

27/11/11

LEASE AGREEMENT

Between

**CITY OF POMPANO BEACH
and
AMERIFLYERS OF FLORIDA, L.L.C.**

THIS AGREEMENT made and entered into this 13th day of January,
2011, by and between:

CITY OF POMPANO BEACH, a municipal corporation of the
State of Florida, whose address is 100 West Atlantic Boulevard,
Pompano Beach, Florida 33060, hereinafter referred to as "CITY",

and

AMERIFLYERS OF FLORIDA, L.L.C., a limited liability
company organized and existing under and by virtue of the laws of
the State of Florida, and having a principal address of 801
Northeast 10th Street, Pompano Beach, Florida 33060, hereinafter
referred to as "LESSEE",

WITNESSETH:

CITY and LESSEE, for and in consideration of the rents, covenants and mutual
agreements hereinafter contained covenant and agree as follows:

1. **PREMISES.**

A. CITY hereby leases to LESSEE and LESSEE hereby hires and takes from CITY, at the Pompano Beach Air Park, sometimes hereinafter referred to as the "Air Park", in the County of Broward and State of Florida, the use of Parcel AAAA, the legal description of which is provided for in Exhibit 1, hereto and hereinafter referred to as the "Premises."

B. LESSEE agrees to operate the Premises for the use and benefit of the public as set forth herein, to make available all of its facilities and services to the public, without unjust discrimination; and to refrain from imposing or levying excessive, discriminatory or otherwise unreasonable charges or fees for any service. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 21 of the Federal Department of Transportation Regulations.

C. CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the Air Park against obstruction, together with the right to prevent LESSEE from erecting or permitting to be erected any building or other structure on the Air Park which, in the opinion of CITY, would limit the usefulness of the Air Park or constitute a hazard to aircraft.

D. The Standards for Fixed Base Operators at the Pompano Beach Air Park, Pompano Beach, Florida, a copy of which is attached hereto as Exhibit "2" and made a part hereof as if set forth in full, and any amendments which may from time to time be adopted, (but which shall not limit the rights of LESSEE granted herein), shall be complied with in all respects by LESSEE. It is expressly understood and agreed, however, that the said Standards for Fixed Base Operators are minimum standards and wherever this Lease imposes standards, conditions

or provisions which are stricter than said Standards for Fixed Base Operators, the provisions of this Lease shall control.

E. This Lease shall be subordinate to the provisions of any existing or future amendment between CITY and the UNITED STATES relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport except to the extent required for the performance of any of the obligations of LESSEE hereunder. Nothing contained in this Agreement shall grant to LESSEE any rights whatsoever in the air space above the Premises other than those rights which are subject to Federal Aviation Agency orders, regulations or advisory circulars currently or subsequently effective.

F. CITY reserves the right to further develop or improve the landing/parking area or facilities of the Air Park as it sees fit regardless of the desires or view of LESSEE so long as such is without unnecessary and/or unreasonable interference or hindrance to the operation of the Premises.

G. LESSEE hereby represents and warrants unto CITY that it is a corporation authorized to transact business within the State of Florida. LESSEE further represents and warrants that it has or will obtain adequate financial resources and has the business skill and ability to perform all obligations herein imposed upon LESSEE diligently, skillfully and successfully to operate the leased Premises for the purposes intended.

2. RIGHTS AND USES OF LESSEE.

LESSEE shall provide all facilities and services required under Categories "A" or "B" of the Standards for Fixed Based Operators (FBO) at the Pompano Beach Air Park, a copy of which is attached hereto as Exhibit "2", for general aviation aircraft purposes. Said services shall be

provided for the term of this Lease Agreement and in general conformity with the provisions described in the FBO Minimum Standards. LESSEE's failure to provide the facilities and services required under Categories "A" or "B" shall be a major breach of this Lease Agreement, entitling CITY to all remedies occasioned by default. Nothing herein is to be construed as requiring CITY to construct any additional facilities for use by LESSEE for any purpose. The Premises shall not be used for any purpose except for the purpose designated above without prior written consent of the CITY.

LESSEE is permitted to use the public landing area in accordance with applicable regulations.

