become necessary for either Party to employ an attorney to enforce or defend any of its rights or remedies hereunder, and should such party so prevail on the merits, then such party shall be entitled, in addition to any other rights it may have, in law or equity, to collect reasonable attorneys' fees incurred in connection with such enforcement or defense from the other Party .

Section 37. Financial Information:

Tenant agrees that Tenant will, from time to time upon the written request of Landlord during the term of this Lease, furnish to Landlord such credit and banking references as Landlord may reasonably request.

Section 38. Estoppel Certificates:

A. Tenant agrees that from time to time, upon not less than ten (10) days prior written request by Landlord, Tenant will deliver to Landlord a statement in writing certifying that:

1. This Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and stating the modifications).
2. The dates to which Rent and other charges have been paid.
3. Landlord is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.
4. If requested by Landlord, Tenant will not pay Rent for more than one (1) month in advance and that this Lease will not be amended without notice to Landlord's mortgagee and that the same will not be terminated without the same notice required by the Lease to be furnished to Landlord also being furnished to Landlord's mortgagee and Landlord's mortgagee fails to cure such default within the curative period allowed Landlord under this Lease.

B. Landlord agrees that from time to time, upon not less than ten (10) days' prior written request by Tenant, Landlord will deliver to Tenant a statement in writing certifying that:

1. This Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease as modified is in full force and effect and stating the modifications).
2. The dates to which Rent and other charges have been paid.
3. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

Section 39. Interest on Tenant's Obligations and Manner of Payment:

All monetary obligations of Tenant to Landlord under this Lease remaining unpaid ten (10) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date") shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum (or the maximum interest rate permitted by law, whichever is lower) from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice. Notwithstanding the foregoing, Tenant's failure to pay any monetary amount due under this Lease is a monetary default of this Lease.

Section 40. Special Events:

Landlord may sponsor certain special events, including, but not limited to, air shows, to be conducted on portions of the Airport, which may limit or obstruct access to the Premises and/or to the Airport ("Special Events"), and Tenant agrees and consents to the same. As a material inducement to Landlord to enter into this Lease, and notwithstanding anything to the contrary contained herein, Tenant, on behalf of Tenant and on behalf of all directors, officers, shareholders, partners, principals, employees, agents, contractors, subtenants, licensees or concessionaires of Tenant and on behalf of any other party claiming any right to use the Demised Premises by, through or under Tenant, hereby: (i) agrees that Landlord has the right to sponsor any or all Special Events and to allow use of portions of the Airport therefor even if the same limit or obstruct access to the Demised Premises and/or to the Airport; (ii) **releases, waives and discharges** Landlord and Manager, and Landlord Persons and Manager Persons, from all liability for any loss, damage, cost, expense or claim arising or resulting from or pertaining to the limitation or obstruction of access to the Demised Premises and/or to the Airport from the conduct of Special Events and/or activities relating or pertaining thereto, including, without limitation, death, injury to person or property or loss of business or revenue (the "Released Claims"); (iii) **covenants not to sue** the Landlord or Airport Manager, or any of the Landlord Persons and Manager Persons, for any Released Claims (except to the extent caused by the gross negligence or willful misconduct of Landlord); (iv) agrees that the terms contained in this Section are intended and shall be construed to be as broad and inclusive as possible under the laws of the State of Texas;

and (v) agrees that if any portion of this Section is held to be invalid or unenforceable, the remainder of this Section shall not be affected thereby but shall continue in full force and effect.

Section 41. Independent Contractor:

It is understood and agreed that in leasing, using, occupying, and operating the Demised Premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord or Airport Manager.

Section 42. Force Majeure:

To the extent either party to this Lease shall be wholly or partially prevented from the performance of any obligation or duty placed on such party by reason of or through any Act of God, stoppage of labor or material, riot, fire, flood, acts of war, insurrection, court judgment, or a government restriction, quarantine or mandatory closure order enacted in response to a pandemic or other public health crises, or other specific cause reasonably beyond the party's control and not attributable to its malfeasance, neglect or nonfeasance (each an event of "Force Majeure"), the time for performance of such obligation (other than a payment obligation) may be extended for a period equal to the time lost by reason such event, provided, that the party complies with the provisions of this section. Specifically, the party asserting Force Majeure (i) shall give prompt notice to the other party of the prevention of performance as soon as the asserting party is reasonably aware of such prevention, and (ii) has the burden of demonstrating: (1) how and why their performance was so prevented, (2) the period of time during which they were so prevented from performing (which under the facts may be equal to, or shorter or longer than, the duration of the Force Majeure event itself), and (3) that the party used commercially reasonable efforts to mitigate and/or eliminate such prevention and resumed performance under this Lease as soon as reasonably practicable.

Section 43. Exhibits:

All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

Section 44. Use of Language:

Words of any 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, unless the context otherwise requires. The terms "day", "week", "month", "year" or any plural form of said terms shall be construed to mean on a calendar basis unless expressly stated otherwise. For the purposes herein, the term "business day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of Texas are authorized or required by law or other governmental action to close.

Section 45. Captions:

The captions or headings, sections, or paragraphs in this Lease are inserted for convenience only and shall not be considered in construing the provisions hereof if any question of intent should arise.

Section 46. Successors; No Third-Party Beneficiaries; No Waiver of Immunity; No Tax Representation:

The terms, conditions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any notices required or permitted to be delivered by Landlord to Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

Except as otherwise expressly set forth in this Lease (e.g., provisions relating to the Airport Manager and Manager Persons), this Lease and all of its provisions are solely for the benefit of the parties hereto and do not and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

Notwithstanding any other provision of this Lease, nothing in this Lease shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which the Town of Addison, Landlord, its officials, officers, employees, representatives, and agents, or Airport Manager, its owners, officers, employee, representatives, and agents, are or may be entitled, including, without limitation, any waiver of immunity to suit.

Notwithstanding any provision of this Lease, Landlord makes no representation that this Lease or any provision hereof will entitle or allow Tenant to receive any federal income or other federal tax benefit whatsoever.

Section 47. Severability:

If any provision in this Lease should be held to be invalid, illegal, or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby, and the invalid, illegal, or unenforceable term will be reformed to give effect (to the fullest extent possible) to the parties' intentions in a manner that is legal, valid, and enforceable. Unless otherwise amended or modified by written agreement, it is the parties intent that the term of this Lease does not exceed the statutory limit, but in no event any longer than 50 years (600 months); if it should be determined that the term of this Lease exceeds such period of time, the term hereof shall be reformed so as to make the term hereof not exceed such period of time.

Section 48. Notices:

Any notice or document required to be delivered or given hereunder in writing shall be delivered, whether received or not, when (a) delivered in person; or (b) deposited in the United States mail, postage prepaid, registered, or certified mail, (return receipt requested optional by the sender); or (c) by Federal Express Corporation or other nationally recognized carrier to be delivered the next business day addressed to the parties at the addresses indicated below or at such address as may have theretofore been specified by written notice delivered in accordance with this Section 48; or (d) sent

by e-mail only, with delivery deemed effective the next business day. Such notice or document shall be deemed to be delivered or given, whether actually received or not, (a) when received if delivered or given in person, (b) if sent by United States mail, three (3) business days after being deposited in the United States mail as set forth above, and (c) on the next business day after the day the notice or document is provided to Federal Express Corporation or other nationally recognized carrier to be delivered as set forth above. If sent by e-mail, a confirmation-of-delivery receipt or report reflecting the time and date that the e-mail was delivered to the recipient's last notified e-mail address is prima facie evidence of receipt by the recipient, unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the recipient.

Addresses for the delivery or giving of any such notice or document are as follows:

TO LANDLORD:

Town of Addison, Texas
c/o City Manager
P.O. Box 9010
Addison, Texas 75001
Email: dgaines@addisontx.gov

TO TENANT

RR Investments, Inc.
4300 Westgrove Drive
Addison, Texas 75001
Email: drickerhauser@millionairdallas.com

With Copy to:

Town of Addison, Texas
c/o Addison Airport Manager
4545 Jimmy Doolittle Road, Suite 200
Addison, Texas 75001
Attn: Real Estate Manager
Email: bill.dyer@addisonairport.net

With Copy to:

and

Town of Addison, Texas
City Attorney
P.O. Box 9010
Addison, Texas 75001

Section 49. Fees or Commissions:

Except as provided for in Section 24.B herein, each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

Section 50. Counterparts:

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

Section 51. Consent; "Includes" and "Including"; Recitals:

Unless otherwise provided for herein, where Landlord's consent or approval is required in this Lease, such consent or approval shall be required of the City Council of the Town of Addison, Texas, or as such authority is delegated by the City Council from time to time. For purposes of this Lease, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded. The above and foregoing recitals to the Lease are true and correct and are incorporated into and made a part of this Lease for all purposes.

Section 52. Governing Law and Venue; Survivability of Rights and Remedies:

A. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, without regard to "choice of laws" rules of any jurisdiction. Any and all suits, actions or legal proceedings relating to this Agreement shall be maintained in the state or federal courts of Dallas County, Texas, which courts shall have exclusive jurisdiction for such purpose. Each of the parties submits to the exclusive jurisdiction of such courts for purposes of any such suit, action, or legal proceeding hereunder, and waives any objection or claim that any such suit, action, or legal proceeding would be in an inconvenient forum or that the venue of that suit, action, or legal proceeding is improper.

B. Any rights and remedies either party may have with respect to the other arising out of the performance of or failure to perform this Lease during the term hereof shall survive the cancellation, expiration or termination of this Lease. **NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE PARTIES OBLIGATIONS AND LIABILITIES PURSUANT TO SECTIONS 6, 21, 22, 28 SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE AS DEEMED NECESSARY FOR THE ENFORCEMENT OF THE PARTIES RIGHTS AND OBLIGATIONS THEREUNDER.**

Section 53. Entire Agreement and Amendments; Authorized Persons:

This Lease, consisting of fifty-three (53) Sections and Exhibits 1-7 together with Lease Addendum #1, Lease Addendum #2 and Lease Addendum #3 attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or on behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

The undersigned representatives of the parties hereto are the properly authorized persons and have the necessary authority to execute this Lease on behalf of the respective parties hereto.


EXECUTED as of the day, month and year first above written.

TENANT:

RR INVESTMENTS, INC.
a Texas corporation

LANDLORD:

TOWN OF ADDISON, TEXAS
a home-rule municipality

By: 
Don Rickerhauser, President & CEO

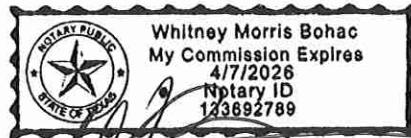
By: _____
David Gaines, City Manager

ACKNOWLEDGEMENTS

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on May 15, 2023, by
(Name) [Signature], (Title) President + CEO, on behalf of RR INVESTMENTS,
INC., a Texas corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 15 day of
May, 2023.



[Signature]
Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2023 by
David Gaines, City Manager of the Town of Addison, Texas, a Texas home-rule municipality, on
behalf of the said municipality.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of
_____, 2023.

Irma G. Parker
Notary Public, State of Texas
Comm. Expires 08-07-2026
Notary ID 4770064

Notary Public, State of Texas

Exhibit 1

Legal Description of Addison Airport

The property platted pursuant to the Final Plat, Addison Airport, recorded as Instrument #200503420292 in Dallas County, Texas Official Public Records as depicted on the following two pages.

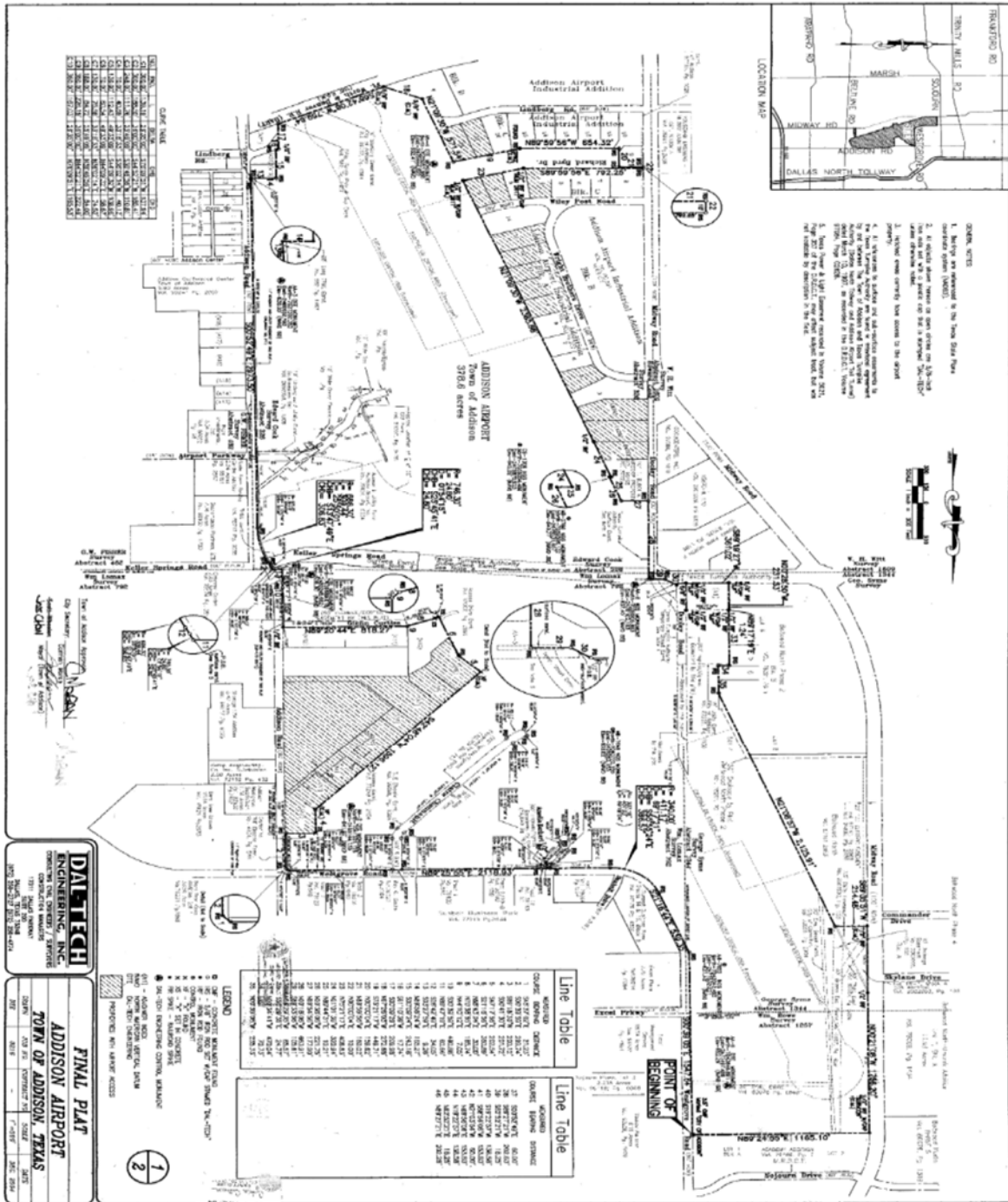


Exhibit 2

Legal Description of Demised Premises

Property #0200 ALP-A5; 4550 Jimmy Doolittle

And

Property #0240 ALP-A6; 4553 Jimmy Doolittle

PROPERTY #0200 ALP-5
4550 Jimmy Doolittle Drive, Addison Airport

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), and lying in the south line of Addison Airport Property #0231 and, having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 58.76 feet passing a 'PK" nail found in the south line of said Jimmy Doolittle Drive at the northwest corner of Addison Airport Property #0210, continuing along the west line of said Property #0210, in all a distance of 62.52 feet to a 'PK' nail found;

THENCE along the west line of said Property #0210 the following:

North 68 Degrees 43 Minutes 35 Seconds East, 14.96 feet to a 1/2-inch iron rod found;

South 21 Degrees 16 Minutes 25 Seconds East, 113.96 feet to a cut 'x' found;

South 68 Degrees 56 Minutes 04 Seconds West, 14.96 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 15 Seconds East, 23.69 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 6.26 feet to a cut 'x' set;

South 21 Degrees 13 Minutes 44 Seconds East, 7.30 feet to a cut 'x' set;

South 68 Degrees 46 Minutes 16 Seconds West, 5.12 feet to a cut 'x' found;

South 21 Degrees 13 Minutes 44 Seconds East, 41.95 feet to a cut 'x' set in the north line of Taxiway Sierra, from which a 'PK' nail found at the southwest corner of said Property #0210 bears South 21 Degrees 13 Minutes 44 Seconds East, 3.00 feet;

THENCE South 68 Degrees 36 Minutes 46 Seconds West, at all times remaining 60.00 feet north of and parallel to the centerline of Taxiway Sierra, 382.10 feet to a 'PK' nail set;

THENCE North 21 Degrees 14 Minutes 10 Seconds West, 246.36 feet to a 3/8-inch iron rod found at the southwest corner of said Property #0231;

THENCE North 68 Degrees 44 Minutes 36 Seconds East, along the south line of said Property #0231, 330.08 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 21 Degrees 06 Minutes 33 Seconds East, along the south line of said Property #0231, 3.41 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 68 Degrees 19 Minutes 44 Seconds East, along the south line of said Property #0231, 63.31 feet to the **POINT of BEGINNING** and **CONTAINING** 2.254 acres of land.

PROPERTY #0240 ALP-A6
4553 Jimmy Doolittle Drive, Addison Airport

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82 of the Deed Records of Dallas County, Texas (DRDCT), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the north line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), from which the intersection of the north line of said Jimmy Doolittle Drive with the south line of Keller Springs Road a variable width surface easement to the Texas Turnpike Authority as described in instrument recorded in Volume 97084, Page 2628 DRDCT bears, North 68 degrees 19 minutes 44 seconds East, 372.00 feet;

THENCE South 68 degrees 19 minutes 44 seconds West, along the north line of said Jimmy Doolittle Drive, 256.47 feet to 'PK' nail found in concrete;

THENCE South 21 degrees 06 minutes 33 seconds East, 4.65 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE South 68 degrees 44 minutes 36 seconds West, at 145.22 feet passing an interior corner of ground lease #0200-3502, continuing along the westerly north line of said ground lease #0200-3502, in all a distance of 330.08 feet to a 3/8-inch iron rod found at the northwest corner of said ground lease #0200-3502;

THENCE North 21 degrees 14 minutes 10 seconds West, 137.75 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 68 degrees 59 minutes 49 seconds East, 562.50 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" at the point of curvature of a circular curve to the right having a radius of 24.00 feet;

THENCE southeasterly, along said curve to the right, through a central angle of 89 degrees 40 minutes 58 seconds, an arc distance of 37.57 feet and having a chord which bears South 66 degrees 09 minutes 42 seconds East, 33.85 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" at the point of tangency;

THENCE South 21 degrees 19 minutes 13 seconds East, 104.78 feet to the **POINT of BEGINNING** and **CONTAINING** 1.80 acres of land.

Exhibit 3

Property Survey of Demised Premises

Property #0200 ALP-A5; 4550 Jimmy Doolittle

And

Property #0240 ALP-A6; 4553 Jimmy Doolittle

Addison Airport,
Vol. 2005131, Pg. 82
DIRACT

**PARCELA
PROPERTY #0200**

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, and being a part of the Final Plat of Addison Airport, an addition to the Town of Addison, Texas, according to the plat thereof recorded in Volume 2005131, Page 82, of the Deed Records of Dallas County, Texas (DRDC), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys" in the west line of Jimmy Doolittle Drive, (a unrecorded 60 foot wide ingress and egress easement), and lying in the south line of Addison Airport Property #0231 and, having Texas State Plane Coordinates of Northing: 7,039,040.476, Easting: 2,479,627.736;

THENCE S 21°16'25" E, along the west line of said Jimmy Doolittle Drive, at 56.76 feet passing a PK nail found in the south line of said Jimmy Doolittle Drive at the northwest corner of Addison Airport Property #0210, continuing along the west line of said Property #0210, in an arc distance of 62.52 feet to a PK nail found;

THENCE along the west line of said Property #0210 the following:

North 68 Degrees 43 Minutes 35 Seconds East, 14.96 feet to a 1/2-inch iron rod found;

South 21 Degrees 16 Minutes 25 Seconds East, 113.96 feet to a cut 'X' found;

South 68 Degrees 56 Minutes 04 Seconds West, 14.96 feet to a cut 'X' found;

South 21 Degrees 13 Minutes 15 Seconds East, 23.69 feet to a cut 'X' set;

South 68 Degrees 46 Minutes 16 Seconds West, 6.26 feet to a cut 'X' set;

South 21 Degrees 13 Minutes 44 Seconds East, 7.30 feet to a cut 'X' set;

South 68 Degrees 46 Minutes 16 Seconds West, 5.12 feet to a cut 'X' found;

South 21 Degrees 13 Minutes 44 Seconds East, 41.95 feet to a cut 'X' set in the north line of Taxway Sierra, from which a PK nail found at the southwest corner of said Property #0210 bears South 21 Degrees 13 Minutes 44 Seconds East, 3.00 feet;

THENCE South 68 Degrees 36 Minutes 46 Seconds West, at all times remaining 60.00 feet north of and parallel to the centerline of Taxway Sierra, 382.10 feet to a PK nail set;

THENCE North 21 Degrees 14 Minutes 10 Seconds West, 246.36 feet to a 3/8-inch iron rod found at the southwest corner of said Property #0231;

THENCE North 68 Degrees 44 Minutes 36 Seconds East, along the south line of said Property #0231, 330.08 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

THENCE North 21 Degrees 06 Minutes 33 Seconds East, along the south line of said Property #0231, 3.41 feet to a 5/8-inch iron rod set with plastic cap stamped "Sparr Surveys";

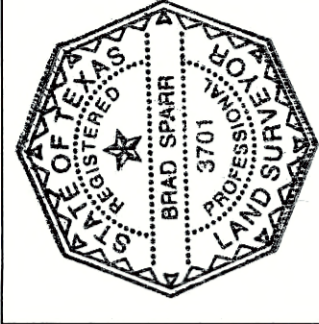
THENCE North 68 Degrees 19 Minutes 44 Seconds East, along the south line of said Property #0231, 63.31 feet to the **POINT OF BEGINNING** and **CONTAINING** 2.254 acres of land.

Property #0200 4550 Jimmy Doolittle Drive

To: Addison Airport, exclusively;

I, Brad Sparr, a Registered Professional Land Surveyor for Sparr Surveys, do hereby certify that this survey was made on the ground, that this drawing correctly represents the facts found at the time of survey and that this professional service conforms to the current Texas Society of Professional Land Surveyors Standards and Specifications for a Category 1B Condition II Survey.