LESSEE shall be permitted to store and dispense aviation fuel and oil solely for LESSEE's own use. Aviation fuel and oil shall be stored and dispensed by LESSEE in accordance with applicable governmental regulations regarding such storage and shall be restricted to consumption by LESSEE only. LESSEE shall comply at any and all times with the Uniform Fire Safety Standards for Aircraft Fuel Servicing as currently codified in the Florida Administrative Code, Florida State Statutes, as well as all applicable NFPA standards as amended from time to time. LESSEE is solely responsible for any/all appurtenance, monitoring agreements, equipment, compliance, etc., relating to the use and operation of the fuel farm system. LESSEE shall be required have a fire inspection of the Fuel Tank conducted by the officers or members of the Fire Prevention Bureau, as often as may be necessary, but not less than annually. Said fire inspection shall be conducted during normal business hours. LESSEE shall maintain a "satisfactory" inspection rating at all times. In the event that LESSEE receives a less than "satisfactory" rating and/or if any violations are discovered, LESSEE shall be required to take immediate corrective action.

The Premises shall not be used for any purposes except for the purposes designated above without written consent of CITY, which consent shall not be unreasonably withheld or delayed.

3. TERM.

A. As consideration for LESSEE's agreement to pay the rental amount and fuel flowage fee as provided for below, CITY agrees that the term of this lease shall expire Ten (10) years from the Effective Date of this Lease Agreement, subject, however, to Section 34 below. The "Effective Date" of this Lease Agreement shall be the date this Lease Agreement is signed by the last of the CITY or the LESSEE to sign same.

4. DEPOSIT.

Under the execution of this Lease Agreement, LESSEE shall pay to CITY the sum of Three Thousand Dollars (\$3,000.00) which shall be held by CITY in escrow until twenty-four (24) months have passed from the date of the execution of this Lease, after which said deposit shall be applied to the rents due hereunder.

5. RENTAL.

A. Beginning on the Effective Date of this Lease Agreement, the monthly rental amount to be paid by LESSEE for Parcel AAAA shall be for a total monthly amount of \$13,653.03, plus any applicable sales tax, subject to adjustment as provide for in Paragraphs 5.B and 5.C hereof.

B. The rental amount provided above in Paragraph 5.A shall be increased on an annual basis beginning on October 1, 2011, and on October 1st of each subsequent year throughout the term of the Lease Agreement, with the previous fiscal year's rental amount increasing by three percent (3%) per year.

C. The monthly rental installments shall be payable in advance on the fifteenth day of each and every calendar month thereafter until the termination of the letting. If any payment is delinquent by more than fifteen (15) days after the payment is due and owing, LESSEE shall pay an additional charge of one hundred and no/100 (\$100.00) dollars per day for each day's delay in payment, retroactive to and beginning with the due date of the payment.

6. UNAUTHORIZED CONSTRUCTION.

CITY may, at CITY's sole discretion, authorize construction by LESSEE of such structures and facilities upon the Premises as CITY may, in its sole discretion, deem to be in the public interest. In the event any construction is done by LESSEE without the approval of CITY, CITY may require LESSEE, at CITY's option, to remove the same or cause the same to be changed to conform with the design and type of construction satisfactory to the CITY. In the event LESSEE fails to commence removal or change of the non-conforming structure within forty-five (45) days from written notice by CITY, CITY may effect removal or change and the reasonable costs thereof shall be borne by and be the responsibility of LESSEE. Any construction authorized by CITY, shall be commenced and pursued to completion in a prompt and workmanlike manner and such completion shall be achieved within a reasonable period of time.

All construction shall be subject to the review and approval of the City Manager as to design, use and type of construction and must meet all of the requirements of the applicable Building Code. Plans and specifications for construction shall be submitted to the Air Park Manager, whereupon the plans and specifications, along with the Air Park Manager's recommendations, shall be forwarded to the City Manager within thirty (30) days from receipt. The City Manager shall approve or disapprove, with specific comments, in writing, the proposed

plans and specifications within thirty (30) days of receipt of the Air Park Manager's recommendation. Upon approval by the City Manager, the plans and specifications shall be processed in accordance with established CITY procedures for the issuance of building permits. Any proposed construction shall be required to comply with the CITY's site plan approval process, Building Code and any and all other regulations and provisions governing construction within the CITY.

Prior to undertaking any construction, LESSEE shall furnish performance bonds and payment bonds reasonably satisfactory to CITY or LESSEE shall provide for an adequate construction account or construction loan, supervised by a bank or savings and loan association with sufficient funds on deposit or included in such loan to be disbursed in accordance with a procedure to be established with the bank or savings and loan association so as to adequately satisfy CITY that the improvements will be completed and fully paid for free of construction liens, other than a leasehold mortgage lien in favor of LESSEE's lender. If such a construction account is established, the bank or savings and loan association shall furnish to CITY at the end of the second and fourth years of this Lease, a certified statement attesting to the amounts expended from said construction account.