Brad Sparr
Registered Professional
Land Surveyor No. 3701



Sparr Surveys
2553 C.R. 722
McKinney, Texas 75069
(214) 544-2297

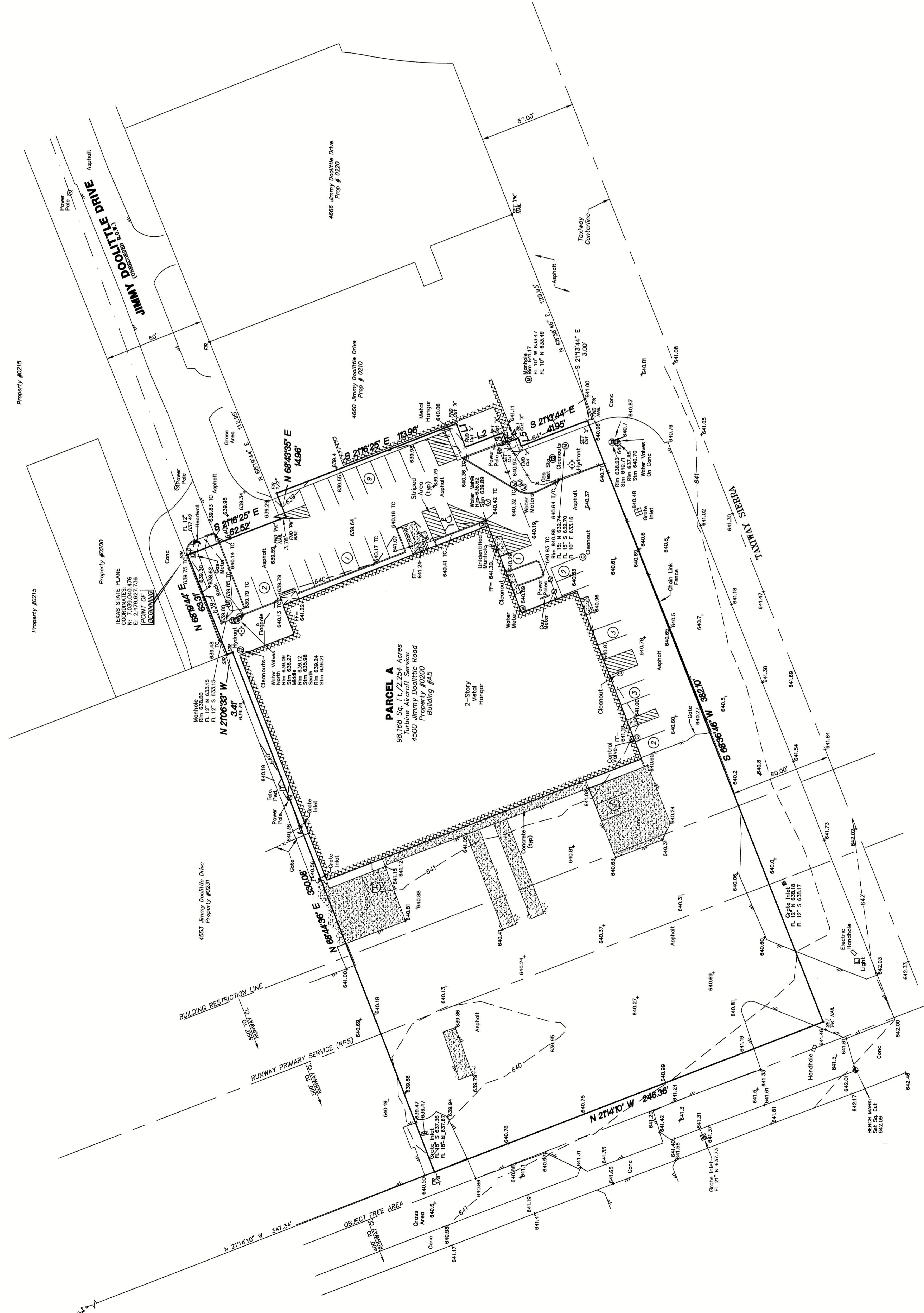
**PROPERTY #0200
2.254 ACRE TRACT**
SITUATED IN THE
ADDISON AIRPORT
TOWN OF ADDISON
DALLAS COUNTY, TEXAS

DRAWN BY: B.D.S./CAD
CHECKED BY: B.D.S.
SCALE: 1" = 30'
DATE: SEPT. 18, 2018
REV. 10-01-2018
JOB NO. 19000M-5

This survey was prepared for
ADDISON AIRPORT.
THIS PLAN IS VALID UNLESS IT BEARS AN
ORIGINAL SIGNATURE AND EMBOSSED SEAL,
AND UNLESS IT IS REPRODUCED IN FULL.
IT DOES NOT APPLY TO ANY COPIES.

LINE TABLES

No.	BEARING	DIST.
L1	S 68°56'04" W	14.96'
L2	S 21°13'15" E	23.69'
L3	S 68°46'16" W	6.26'
L4	S 21°13'44" E	7.30'
L5	S 68°46'16" W	5.12'



NOTES
BEARINGS BASED ON ADDISON AIRPORT CONTROL.
PK DENOTES A FOUND IRON ROD.
SR DENOTES A 5/8" IRON ROD SET WITH PLASTIC CAP
STAMPED "SPARR SURVEYS".

Exhibit 3

Legal Descriptions of Demised Premises

Property #0200 ALP-A5; 4550 Jimmy Doolittle

And

Property #0240 ALP-A6; 4553 Jimmy Doolittle

Exhibit 4A

Description of New Building Improvements and Approved Site Plan Aircraft Apron Improvements

- Demolition, removal and preparation of site where the existing aircraft apron serving 4550 Jimmy Doolittle (ALP #0200) now exists
- Demolish and remove each of two existing taxiway/taxilane connectors (as the case may be)
- Demolish and remove the airport vehicle service road (common area) parallel and contiguous the full width of the Demised Premises from Taxilane Sierra northward to the common boundary line with the neighboring U.S. Customs/Airport Administration Building located at 4545 Jimmy Doolittle.
- Reconstruct the existing aircraft apron, taxiway connectors and airport vehicle service road with steel reinforced concrete with a designed capacity rated for Aircraft Design Group III aircraft up to 100,000 pounds dual wheel tandem landing gear. (Approximately 57,000 square feet of surface area included.)
- Where the vacant land now exists at 4553 Jimmy Little Dr. (ALP #0240), construct new aircraft apron, taxiway connectors and airport vehicle service road with steel reinforced concrete with a designed capacity rated for Aircraft Design Group III aircraft up to 100,000 pounds dual wheel tandem landing gear. (Approximately 56,000 square feet of surface area included.) *Note: it is assumed here the new aircraft apron will not extend eastward beyond the existing No-Build Area (buried water and sewer infrastructure lines traversing the vacant lot).*
- Estimated Construction Value \$2,500,000 (See Lease Addendum #3 Section B.3)

This Exhibit 4A hereby includes by reference the complete set of Design Plans approved by the Town of Addison for the New Building Improvements - Aircraft Apron Improvements including, but not limited to, all architectural, civil, mechanical, and electrical and landscape drawings and specifications, together with all change orders and as-built modifications, warranties and guaranties procured by Tenant.

Exhibit 4B

Description of New Building Improvements and Approved Site Plan Terminal Building Improvements

- Erect a private aircraft terminal building (FBO) adequate in size to comfortably accommodate arriving and departing passengers, crew members, and support staff. The expected area will be approximately 15,000sf.
- FBO will be either a two-story building or erected as a single-story construction with the appearance of a two-story building allowing high ceilings and natural light to illuminate the interior
- FBO will complement the neighboring US Customs / Airport Administration facility in design and construction
- Create an FBO space that is aesthetically pleasing and welcoming to travelers arriving to the Town of Addison
- Install an aesthetically pleasing and welcoming vehicle gate allowing access to/from the main ramp controlled within the FBO facility
- FBO will be designed to support international private aircraft traffic due to its proximity to the US Customs facility
- Provide for parking at or above the standards required by the Town of Addison
- Construction value to exceed \$3,000,000

**The above information is preliminary in scope and subject to change. Million Air Dallas looks forward to working closely with The Town and Airport Management to further refine the concept and design to our mutual benefit.

This Exhibit 4B hereby includes by reference the complete set of Design Plans approved by the Town of Addison for the New Building Improvements – Terminal Building Improvements including, but not limited to, all architectural, civil, mechanical, and electrical and landscape drawings and specifications, together with all change orders and as-built modifications, warranties and guaranties procured by Tenant.

Exhibit 5

Form of Irrevocable Standby Letter of Credit

[Lender Letterhead]

_____, 202_

Town of Addison, Texas
C/o City Manager
5300 Belt Line Road
Dallas, Texas 75254
Email: dgaines@addisontx.gov

Dear Mr. Gaines:

At the request of _____ [TENANT] _____, we have established in your favor the enclosed Irrevocable Standby Letter of Credit # _____, in an amount not to exceed _____ and ___/100 Dollars (\$_____ .00).

Please examine this instrument carefully. If you are unable to comply with the terms and conditions, please communicate with the applicant to arrange for an amendment.

All drawings under this credit must be accompanied by the original Letter of Credit for endorsement.

If we can be of further assistance, please do not hesitate to call us at

_____.

Sincerely,

_____ [LENDER] _____

By:

Name: _____

Title:

Enclosure

cc: [TENANT]

[Lender Letterhead]

IRREVOCABLE LETTER OF CREDIT # _____

Date: _____, 202__

Beneficiary:

Town of Addison, Texas
C/o City Manager
5300 Belt Line Road
Dallas, Texas 75254
Email: dgaines@addisontx.gov

Applicant:

[TENANT]

Attention: _____

We hereby issue our Irrevocable Standby Letter of Credit # _____ in favor of Beneficiary (as defined hereunder). This Letter of Credit is effective up to the aggregate amount of _____ and No/100 Dollars (\$ _____ .00) available by draft drawn on Issuer at sight, marked "Drawn under Irrevocable Standby Letter of Credit # _____" accompanied by the following:

1. Beneficiary's written statement purportedly signed by its authorized representative reading as follows: "The undersigned is authorized to make the following statement on behalf of Town of Addison, Texas ("Beneficiary"). Beneficiary hereby certifies that an event of default has occurred under that certain Lease Agreement dated _____, 20__, between Beneficiary and Applicant (the "Lease") with respect to the construction of the [New/Existing] Building Improvements, as defined therein, and that such default is ongoing. The amount of the draft presented represents the amount known by me to be required to complete construction of the [New/Existing] Building Improvements under the Lease."
2. This original Letter of Credit and any amendments thereto (if any). In the event of a partial drawing the original Letter of Credit will be endorsed and returned to you unless the Letter of Credit has expired or the amount available is reduced to zero.

Special Conditions:

1. Partial drawings are permitted under this Letter of Credit.

2. Other than Beneficiary's statement required above, the Lender shall require no further substantiation of the occurrence of such an event of default, consent of Applicant, or proof of the necessity of the draw.
3. This Letter of Credit sets forth in full the terms of our undertaking and such undertaking shall not in any way be modified, amended or amplified by reference to any document, instrument or agreement referred to herein or to which this Letter of Credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement.
4. Except as expressly stated herein, this undertaking is not subject to any agreement, condition or qualification.

We hereby engage with you that documents drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented for payment to [LENDER], at _____, Attention: _____, prior to 5:00 pm on or before _____, 202__.

This Letter of Credit is subject to and governed by the Uniform Customs and Practice for Documentary credits of the International Chamber of Commerce (Publication 600, 2007 Revision).

[LENDER]

By:
Name: _____
Title:

SAMPLE FORM ONLY NOT FOR EXECUTION

Exhibit 6A

FORM OF MEMORANDUM OF LEASE

**STATE OF TEXAS §
 §
COUNTY OF DALLAS §**

KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF LEASE

This Memorandum of Lease is dated as of _____, 2023, and is executed by the Town of Addison, Texas, a home-rule municipality (“Landlord”) and RR Investments, Inc., a Texas corporation (“Tenant”).

WITNESSETH THAT:

In consideration of the premises and of the mutual covenants and agreements set forth in that certain Ground Lease Agreement dated as of _____, 2023 (the “Ground Lease”), by and between Landlord and Tenant, Landlord has leased to Tenant, and Tenant has leased from Landlord, a certain parcel of land located at and within Addison Airport (“Airport”) that is more particularly described in Exhibit “1” attached hereto with a Commencement Date of _____, 2023 and an Expiration Date of June 30th, 2048, as each term is defined in the Ground Lease, and subject to all of the terms, provisions and conditions of the Ground Lease.

This Memorandum of Lease is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish or supplement the provisions of the Ground Lease. In the event of any inconsistency between the provisions of this Memorandum of Lease and the provisions of the Ground Lease, the provisions of the Ground Lease shall govern. Reference should be made to the Ground Lease for the full description of the rights and duties of Landlord and Tenant, and this Memorandum of Lease shall in no way affect the terms and conditions of the Ground Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

Upon the expiration or earlier termination of the above-described Ground Lease, Landlord and Tenant agree that they shall execute and record a termination of this Memorandum of Lease.

IN WITNESS WHEREOF, the undersigned parties execute this Memorandum of Lease this _____ day of _____, 2023.

TENANT: RR Investments, Inc. _____ By: _____ _____	LANDLORD: TOWN OF ADDISON, TEXAS By: _____ _____, City Manager
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SAMPLE FORM ONLY NOT FOR EXECUTION

SAMPLE FORM ONLY NOT FOR EXECUTION

ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2023, by
_____(Name)_____, ____ (Title)_____, on behalf of RR INVESTMENTS,
INC., a Texas corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of
_____, 2023.

Notary Public, State of Texas

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2023 by
David Gaines, City Manager of the Town of Addison, Texas, a Texas home-rule municipality, on
behalf of the said municipality.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of
_____, 2023.

Irma G. Parker
Notary Public, State of Texas
Comm. Expires _____
Notary ID 4770064

Notary Public, State of Texas

EXHIBIT 1

**PROPERTY SURVEY AND LEGAL DESCRIPTION
OF DEMISED PREMISES**

**SAMPLE FORM ONLY
NOT FOR EXECUTION**

Exhibit 6B

FORM OF MEMORANDUM OF LEASE

SAMPLE FORM ONLY NOT FOR EXECUTION

MEMORANDUM OF LEASE EXTENSION

This Memorandum of Lease is dated as of _____, 20____, and executed by and between the Town of Addison, Texas ("Landlord" or "City") and RR INVESTMENTS, INC., a Texas corporation ("Tenant").

WHEREAS, a Ground Lease was first executed on _____, 2023 (the "Ground Lease"), between the Landlord and Tenant whereby Landlord leased to Tenant and Tenant leased from Landlord a certain parcel of land located at and within Addison Airport ("Airport") that is described in Exhibit "1" attached hereto and incorporated herein by referenced) as evidenced by that Memorandum of Lease recorded in the Dallas County, Texas Official Public Records ("OPR") as Instrument # _____; and

WHEREAS, the Ground Lease provides that, should Tenant achieve Final Completion of the Terminal Building Improvements (as these terms are defined in the Ground Lease) as required under the Ground Lease, the "Base Term" shall be extended, to the then-prevailing Texas statutory lease term limit stipulated in Section 22.021 of the Texas Transportation Code (current statutory lease term limit is 480 months), but in no event shall the Base Term exceed 600 full calendar months from the Commencement Date (the "Extended Term").

NOW LET IT BE KNOWN, Tenant satisfactorily fulfilled the requirements necessary to achieve Final Completion of the Terminal Building Improvements required under the Ground Lease; therefore, the Base Term was extended and now expires on _____, unless otherwise earlier terminated pursuant to the terms and conditions of the Ground Lease.

This Memorandum of Lease Extension is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish or supplement the provisions of the Ground Lease. In the event of any inconsistency between the provisions of this Memorandum of Lease Extension and the provisions of the Ground Lease, the provisions of the Ground Lease shall govern. Reference should be made to the Ground Lease (and all amendments thereto, if any) for the full description of the rights and duties of Landlord and Tenant thereunder, and this Memorandum of Lease shall in no way affect the terms and conditions of the Ground Lease (including all amendments thereto, if any) or the interpretation of the rights and duties of Landlord and Tenant thereunder.

IN WITNESS WHEREOF, the undersigned parties execute this Memorandum of Lease this _____ day of _____, 202_.

TENANT: RR INVESTMENTS, INC. By: _____, _____	LANDLORD: TOWN OF ADDISON, TEXAS By: _____, _____, City Manager
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SAMPLE FORM ONLY NOT FOR EXECUTION

SAMPLE FORM ONLY – NOT FOR EXECUTION

ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 202_, by
(Name) _____, ___(Title)_____, on behalf of RR INVESTMENTS,
INC., a Texas corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of
_____, 202_.

Notary Public, State of Texas

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 202_ by
David Gaines, City Manager of the Town of Addison, Texas, a Texas home-rule municipality, on
behalf of the said municipality.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of
_____, 202_.

Irma G. Parker
Notary Public, State of Texas
Comm. Expires _____
Notary ID 4770064

Notary Public, State of Texas

EXHIBIT 1

**PROPERTY SURVEY AND LEGAL DESCRIPTION
OF DEMISED PREMISES**

SAMPLE FORM ONLY NOT FOR EXECUTION

Exhibit 7

Master Landlord Sublease Consent (See Section 9.B of Ground Lease)

MASTER LANDLORD'S CONSENT TO SUBLEASE

Rider to Sublease Agreement

GROUND LEASE TENANT & MASTER LEASE INFORMATION

Name of Tenant as " <u>Tenant</u> "		
Primary Contact		
Legal Notice Address:		
Telephone:		Ground Lease No: _____
E-mail Address:		Effective Date of Ground Lease: _____ (<i>"Master Lease Effective Date"</i>)

SUBLEASE AGREEMENT (the "Sublease")

<u>Sublease Agreement Date:</u>	<u>Commencement Date:</u>	<u>Expiration Date:</u>
Address of Subleased Premises:		
Describe Renewal Options (if applicable):		

Subtenant Name: as " <u>Subtenant</u> "		" <u>State</u> " of Formation/ Incorporation (if applicable)
Entity Type		
DBA:		
Primary Contact:		Title:
Legal Notice Address:		
Telephone:		E-mail:
Website:	B.	

ON-SITE CONTACT INFORMATION

Name:		Title:
Telephone:		E-mail

EMERGENCY / AFTER HOURS CONTACT INFORMATION

Name:		Title:
Telephone:		E-mail

BASED AIRCRAFT REGISTRATION (use an additional sheet if needed)

N #	Make	Model	Year

(Underlined terms are defined as first given above)

The Town of Addison, Texas (the "Master Landlord") is the sole Landlord under that certain Ground Lease/Lease Agreement dated as of the Master Lease Effective Date wherein by way of any assignment, amendment, modification or other act, the above-named Tenant is the Tenant of the Ground Lease/Lease Agreement described above. Together with any and all assignments, modifications and amendments thereto, if any, the Ground Lease/Lease Agreement is hereinafter referred to as the "Master Lease," by the terms of which Tenant leased from Master Landlord certain property referred to as the "Demised Premises," "Leased Premises," or "Premises" (or such similar term) in the Master Lease (referred to herein as the "Demised Premises") located at Addison Airport within the Town of Addison, Texas, said property being more particularly described in said Master Lease. Tenant is hereby seeking Master Landlord's consent to the sublease ("Consent to Sublease") by Tenant of all or a part of the Demised Premises, which part is described in the Sublease, to the Subtenant so named above, pursuant to that Sublease Agreement described above (the "Sublease"), on the following terms and conditions:

Based on Tenant's representations, Master Landlord hereby consents to the Sublease on the following terms and conditions:

1. Tenant shall remain fully liable for the performance of each and every term, provision, covenant, duty and obligation of the Tenant under the Master Lease including, without limitation, the duty to make any and all payments of rent. This Consent to Sublease shall in no way release Tenant from any of its covenants, agreements, liabilities and duties under the Master Lease. Upon written demand by Master Landlord, Tenant and/or Subtenant shall deliver a true and correct copy of the Sublease as it may be amended or modified from time to time. This Consent to Sublease does not constitute approval by Master Landlord of the terms of the Sublease. Nothing herein contained shall be deemed a waiver or release of any of the Master Landlord's rights under the Master Lease.

2. Subtenant's use and occupancy of the Demised Premises shall be subject to all of the terms and conditions of the Master Lease to the extent applicable, Subtenant agrees to be bound by the terms and provisions of the Master Lease and in the event of any conflict between the terms of the Master Lease and the terms of the Sublease, the terms of the Master Lease shall control (and, without limiting the foregoing, the Demised Premises shall never be used for any purpose other than as permitted by the Master Lease, and this Consent to Sublease does not constitute and is not consent to any use on or within the Demised Premises which is not permitted by the Master Lease).
3. Subtenant shall be obligated to obtain Master Landlord's consent to any action as to which Tenant is obligated to obtain such consent under the Master Lease.
4. Tenant shall be fully liable for any violation by Subtenant of any of the terms and conditions of the Master Lease.
5. Master Landlord shall have no obligation for the performance by Tenant of its obligations under the Sublease. Neither this Consent to Sublease, the exercise by Master Landlord of its rights hereunder, nor the Sublease or any other instrument shall give Subtenant any rights directly or indirectly against Master Landlord or create or impose any obligation, duty, responsibility, or liability of Master Landlord in favor of or for the benefit of Subtenant.
6. In the event of the occurrence of an event of default under the Master Lease by Tenant while the Sublease is in effect, Master Landlord, in addition to any other rights or remedies provided in the Master Lease or by law, in equity, or otherwise, may at Master Landlord's option, collect directly from the Subtenant all rents becoming due under the Sublease and apply such rent against any sums due to Master Landlord. No direct collection by Master Landlord from Subtenant shall release Tenant from the payment or performance of Tenant's obligations under the Master Lease; provided that if Master Landlord collects any rents directly from Subtenant pursuant to this paragraph, Subtenant shall be released from its obligations to pay such rents to Tenant.
7. Tenant and Subtenant each hereby represent and warrant to Master Landlord that other than the Sublease, there are no agreements or understandings, whether written or oral between Tenant and Subtenant with respect to Subtenant's use and occupancy of the Demised Premises or any property of Tenant located therein.
8. Tenant and Subtenant each hereby covenants and agrees with Master Landlord that Tenant and Subtenant shall **defend, indemnify and hold harmless** Master Landlord, its elected officials, its officers, employees, representatives and agents from and against any and all claims, liabilities and obligations to any broker or agent in connection with the Sublease, including, without limitation, any reasonable attorneys' fees and costs incurred by Master Landlord in connection therewith.
9. If Subtenant is to operate as a commercial aeronautical service provider pursuant to the Sublease Agreement, Tenant hereby warrants and represents to Master Landlord that Tenant has delivered to Subtenant a complete copy of the prevailing *Addison Airport Minimum Standards and Requirements for Commercial Aeronautical Service Providers* and the *Addison Airport Rules and Regulations*, each of which may be amended and, or modified by the Master Landlord from time to time, and Subtenant hereby acknowledges and warrants and represents to Master Landlord that Subtenant has received the same and shall comply with the requirements set forth therein.
10. Tenant and Subtenant attest, warrant and represent to Master Landlord that all information given herein is true and correct.

This Master Landlord’s Consent to Sublease may be executed in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement; the signatures of all the parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by facsimile (e.g., telecopier, scanned PDF by email, or electronic signature) is as effective as executing and delivering this Agreement in the presence of the other parties to this Agreement.

ACKNOWLEDGED AND AGREED TO this _____ day of _____, 20__.

TENANT:

SUBTENANT:

By: _____

By: _____

Title: _____

Title: _____

**MASTER LANDLORD
TOWN OF ADDISON, TEXAS**

By: _____

Title: _____
Authorized Officer on Behalf of Master Landlord

Date: _____
Effective Date of Landlord’s Consent

LEASE ADDENDUM #1

Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #1 is made a part of and hereby incorporated into the Lease by reference.

I. **Purpose:** Pursuant to [Section 11](#) (or elsewhere as provided for) of the Lease¹ the Tenant is required to maintain the Demised Premises and all improvements, fixtures, equipment and personal property thereto in “good repair and in a first class condition” and in accordance with all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison or any regulating agency with oversight of any or all portions of the Demised Premises throughout the Term as it may be extended or otherwise amended.

Additionally, [Section 28](#) titled Title to Improvements provides that, among other things, Tenant shall own and hold title to any Buildings Improvements constructed on the Demised Premises by or for Tenant, shall be owned by Tenant for the duration of the Term, as the Term may be amended or modified. Upon the expiration or early termination of the Lease Term, the ownership of said Building Improvements, shall merge with the title of the Demised Premises and become the property of the Landlord. Landlord may, at Landlord's sole discretion, elect for Tenant to: (i) deliver to Landlord the Demised Premises clean and free of trash and in good repair and condition in accordance with these Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices together with all fixtures and equipment situated in the Demised Premises with reasonable wear and tear excepted; or (ii) upon written notice to tenant no later than sixty (60) months prior to the expiration of the Term, Landlord may elect to require Tenant to demolish and remove, or cause to be removed, any or all Building Improvements made to the Demised Premises, whether below, on or above the ground by Tenant or others, including, but not limited to, foundations, structures, buildings, utility lines, transformer vaults and all other service facilities constructed or installed upon the Demised Premises; and Tenant shall restore, quit and peacefully surrender possession of the Demised Premises to Landlord and leave the land free of debris in a level, graded condition, with no excavations, holes, hollows, hills or humps. Tenant shall perform and complete such removal and restoration in a good and workmanlike manner, in accordance with all applicable ordinances, codes, rules and regulations within six (6) months of the expiration or termination of the Term. Such demolition and removal shall be performed at Tenant's sole cost and risk in accordance with all prevailing ordinances, codes, rules and regulations governing same.

Therefore, these Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices (“Maintenance Standards”) hereby set forth in general the minimum level of standard of maintenance and repair or practice the Landlord expects of Tenant and Tenant (or any of its successors and or assigns) agrees to be obliged in order to comply with the terms and conditions of the Lease.

II. Governing Standard or Practice: [Section 8.A.](#) of the Lease states the Tenant agrees to comply with all laws, ordinances, rules, regulations, directives, permits, policies or standards of any governmental authority, entity, or agency affecting the use of the Demised Premises; and any “Construction/Maintenance Standards and Specifications” published by Landlord or its Airport Manager governing such matters at the Airport. [Section 11.B.](#) of the Lease states “Should there ever arise a conflict between the degree of standard or duty to practice any such standard or practice between [these Maintenance Standards] and any new construction and maintenance and repair standard so adopted by the Landlord, the standard and/or practice representing the higher or greater degree of standard and/or practice shall prevail as if such higher degree of standard and/or practice is incorporated into and made a part of these [Maintenance Standards].”

III. Terminology Used: Unless otherwise provided herein, the definition and/or the description of certain terms used or referred to below shall be the same as defined in the Lease or ASTM International Standard E2018-15² (as it may be amended or modified from time to time or its equivalence as generally accepted by the United States commercial real estate industry at the time).

For the purpose herein the standard of being in “good repair and in first-class condition” generally means when the building component or system is serving its designed function, is of working condition and operating well, shows evidence of being well taken care of and does not require immediate or short-term repairs above its *de minimis* threshold or does not evidence a material physical deficiency.

Building System – Interacting or independent components or assemblies, which form single integrated units that comprise a building and its site work, such as pavement and flatwork, structural frame, roofing, exterior walls, plumbing, HVAC, electrical, etc. (ASTM E2018-15).

Component – A portion of a building system, piece of equipment, or building element (ASTM E2018-15).

Deferred Maintenance – Physical deficiencies that could have been remedied with routine maintenance, normal operating maintenance, etc., excluding *de minimus* conditions that generally do not present a material physical deficiency to the subject property (ASTM E2018-15).

Effective Age – The estimated age of a building component that considers actual age as affected by maintenance history, location, weather conditions, and other factors. Effective Age may be more or less than actual age (ASTM E2018-15).

Engineer: Designation reserved by law for a person professionally qualified, examined, and licensed by the appropriate governmental board having jurisdiction, to perform engineering services (ASTM E2018-15).

Expected Useful Life – The average amount of time in years that an item, component or system is estimated to function without material repair when installed new and assuming routine maintenance is practiced (ASTM E2018-15).

² ASTM Designation E2018-15; November 2015 ASTM International, 100 Barr Harbor Drive, PO Box C700, West Conshohocken PA 19428-2929, United States

Fair Condition – To be found in working condition but may require immediate or short-term repairs above the *de minimis* threshold of not evidencing a material physical deficiency (ASTM E2018-15).

Normal Wear and Tear - Defined as deterioration that results from the intended use of the commercial premises, including breakage or malfunction due to age or deteriorated condition, but the term does not include deterioration that results from negligence, carelessness, accident or abuse of the premises, equipment or chattels by the Tenant, by a guest or invitee of the Tenant (Section 93.006[b]); Chapter 93 of the Texas Property Code entitled “Commercial Tenancies”

Physical Deficiency (ies) – The presence of a conspicuous defect or defects and/or material deferred maintenance of a subject property’s material systems, components, or equipment as observed. Specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc. (ASTM E2018-15).

Poor Condition – Found not to be in working condition or requires immediate or short-term repairs substantially above the *de minimis* threshold of not evidencing a material physical deficiency (ASTM E2018-15).

Routine Maintenance - Repair that does not require specialized equipment, professional services, or licensed contractors but, rather can be corrected within the budget and skill set of typical property maintenance staff (ASTM E2018-15).

IV. Baseline Property Condition Assessment: Beginning on or about the tenth (10th) anniversary but no later than the twelfth (12th) anniversary of the Commencement Date, Tenant shall procure, at the sole cost of Tenant, a Property Condition Assessment baseline report (PCA) to be prepared, written and signed by a licensed professional engineer qualified to assess the condition of the Demised Premises and all Building Improvements, fixtures and equipment made a part thereto pursuant to the then-operative version of ASTM International Standard Designation E2018 as of the date the PCA is performed. If at that time, for any reason, ASTM International no longer publishes standards for conducting property condition assessments for commercial real estate in the United States, Landlord and Tenant shall mutually agree to adopt another similar standard of practice to be performed by qualified third parties recognized and accepted by the commercial real estate industry in the United States.

For any portion of the Demised Premises designed and constructed with the intent to be used for the storage and movement of aircraft, the PCA shall also include an aircraft pavement condition assessment performed for such areas in accordance with FAA Advisory Circular 150/5380-7A “Airport Pavement Management Program” and ASTM Standard Designation D5340 “Standard Test Method for Airport Pavement Condition Index Surveys” (or their respective operative standard in effect at the time of the PCA report date) (the “Pavement Standards”). If no such standard exists at the time, the pavement condition assessment shall be performed based on prevailing industry standards as of the date of the assessment.

A. Within thirty (30) calendar days of the published date of the PCA report Tenant shall deliver to Landlord a complete signed original copy of the PCA report together with the aircraft pavement condition assessment, if any, together with:

(1.) “**Tenant’s Remedy Plan**”, a written plan prepared by Tenant itemizing and given in sufficient detail Tenant’s plan to remedy and cure, at Tenant’s sole cost and expense, any and all physical deficiencies and, or Deferred Maintenance matters identified and communicated in the PCA report. Tenant’s Remedy Plan shall indicate, among other things, that all work will be completed in a good and workman like condition pursuant to all local building codes and ordinances as required by the Lease within one hundred and eighty (180) calendar days from the date of the PCA’s published report date (the “Remedy Period”) unless otherwise agreed to in writing by Landlord.

(a.) If the pavement condition index (PCI), as defined in the Pavement Standards, reflects a score less than 70 (or its equivalence) the Tenant’s Remedy Plan shall set forth in sufficient detail Tenant’s intended remedy and cost estimate necessary to increase the aircraft pavement PCI score to a minimum of 70 within the Remedy Period.

(b.) In the event the PCA recommends supplemental testing or evaluation of any building component including, but not limited to, structural, building envelope, roofing, HVAC, plumbing, electrical, fire alarm and suppression, elevator, hangar door and/or door operators, environmental, pavement and ADA, Tenant’s Remedy Plan shall reflect Tenant’s plan to complete such supplemental investigations as recommended within the Remedy Period.

(2.) “**Tenant’s Facility Maintenance and Repair Plan**” (or “Maintenance Plan”) which sets forth in sufficient detail Tenant’s stated itemized objectives to maintain and keep all building components and systems, pavement and landscaped areas in good condition and repair together with any planned capital repairs, including those cited in the PCA report and any capital improvements planned within the next ten (10) years following the PCA published report date. Additionally, the Maintenance Plan should include but not be limited to the following:

(a.) Tenant’s schedule and checklist for periodic self-inspection of all major building components and systems on annualized basis.

(b) Tenant shall periodically update the Maintenance Plan to reflect scheduled repairs made together with itemized repair costs given, new conditions found as a result of Tenant’s periodic self-inspections and Tenant’s plan to maintain or repair said condition.

B. If Tenant fails to deliver to Landlord a complete signed original Baseline PCA Report, Tenant’s Remedy Plan and Tenant’s Facility Maintenance and Repair Plan as required herein. Landlord may provide written notice thereof to Tenant. Tenant shall have sixty (60) business days after receipt of such notice to provide such report or plan. Tenant’s failure to provide the documentation required herein shall be considered an event of default of the Lease. Tenant’s failure to promptly remedy any physical deficiency (ies) identified and communicated in any PCA report as required herein is also considered an event of default under the Lease. In the event of such default(s), in addition to all other rights and remedies available to Landlord under the Lease and by law, Landlord may, but not be obligated to, cause such reports and plans to be prepared and implemented as deemed commercially reasonable; and all reasonable costs therefore expended by

Landlord plus interest thereon as provided for in [Section 39](#) of the Lease shall be paid by Tenant upon demand.

V. Requirement for Subsequent Baseline Property Condition Report Updates, Tenant Remedy Plan Updates and Tenant’s Facility Maintenance and Repair Plan Updates:

A. Upon each ten (10) year anniversary of the Commencement Date (but in no event later than two (2) years after each ten-year anniversary) Tenant shall procure, at its sole cost and expense, a PCA update (including aircraft pavement condition assessment) with the subsequent PCA report being of similar form and scope as the initial baseline PCA outlined above. Consideration should be given to the age of all building components and whether any special assessments might be warranted. Within thirty (30) business days of the published date of the subsequent PCA report, Tenant shall deliver to Landlord a complete signed original of the subsequent PCA report together with the aircraft pavement condition assessment findings. Simultaneously, Tenant shall deliver to Landlord its Tenant Remedy Plan setting forth Tenant’s itemized and detailed plan for remedying and curing all physical deficiencies and/or Deferred Maintenance matters identified and communicated in the subsequent PCA report. Similarly, Tenant shall also deliver to Landlord Tenant’s Facility Maintenance and Repair Plan updated to reflect the most recent subsequent PCA report findings and recommendations.

B. With no less than sixty (60) months remaining until the Lease Expiration Date, Landlord shall give written notice to Tenant whether to:

1. Procure, at Tenant’s sole cost and expense, a final PCA report (including aircraft pavement condition assessment) with the final PCA report being of similar form and scope as the initial baseline PCA outlined above (the “Final PCA Report”). Consideration should be given to the age of all building components and whether any special assessments might be warranted. Within thirty (30) business days of the published date of the Final PCA Report, Tenant shall deliver to Landlord a complete signed original of the Final PCA Report together with the aircraft pavement condition assessment findings. Simultaneously, Tenant shall deliver to Landlord its Tenant Remedy Plan setting forth Tenant’s itemized and detailed plan for remedying and curing all Physical Deficiencies and/or Deferred Maintenance matters identified and communicated in the Final PCA Report. Similarly, Tenant shall also deliver to Landlord Tenant’s Facility Maintenance and Repair Plan updated to reflect the Final PCA Report findings and recommendations. which are to be implemented through the Lease Expiration Date.

or,

2. Plan for, prepare and implement the demolition and removal of the Building Improvements as set forth in [Section 28.C.](#) of the Lease.

VI. *Qualification of Property Condition Reviewer:* The qualifications of a third-party consultant performing or overseeing the PCA shall be:

1. Licensed in the state of Texas as a professional architecture or engineer;
2. Demonstrated experience working with general aviation type properties;

3. Having working knowledge of relevant FAA Advisory Circulars and ASTM Standards relating to facility and pavement maintenance and survey standards affecting the subject property type and scope (size and complexity, etc.); and
4. Experience preparing property condition reports.

VII. *Record Retention:* Throughout the Term Tenant shall diligently gather and retain in an orderly manner all documentation affecting and relating to the Building Improvements and any fixtures or equipment made a part of the Demised Premises. To the extent possible the Tenant shall retain digital copies of all such documentation, which can be easily reviewed, inspected and sourced. All such documents are to be made available to each consultant assigned to perform the property condition assessment and pavement condition analyses.

Such documents to be retained should include but not be limited to:

1. Site plan – updated as necessary.
2. Property Survey – updated as necessary to reflect any changes to the Demised Premises.
3. Construction and “as-built” drawings together with written building specifications.
4. Certificate of Occupancy and building permits.
5. Building Owner’s Manual received from the General Contractor.
6. Pavement Condition Assessment Reports (aircraft apron and other).
7. Insurance casualty claims and adjustment reports affecting the Building Improvements.
8. Description of future/planned material improvement or repairs.
9. Outstanding notices and citations for building, fire, and zoning code and ADA violations.
10. Previously prepared, if any, Property Condition Assessment reports or engineering testing and surveys pertaining to any aspect of the subject property’s physical condition.
11. Lease listing literature, listing for sale, marketing/promotional literature such as photographs, descriptive information, reduced floor plans, etc.
12. Periodic inspection reports (self or third-party) and supporting documentation.
13. Irrigation plans updated as needed.
14. Operating manuals, instructions, parts lists.

VIII. *Reversionary Process (at Lease Expiration or Early Termination):* Provided Landlord has not already given written notice to Tenant that Landlord has elected to require Tenant to demolish and remove any or all of the Building Improvements from the Demised Premises as set forth in [Section 28.C](#) of the Lease; pursuant to the terms and conditions of the Lease, unless otherwise amended or modified the Lease is due to expire at the end of the Lease Expiration Date at which time any and all Building Improvements and any subsequent improvements and alterations made thereto as defined in the Lease revert and become under the ownership of the

Landlord. If Tenant is not then in default of the Lease, Tenant shall have the right to remove all personal property and trade fixtures owned by the Tenant from the Demised Premises, but Tenant shall be required to repair any damage to the Demised Premises caused by such removal, which work shall be conducted in a good and workmanlike manner and at Tenant's sole cost and expense.

Accordingly, in order to facilitate an orderly transfer of all the ownership interests of the Demised Premises, Tenant shall deliver or cause to be delivered to Landlord all of the following on or before the Expiration Date, or earlier termination of the Lease:

Tenant's Representations: Tenant shall certify to Tenant's knowledge and attest in writing, in a form acceptable to Landlord:

1. Tenant conveys to Landlord in good and indefeasible title all the Building Improvements free and clear of any and all liens, assessments, security interests and other monetary encumbrances; and
2. There are no lessees or sub-lessees in possession of any portion of the Building Improvements, tenants at sufferance or trespassers; and
3. There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Building Improvements, and all obligations of Tenant arising from the ownership and operation of the Demised Premises and any business operated on the Building Improvements including but not limited to taxes, leasing commissions, salaries, contracts, and similar agreements, have been paid or will be paid before the Expiration Date; and
4. There is no pending or threatened litigation, condemnation, or assessment affecting the Building Improvements; and
5. Tenant has disclosed to Landlord any and all known conditions of a material nature with respect to the Building Improvements which may affect the health or safety of any occupant of the Demised Premises; and
6. Except as otherwise disclosed in writing by Tenant to Landlord, the Building Improvements do not contain, to Tenant's actual knowledge, any known Hazardous Materials other than lawful quantities properly stored in containers in compliance with applicable laws. For the purpose herein, "Hazardous Materials" means any pollutants, toxic substances, oils, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, or any other federal, state or local environmental law, ordinance, rule, or regulation, whether existing or subsequently enacted during the Term; and
7. Any Rent and monies due under the Lease unless paid in full; and
8. A Bill of Sale conveying personal property remaining or left on the Demised Premises, if any, free and clear of liens, security interest and encumbrances; and
9. All plans, drawings and specifications respecting the Building Improvements, including as-built plans and specifications, landscape plans, building system plans (HVAC, Telecom/Data, Security System, plumbing) air-conditioning in Tenant's possession or control; and

10. Inventory with corresponding descriptions and identification of all keys, lock combinations, access codes and other such devices or means to access every securable portion, compartment, cabinet, panel, closet, gate or point of entry within the Demised Premises; and
11. All soil reports, engineering and architectural studies, grading plans, topographical maps, feasibility studies and similar information in Tenant's possession or control relating to the Demised Premises; and.
12. A list and complete copies of all current service contracts, maintenance contracts, management contracts, warranties, licenses, permits, operating agreements, reciprocal easement agreements, maps, if any, applicable to the Demised Premises, certificate of occupancy, building inspection approvals and covenants, and conditions and restrictions respecting the Demised Premises; and
13. Copies of all utility bills (electric, water/sewer and gas) and similar records respecting the Building Improvements for the past three (3) months; and
14. A schedule of all service contracts, agreements and other documents not expressly referenced herein relating to the Demised Premises.

~End~

LEASE ADDENDUM #2

Existing Building Improvements, Demolition and Site Preparation

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum other attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #2 is made a part of and hereby incorporated into the Lease by reference.

1. **Existing Building Improvements:** As of the Effective Date of this Lease there are certain building improvements existing upon the Demised Premises in their as-is, where-is condition, including but not limited to a +/-14,688 square foot executive jet hangar with +/-11,294 square feet of attached office space, +/-1,814 square feet of shop space, 30 off-street vehicle parking spaces and +/-47,000 square feet of dedicated paved aircraft apron. The facility is constructed of steel frame with metal cladding. Domestic water, sanitary sewer and storm water service the Demised Premises. The Demised Premises is accessed by Jimmy Doolittle Drive, a paved airport street running east to west from the Keller Springs Road/Addison Road intersection and terminating at the entrance of the Demised Premises. Collectively, the above described shall hereinafter be referred to as the “Existing Building Improvements.”

2. Upon the Effective Date, Tenant accepts, without condition, the Demised Premises together with the Existing Building Improvements in their as-is, where-is condition (“Landlord’s Delivery of the Demised Premises”).

3. **Demolition and Site Preparation:** As of the Effective Date of this Lease, Tenant contemplates the demolition and site preparation affecting certain Existing Building Improvements, namely the paved aircraft apron within the Demised Premises. No vertical structures of the Existing Building Improvements are currently contemplated to be demolished in connection with the construction of New Building Improvements provided for in [Lease Addendum #3](#).

A. For the purposes of this [Lease Addendum #2](#), the demolition and site preparation of the existing dedicated aircraft apron described in #1 and referenced in #3 above, is and shall be deemed to be included and made a part of the New Building Improvements provided for in [Lease Addendum #3](#).

B. Notwithstanding the foregoing, in the event any Building Improvements (except for the aforementioned aircraft apron), including any future building or improvements made to, constructed, installed, located or placed upon the Demised Premises during the Term, shall, whether by (i) election of Tenant, (ii) the early termination of this Lease due to Tenant’s default of this Lease or, (iii) the expiration of the Lease pursuant to [Section 28.C](#) requiring demolition, razing, or deconstruction (“Demolition”) of any or all Building Improvements and the removal of any resulting debris, require site cleanup and site preparation necessary to restore the Demised Premises to a ‘Green Condition’ (as defined below) or, readied as necessary for the construction of any New Building Improvements (“Site Preparation”), such

Demolition and Site Preparation work shall be performed at Tenant's sole cost and expense and completed pursuant to a Demolition Work Plan (as defined below).

C. For purposes herein, a "Demolition Work Plan" is a written plan (i) prepared by a licensed engineer commissioned at Tenant's sole cost and expense setting forth (ii) the necessary and strategic steps to be followed by a licensed and authorized demolition contractor to ensure that the demolition and removal of any buildings or structures from the Demised Premises is performed safely and in accordance with local codes and ordinances, and (iii) in a manner that does not harm the environment; and (iv) does not present a nuisance to adjacent businesses, users of the airport and, community at-large; and (v) is performed pursuant to any required demolition or other applicable permits issued by the City and/or state.

D. Unless otherwise required by the Demolition Work Plan approved by Landlord, the term "Demolition" shall further mean the removal of, in their entirety, any Building Improvements, whether constructed by Tenant, their sublessees, or others before them, above and/or below the prevailing ground elevation or "grade," including but not limited to, foundations, piers and footings, structures, buildings, utility lines, transformer vaults and all other service facilities constructed or installed upon the Demised Premises, leaving the land free of debris in a level, graded condition, with no excavations, holes, hollows, hills or humps (hereinafter referred to as a "Green Condition"). All such removal and restoration shall be performed in a good and workmanlike manner, in accordance with all applicable ordinances, codes, rules and regulations.

E. Except for instances of delays covered by Force Majeure (pursuant to [Section 42](#) of the Lease) or those delays directly caused by Landlord, Tenant's failure to execute the completion of the approved Demolition Work Plan within six (6) full calendar months following the commencement of said demolition and site work shall be a Default by Tenant pursuant to [Section 23](#) of the Lease. For the purposes of this Lease Addendum #2, 'completion' shall mean (i) the Demolition Work Plan has been completed in full and all obligations thereunder fulfilled by Tenant and Tenant has fully complied with and met all conditions of any permit(s) issued by the City or state.

4. **Construction Insurance, Payment and Performance Bond:**

A. During any period of Demolition, Tenant or Tenant's demolition contractor shall obtain at Tenant's or Tenant's contractor's sole cost and expense and keep in full force and effect:

(i) Commercial General Liability insurance in conformance with [Section 13](#) of the Lease; and

(ii) Statutory limits of worker's compensation insurance in conformance with [Section 13](#) of the Lease.

B. Before any Demolition commences on the Demised Premises, Tenant shall deliver or cause to be delivered the following surety bonds to Landlord, which said surety bonds

shall be issued in conformance with state law naming Tenant and Landlord as joint obligees of said surety bonds:

(i) Tenant shall cause its contractor(s) to provide a Texas Payment Bond (private work) in the penal sum equal to 100% of the contracted amount for the demolition, removal and legal discharge and disposal of all debris as required by the Demolition Work Plan (“Payment Bond”) to ensure that all materials, equipment and labor are paid claim free.

(ii). Tenant shall cause its contractor(s) to provide a Texas Performance Bond (private work) in the penal sum equal to 100% of the total contracted amount (“Performance Bond”) to ensure that the work is completed in accordance with the Demolition Work Plan.

(iii) Prior to commencement of work, all surety bonds shall be duly recorded with the county clerk of Dallas County, when required to be enforceable, with a copy of same delivered to Landlord.

(iv) Upon completion of the contract, Tenant shall publicly record a release of each surety bond and provide Landlord with a copy.

(v) The surety company providing the Payment and Performance Bonds shall have an A.M. Best rating of B+ VI or better for the past four (4) calendar quarters.

5. Should Tenant be in default of the Lease after any applicable cure period pursuant to [Section 23](#) of the Lease prior to completion of the Demolition Work Plan, Landlord shall, in addition to and without waiving any other remedies available to Landlord under [Section 24](#) of the Lease, be entitled to the following:

A. If Tenant has commenced work on the approved Demolition Work Plan but has not achieved substantial completion at the time Landlord delivers its written notice of default under Section 23 of the Lease, Landlord shall have the right to re-enter the Demised Premises to complete or cause the completion of the Demolition in accordance with the approved Demolition Work Plan, which said costs of completion by Landlord shall be at Tenant’s sole cost and expense. Tenant shall promptly reimburse Landlord within thirty (30) days of Tenant’s receipt of Landlord’s final invoice for costs incurred to complete Demolition in accordance with the Demolition Work Plan. Provided Tenant timely reimburses Landlord as set forth herein and Landlord has no further claims against Tenant, except where the Survivability of Rights and Remedies are provided for in [Section 52](#) the Lease, Landlord may, at its sole and absolute discretion declared the Lease null and void with no further obligation of one party to the other.

B. Tenant’s failure to timely reimburse Landlord under Paragraph 7.A. above shall constitute an Event of Default under the Lease and shall be eligible, without exception, for recovery by Landlord under the Payment and Performance Bonds required of Tenant under Paragraph 5 above.

C. In the event Tenant is required to surrender possession of the Demised Premises under this Paragraph 5, Tenant shall deliver the Demised Premises to Landlord in a Green Condition. Notwithstanding the foregoing, in the event Tenant does not deliver the

Demised Premises in a Green Condition, Landlord shall provide Tenant written notice allowing Tenant fourteen (14) days to restore the Demised Premises to a Green Condition and deliver in such condition to Landlord. If Tenant fails to restore the premises to a Green Condition and deliver in such condition to Landlord within fourteen (14) days, Landlord may without waiving any other of its rights and remedies available to it under the Lease enter and restore the Demised Premises to a Green Condition at Tenant's sole cost and expense. Tenant shall promptly reimburse Landlord within thirty (30) days of Tenant's receipt of Landlord's final invoice for said demolition work. Provided Tenant timely vacates the Demised Premises as required herein and timely reimburses Landlord for the Demolition work, and Landlord has no further claims against Tenant, except where the Survivability of Rights and Remedies are provided for in [Section 53](#) of the Lease, Landlord may, at its sole and absolute discretion declare the Lease null and void with no further obligation of one party to the other.

6. The parties hereby agree and acknowledge time is of the essence with respect to the obligations of the parties under this [Lease Addendum #2](#). Landlord and Tenant agree to collectively cooperate and coordinate with one another as necessary in order to facilitate the remediation (if any) and Demolition contemplated herein. The parties acknowledge that, due to the nature of the work contemplated in this [Lease Addendum #2](#), unknown circumstances may arise that result in a material effect upon the timelines set forth herein that may not constitute an Event of Force Majeure under [Section 42](#) of the Lease. In the event of such circumstances and provided each party is diligently pursuing their respective duties and obligations herein, the parties may, upon mutual written agreement, amend or modify the timeline(s) to better suit the overall objective and outcome of the affected work.

~ End ~

LEASE ADDENDUM #3

CONSTRUCTION OF NEW BUILDING IMPROVEMENTS

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum other attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #3 is made a part of and hereby incorporated into the Lease by reference.

A. New Building Improvements.

1. It is herein contemplated by Landlord and Tenant, as a condition for Landlord to lease the Demised Premises to Tenant pursuant to the terms and conditions of this Lease, Tenant shall construct or cause to be constructed on the Demised Premises, at Tenant's sole cost, expense and risk, certain land improvements hereinafter referred to as "Aircraft Apron Improvements" which are more fully described in Section B below and in Exhibit 4A, which is attached to the Lease and incorporated herein by reference.

2. Furthermore, provided Tenant (i) has completed the Aircraft Apron Improvements or is able to demonstrate to Landlord's satisfaction, which shall be in Landlord's sole and absolute discretion, Tenant's good faith effort and financial commitment to complete the Aircraft Apron Improvements in a timely manner; and (ii) is not then in default of the Lease, Tenant has the option to construct, at Tenant's sole cost, expense and risk, a general aviation terminal building designed to support Tenant's international and domestic fixed based aeronautical operations ("Terminal Building Improvements"), which shall be Substantially Complete (as the term is defined in Section D.4 below) within the first thirty-six (36) months following the Commencement Date of the Lease, as more fully described in Section C hereinbelow and in Exhibit 4B, which is attached to the Lease and incorporated herein by reference.

B. Aircraft Apron Improvements.

1. The Aircraft Apron Improvements described in Exhibit 4A of the Lease are to be constructed in accordance with plans and specifications prepared by a state licensed architect and/or engineer retained by Tenant (the "Apron Design Plan"), which said Apron Design Plan shall be submitted to Landlord for approval evidenced by the issuance of a building permit necessary to construct the Aircraft Apron Improvements.

2. Tenant shall bear all cost and expense for the demolition and removal of any Existing Building Improvements on or in the Demised Premises in accordance with the Apron Design Plan.

3. Similarly, Tenant is responsible for making all Utility connections, if required, pursuant to Section 16 of the Lease.

- 4.** Tenant is obligated to obtain all pre-construction permits and approvals deemed necessary, including but not limited to those itemized in Section D.3. below, prior to the commencement of construction.
- 5.** If Tenant fails to submit the Apron Design Plan to the Landlord for application of a building permit to construct the Aircraft Apron Improvements within six (6) full calendar months following the Effective Date of the Lease then, such failure shall constitute an Event of Default of the Lease subject to notice and cure provision of [Section 23.B](#) of the Lease as well as the rights and remedies of Landlord set forth below in subparagraph #10, hereinbelow.
- 6.** Construction of the Aircraft Apron Improvements shall commence no later than ninety (90) calendar days after Landlord gives its approval of the Apron Design Plan. If the Construction Commencement Date (as defined in [Section D.1.](#) below) does not occur within twelve (12) calendar months after the Effective Date of the Lease, then such failure shall constitute an Event of Default, subject to the notice and cure provisions of [Section 23.B](#) of the Lease as well as the rights and remedies of Landlord set forth below in subparagraph #10, hereinbelow.
- 7.** Should Tenant fail to Substantially Complete (as defined in [Section D.4.](#) below) the Aircraft Apron Improvements on or before the twelfth (12th) full calendar month after the Construction Commencement Date (the “[Substantial Completion Date](#)”), Tenant shall pay Landlord Four Hundred Dollars (\$400.00) as Additional Rent for each and every day thereafter until Substantial Completion is achieved. Said Additional Rent shall accrue in arrears monthly on a per diem basis and be payable by Tenant upon receipt of invoice from Landlord subject to [Section 39](#) of the Lease.
- 8.** Should Final Completion (as defined in [Section D.5](#) below) of the Aircraft Apron Improvements not occur within three (3) full calendar months after the Substantial Completion Date (the “[Final Completion Date](#)”), then Tenant shall pay Landlord One Hundred Dollars (\$100.00) as Additional Rent for each and every day thereafter until Final Completion is achieved. Said Additional Rent shall accrue in arrears monthly on a per diem basis and be payable by Tenant upon receipt of invoice from Landlord subject to Section 39 of the Lease.
- 9.** Should Substantial Completion not occur within eighteenth (18) full calendar months after the Construction Commencement Date, excepting delays fairly attributed to events of Force Majeure, such delay is an Event of Default, subject to the notice and cure provisions of [Section 23.B](#) of the Lease and rights and remedies of Landlord set forth below in subparagraph #10, hereinbelow.
- 10.** Should there be an occurrence of an Event of Default under subparagraph #5, #6, or #9 above and after any notices and cure period required under [Section 23](#) of the Lease, among the rights and remedies available to Landlord under [Section 24](#) of the Lease, Landlord may also make written demand of Tenant (“[Default Notice](#)”, without terminating the Lease, to surrender to Landlord Property #0240, the original 1.8-acre vacant parcel of

airport land to Landlord (4553 Jimmy Doolittle Dr.; ALP-A6) as described in Exhibit #2 and Exhibit #3 of the Ground Lease by amending the Lease (the “Apron Improvements Default Amendment”) and causing the Demised Premises of the Lease to revert to its prior 2.25-acre description given in the 4550 Jimmy Doolittle Ground Lease, as otherwise amended and modified. The Base Rent, as adjusted, shall be pro-rated proportionately on a gross square footage basis between the surrendered and remaining portion of the Demised Premises. All other terms and conditions of the Lease shall remain unchanged and remain in full force and effect without interruption. As a condition precedent to the Apron Improvements Default Amendment, Tenant shall, at Tenant’s sole cost and expense, upon receipt of Landlord’s Demand Notice, restore that portion of the Demised Premises to be surrendered to Landlord to a condition similar as it was found immediately prior to the Effective Date of this Lease (or as otherwise reasonably directed by Landlord). Notwithstanding the foregoing, Landlord reserves all rights and remedies afforded to it under [Section 24](#) of the Lease and by law in the event Tenant fails to cooperate and timely comply with the provisions of this subparagraph #10, including but not limited to Landlord’s right to (i) re-enter and re-possess all or any portion of the Demised Premises; (ii) terminate Tenant’s right of possession for same; (iii) restore the land to an approximation of its original condition prior to the Lease or complete the Airport Apron Improvements per the Design Plan at Tenant’s sole cost and expense; and (iv) file a monetary claim against any payment and/or performance bond or, irrevocable standby letter of credit (as the obligee or beneficiary, as the case may be) in effect pursuant to Section D of this Lease Addendum #3, hereinbelow.

C. Terminal Building Improvements.

1. Should Tenant so elect to construct the Terminal Building Improvements described hereinbelow and as set forth in [Exhibit 4B](#) of the Lease, the Terminal Building Improvements are to be constructed in accordance with plans and specifications prepared by a state licensed architect and/or engineer retained by Tenant (the “Terminal Building Design Plans”), which said Terminal Building Design Plans shall be submitted to Landlord for approval evidenced by the issuance of a building permit necessary to construct the Terminal Building Improvements.

2. Tenant shall bear all cost and expense for the demolition and removal of any Existing Building Improvements on, or in the Demised Premises in accordance with the Terminal Building Design Plan. Tenant is responsible for all Utility connections pursuant to [Section 16](#) of the Lease.

3. The minimum construction value (separate and apart from the cost of design) of the Terminal Building Improvements shall exceed Three Million Dollars (\$3,000,000.00) (the “Terminal Building Construction Value”), and Tenant shall submit to Landlord upon request all commercially reasonable evidence of such Terminal Building Construction Value in a form acceptable to Landlord (the “Terminal Building Construction Value Evidence”). For purposes hereof, reasonable evidence of the Terminal Building Construction Value would be satisfied with the uses of the American Institute of Architects

(AIA) G702 Application for Payment form (or of similar form acceptable to Landlord) certified by the Tenant, owner, architect or engineer and, Tenant's general contractor to be true and correct to their best knowledge.

4. Tenant is obligated to obtain all pre-construction permits and approvals deemed necessary, including but not limited to those itemized in Section D.3. below, prior to the commencement of construction.

5. Construction of the Terminal Building Improvements should commence no later than ninety (90) calendar days following Landlord's written approval of the Terminal Building Design Plans. Notwithstanding the foregoing, except for events of force majeure or allowance for any cure period following written notice given by Landlord under [Section 23](#) of the Lease, should the Construction Commencement Date of the Terminal Building Improvements fail to occur within the first full thirty-six (36) months following the Effective Date of the Lease, Landlord has the option, in its sole and absolute discretion, by way of written notice to: (i) rescind and cancel any and all building permits issued to Tenant by Landlord, and (ii) Tenant shall forfeit any and all rights to the Extended Term Option provided for in Section 2.B of the Lease.

6. Once Tenant achieves a Construction Commencement Date (as defined in [Section D.3](#) below) for the Terminal Building Improvements, Tenant shall complete construction of the Terminal Building Improvements with commercially reasonable diligence and without interruption, "construction downtime" (as the term is generally recognized within the industry) or, abandonment by Tenant (including without limitation their contractors, sub-contractors and/or vendors of the project). Except for Force Majeure provided for under [Section 42](#) of the Lease and after any notices and cure period required under [Section 23](#) of the Lease:

- a).** Should Tenant fail to achieve Substantial Completion (as defined in [Section D.4](#) of this [Lease Addendum #3](#)) of the Terminal Building Improvements on or before the first day of the twenty-fourth (24th) full calendar month following the Terminal Building Improvements Construction Commencement Date, Tenant shall pay Landlord One Hundred and Fifty Dollars (\$150.00) as Additional Rent for each and every day thereafter until Substantial Completion is achieved. Said Additional Rent shall accrue in arrears monthly on a per diem basis and be payable by Tenant upon receipt of invoice from Landlord subject to [Section 39](#) of the Lease.
- b).** In the event Tenant fails to achieve Substantial Completion on or before the thirty-sixth (36th) full month following the Terminal Building Improvements Construction Commencement Date, the Extended Term for which Tenant is eligible under [Section 2.B](#) of the Lease shall be reduced by six (6) months for each and every full calendar month thereafter until Substantial Completion is achieved.

- c). If Final Completion (as defined in Section D.5 below) of the Terminal Building Improvements has not occurred within three (3) full calendar months after the Substantial Completion Date (the “Final Completion Date”), then Tenant shall pay Landlord One Hundred Dollars (\$100.00) as Additional Rent for each and every day thereafter until Final Completion is achieved. Said Additional Rent shall accrue in arrears monthly on a per diem basis and be payable by Tenant upon receipt of invoice from Landlord subject to [Section 39](#) of the Lease.
- d). Should the Terminal Building Improvements (i) be subjected to excessive construction downtime or, abandonment by Tenant as deemed by Landlord, in its sole and absolute discretion, for a period of ninety (90) consecutive days, or more, or (ii) Tenant fails to achieve Substantial Completion of the Terminal Building Improvements within forty-eight (48) full calendar months following the Terminal Building Construction Commencement Date, Landlord may make written demand of Tenant (“Default Notice”, without terminating the Lease, to surrender Property #0240, the original 1.8-acre vacant parcel (4553 Jimmy Doolittle Dr.; ALP-A6) of airport land (the “Surrendered Premises”) to Landlord by amending the Lease (the “Terminal Building Default Amendment”) and causing the Demised Premises of the Lease to revert to its prior 2.25-acre description given for Property #0200 (located at 4550 Jimmy Doolittle / ALP-A5) in Exhibit #2 and Exhibit #3 of the Ground Lease. The Base Rent, as adjusted, shall be pro-rated proportionately on a gross square footage basis between the Surrendered Premises and the remaining Demised Premises. All other terms and conditions of the Lease shall remain unchanged and remain in full force and effect without interruption. As a condition precedent to the Terminal Building Default Amendment, prior to Tenant’s transfer of the Surrendered Premises to Landlord, Tenant shall, at Tenant’s sole cost and expense, leave the Surrendered Premises in a commercially reasonable clean and safe condition, including without limitation, the removal of all construction tools, equipment (mechanical and otherwise), vehicles and construction trailers. Should Tenant fail to leave the Demised Premises in such condition, Landlord shall provide Tenant with fourteen (14) days written notice to remedy any deficiency. Thereafter, Landlord has the right to restore or cause to restore the Surrendered Premises to a commercially reasonable clean and safe condition as called for herein, the costs of which shall be at Tenant’s sole cost and expense. Tenant shall promptly reimburse Landlord within thirty (30) days of Tenant’s receipt of Landlord’s final invoice for said work.
- e). Notwithstanding the foregoing, Landlord reserves all rights and remedies afforded to it under [Section 24](#) of the Lease and by law in the event Tenant fails to cooperate and timely comply with the provisions of this sub-section C of this Lease Addendum #3, including without limitation the right to file a monetary claim against any payment and/or performance bond or irrevocable standby letter of credit (as the obligee or beneficiary, as the case may be) in effect pursuant to Section D of this Lease Addendum #3, below.

D. General Provisions Regarding Construction of New Building Improvements (including but not limited to Sections B and C above).

1. For the purposes of this Lease the term “New Building Improvements” may refer to the Aircraft Apron Improvements, the Terminal Building Improvements, or for any future building improvements made to the Demised Premises by Tenant or Tenant’s sublessees, if any.

2. For the purposes of this Lease the term “Design Plan” may refer to the Apron Design Plan, the Terminal Building Design Plan, or for any future building improvement design plans prepared by a state licensed architect and/or engineer retained by Tenant or Tenant’s sublessee, if any.

3. The Construction Commencement Date shall be deemed to have occurred after each of the following events has occurred: (“Construction Commencement Date”):

a). Approval of the Design Plan by Landlord which shall not be unreasonably conditioned, delayed or withheld;

b). Tenant has been issued the required building permit(s) or licenses necessary to construct the New Building Improvements on the Demised Premises;

c). Tenant shall have received (and shall have provided a true and correct copy to the Landlord) the FAA’s determination to Tenant’s filing of Form 7460 Notice of Proposed Construction or Alteration (or any other similar filing required by a governmental agency with oversight of the Airport);

d). Execution of a contract with a qualified general contractor, proof of required insurance and, a Letter of Credit or Payment and Performance Bond, as the case may be, as required under sub-paragraph B, below, and

e). The initiation of actual mobilization of construction equipment on the Demised Premises; and

f). Landlord gives Tenant written notice it may proceed with construction of the New Building Improvements, that each of the foregoing items has occurred in a form reasonably satisfactory to Landlord (“Landlord’s Notice to Proceed”).

4. “Substantial Complete” or “Substantial Completion” of the New Building Improvements shall be deemed to have occurred upon the earlier of: (i) issuance by Landlord of a certificate of temporary or final occupancy for any portion of the New Building Improvements, if required, or (ii) Tenant’s use of any portion of the New Building Improvements pursuant to Section 5 of the Lease.

5. “Final Completion” of the construction of the New Building Improvements shall be deemed to occur upon the issuance by Tenant’s architect who designed the Building Improvements of such documentation as may be necessary to establish the final completion (closeout) of the construction of the New Building Improvements and the delivery by Tenant to Landlord of comprehensive As-Built drawings and documentation reviewed by Tenant’s

architect reflecting all approved changes and modifications to the originally approved Design Plan.

6. Any architect or engineer of Tenant pursuant to this Lease Addendum #3 shall be duly licensed to practice architecture or engineering, as the case may be, in the State of Texas. Such construction shall be performed in a first class, workmanlike manner and in compliance with all applicable building codes, standards and ordinances, as set out in more detail, below. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages (including incidental, special, and consequential damages) or injury (including, without limitation, claims for personal injury or death, or property damage or destruction, or economic loss), liens and any and all other liabilities and obligations which arise in connection with such construction, and Tenant **SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS LANDLORD AND MANAGER, AND THEIR RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS (IN BOTH THEIR OFFICIAL AND PRIVATE CAPACITIES) (THE “INDEMNIFIED PARTIES”)** FROM AND AGAINST ANY AND ALL SUCH COSTS, EXPENSES, CLAIMS, DAMAGES, PENALTIES, FINES, LIENS LIABILITIES, AND OBLIGATIONS (TOGETHER, FOR PURPOSES OF THIS SUBSECTION, THE “DAMAGES”), **INCLUDING SUCH COSTS, EXPENSES, CLAIMS, DAMAGES, PENALTIES, FINES, LIENS LIABILITIES, AND OBLIGATIONS WHICH ARE ALLEGED OR FOUND TO HAVE BEEN CAUSED BY OR RESULT FROM, IN WHOLE OR IN PART, THE NEGLIGENCE OF ANY OF THE INDEMNIFIED PARTIES (BUT NOT THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE INDEMNIFIED PARTIES), OR CONDUCT BY THE INDEMNIFIED PERSONS THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, OR THE VIOLATION OF ANY TERM OF THE LEASE WITHOUT LIMITATION. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL MISCONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE INDEMNIFIED PARTIES. TENANT’S LIABILITY UNDER THIS INDEMNITY OBLIGATION SHALL BE REDUCED BY THAT PORTION OF THE TOTAL AMOUNT OF THE DAMAGES (EXCLUDING DEFENSE FEES AND COSTS) EQUAL TO THE INDEMNIFIED PARTIES’ PROPORTIONATE SHARE OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS DETERMINED BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION, THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, THAT CAUSED THE DAMAGES. LIKEWISE, TENANT’S LIABILITY FOR THE INDEMNIFIED PARTIES’ DEFENSE COSTS AND ATTORNEYS’ FEES SHALL BE REDUCED BY A PORTION OF THE DEFENSE COSTS AND ATTORNEYS’ FEES EQUAL TO THE INDEMNIFIED PARTIES’ PROPORTIONATE SHARE OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS DETERMINED BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION, THAT WOULD GIVE RISE TO THE STRICT LIABILITY OF ANY KIND, THAT CAUSED THE DAMAGES.** It is expressly understood and agreed that Tenant’s construction of the Building Improvements shall include the finish-out in accordance with the plans and specifications for the finish-out of the New

Building Improvements as submitted by Tenant to Landlord and approved in writing by Landlord, such approval not to be unreasonably withheld, delayed or conditioned.

7. Landlord's approval of the Design Plan or any other plans and/or specifications does not impose on Landlord any responsibility whatsoever, including, without limitation, any responsibility for the conformance of the plans and specifications with any governmental regulations, building codes, and the like, for which Tenant and its contractors shall have full and complete responsibility.

8. After the Construction Commencement Date, Tenant shall complete construction of the New Building Improvements with reasonable diligence, without material deviation from the Design Plan, and any material deviation from the Design Plan shall be subject to the prior review and approval of Landlord.

9. Tenant agrees that any construction or modification of the Building Improvements or any other improvements which may be authorized in writing by Landlord on or within the Demised Premises shall be performed in strict compliance with all Laws. Tenant recognizes that construction/maintenance standards and specifications, the Town of Addison's building and related codes and zoning requirements, and all applicable state and federal standards (including, without limitation, Title III of the Americans With Disabilities Act of 1990, any state laws governing handicapped access or architectural barriers, and all rules, regulations, and guidelines promulgated under such laws, as amended from time to time) may be modified or amended from time to time and that compliance will be measured by such standards in effect at the time of a particular construction or modification of improvements after the initial construction of the Building Improvements pursuant to the approved Design Plan.

10. With respect to Title III of the Americans With Disabilities Act of 1990, Tenant acknowledges and agrees it shall remain fully responsible and obligated over the Term to construct, alter and maintain the Building Improvements in accordance with the prevailing ADA Act. Furthermore, Tenant shall ensure no person or groups of persons shall, on the grounds of race, color, sex, religion, national origin, age, disability, retaliation or genetic information, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the ADA Act. Tenant shall give Landlord written notice within ten (10) days of Tenant having knowledge or written notice of any ADA Act violation or claim of violation from any governmental entity with authority on such matters or from any third party.

11. Tenant will properly and timely submit to the FAA the TxDOT, and any other governmental authority, entity or agency having jurisdiction regarding the Airport, a Notice of Proposed Construction or Alteration, when and as required, and such other forms and information as may be required by the FAA, TxDOT, or other governmental entity or agency having jurisdiction over the Airport.

12. Tenant further agrees that the Landlord shall be authorized at all times during any project of construction to enter upon the Demised Premises and all parts thereof, during normal business hours, in order to observe the performance of such construction, and Tenant

agrees to provide the Landlord a construction schedule setting out the time of commencement, final completion and completion of significant elements of the construction, which schedule shall be delivered to Landlord prior to the start of any construction project on the Demised Premises. Landlord shall coordinate access with Tenant's designated personnel prior to a site visit. Tenant reserves the right to deny access to Landlord if OSHA safety requirements aren't followed.

E. Construction Insurance, Performance and Performance Bond or Irrevocable, Stand-by Letter of Credit:

In addition to the applicable insurance requirements set forth in [Section 13](#) of the Lease, prior to Landlord giving its Notice to Proceed to Tenant provided for in Section D.3. above, Tenant shall deliver to Landlord the following:

1. A Builder's Risk Completed Value policy with an all-risks endorsement in an amount equal to the greater of the full-completed value or the amount of the construction contract including any amendments or change orders thereto. The policy shall provide "All Risk" Builder's Risk Insurance (extended to include the perils of wind, collapse vandalism, malicious mischief, and theft, including theft of materials whether or not attached to any structure). The deductible shall not exceed \$10,000 or deductibles imposed by carrier due to state market conditions.

2. Prior to mobilization of any construction on the Demised Premises, Tenant shall obtain or cause to obtain, at its sole cost and expense, and shall keep in full force and effect during any period of construction through Final Completion of any Building Improvements under this Lease either (at Tenant's election):

a. A Performance Bond and a Payment Bond guaranteeing, respectively, the faithful performance of all construction work and the payment of all obligations arising during the construction (including, without limitation, the payment of all persons performing labor or providing materials under or in connection with the Building Improvements), in the penal sum of one-hundred percent (100%) of the construction costs. Tenant shall pay or cause to have paid the premiums for such bonds. Bonds shall be issued by a surety company satisfactory to the Landlord, licensed by the State of Texas to act as a Surety, and listed on the current U.S. Treasury Listing of Approved Sureties. All forms shall be made on a form complying with the requirements of the laws of the State of Texas and satisfactory to Landlord. Such bonds shall be in conformance with the provisions of Chapter 2253, Tex. Gov. Code, and any successor statute thereto. Tenant and Landlord shall be named as joint obligees of all such bonds;

Or,

b. An irrevocable, stand-by letter of credit to secure the faithful performance of all construction work and the payment of all obligations arising during the construction (including, without limitation, the payment of all persons performing labor or

providing materials under or in connection with the Building Improvements), in the amount of one hundred percent (100%) of the construction costs (the “Letter of Credit”), such Letter of Credit to be drawn upon by site draft conditioned only upon the certification of the Landlord that an event of default has occurred under this Lease with respect to the construction of the Building Improvements and Tenant has not cured the event of default after being given notice and a reasonable opportunity to cure as provided in this Lease.

(i). The form of such Letter of Credit is attached hereto and incorporated herein as Exhibit 5.

(ii). Upon written approval by Landlord on not less than ten (10) days written notice to Landlord from Tenant, Tenant shall have the right to reduce the amount of the Letter of Credit on a calendar quarterly basis by an amount equal to the construction costs incurred and paid by Tenant during the immediately preceding calendar quarter as demonstrated by the Construction Value Evidence submitted to Landlord.

3. After the completion of the Building Improvements contemplated by this Lease, in the event that Tenant subsequently requests the commencement of additional construction or improvements in an amount equal to or greater than Five Hundred Thousand Dollars (\$500,000), then Tenant shall provide Landlord a Payment Bond and Performance Bond or Letter of Credit in the same manner as articulated in subparagraph 2, above.

~ End~