LESSEE agrees to hold CITY harmless from any claim of lien by any contractor, subcontractor, material man or other person or firm or corporation whatsoever and LESSEE further agrees to hold CITY harmless and to reimburse CITY for all costs including cost of defense, attorneys' fees and other expenses in connection with any claim of whatsoever kind, whenever the same may be presented, arising out of any construction whatever in connection with this Lease Agreement.

7. **OBLIGATIONS OF LESSEE.**

A. LESSEE covenants and agrees to observe and obey and to require its officers, employees, guests, invitees and those doing business with it, to observe and obey such reasonable and non-discriminatory rules and regulations of CITY for the government of the conduct and operations of LESSEE and others on the Premises as may from time to time during the letting be promulgated by CITY for reasons of safety, health or sanitation and good order. The obligations of LESSEE to require such observance and obedience on the part of its guests, invitees and business visitors shall pertain only while such persons are on the premises.

B. LESSEE shall conduct its operation hereunder in an orderly and proper manner, considering the nature of such operations so as not to unreasonably annoy, disturb, endanger or be offensive to others at the Air Park. In addition, LESSEE must operate for the use and benefit of, and service to the public without imposing excessive or unjust or abnormal requirements on customers, guest and invitees.

C. LESSEE shall take such measures as required by CITY:

(1) To reduce to a reasonable minimum vibrations tending to damage any equipment, structure, building or portion of a building which is on the Premises or is a part thereof, or is located elsewhere on the Air Park; and

(2) To keep the sound level of its operations as low as reasonably possible.

D. CITY agrees that the removal of LESSEE's garbage, trash and industrial waste shall be governed by the applicable provisions set forth by CITY as the same pertains to any other industrial user and LESSEE agrees to comply with the same.

E. LESSEE shall commit no unlawful nuisance, waste or injury on the Premises and shall not do or permit to be done anything which may result in the creation or commission or maintenance of such nuisance, waste or injury on the Premises.

F. LESSEE shall not create nor permit to be caused or created upon the Premises any obnoxious odors or noxious gases or vapors. The creation of exhaust fumes or fumes ordinarily experienced in the operation of aircraft by the operation in a proper manner, shall not be a violation of this Subparagraph F.

G. LESSEE shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the drainage and sewage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located on or in the Premises.

H. LESSEE shall not do or permit to be done any act or thing upon the Premises:

(1) that will invalidate or conflict with any fire insurance Policies covering the Premises or any part thereof or contiguous Premises at the Air Park so long as LESSEE has been provided copies of such policies; or

(2) that may constitute an extra hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement.

I. From time to time and as often as reasonably required by CITY, LESSEE shall conduct pressure and other appropriate tests of the fire extinguishing system and apparatus which constitute a part of the Premises.

J. LESSEE shall comply with all laws and ordinances and governmental rules, regulations and orders now in force or enacted at any time during the term of the Lease

(except for any future amendments to the City Code which contravene LESSEE's rights hereunder) which as a matter of law are applicable to or which affect the operation of LESSEE of the Premises hereunder. The obligations of LESSEE to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property on the Premises. Such provision is not to be construed as a submission by CITY to application to itself of such requirements or any of them.

K. LESSEE shall, at its own cost, make improvements to the Premises and perform such acts and do such things as shall be lawfully required by any public body having jurisdiction over said property in order to comply with sanitary requirements, fire hazard requirements, zoning requirements, setback requirements and other similar requirements designed to protect the public.

8. **CARE, MAINTENANCE AND REPAIR BY LESSEE.**

A. LESSEE shall throughout the term of this Lease assume the entire responsibility and shall relieve CITY from all responsibility for all repair and maintenance whatsoever on the Premises and, without limiting the generality hereof, shall:

(1) keep at all times in a clean and orderly condition and appearance the Premises and all of LESSEE's fixtures, equipment and personal property which are located in any parts of the Premises which is open to or visible by the general public; and

(2) LESSEE shall be responsible for the maintenance and repair of all utilities service lines located within the Premises except common utilities, if any, including, but not limited to, service lines for the supply of water, gas service lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers which are now or which may be

subsequently located upon the Premises leased to LESSEE and used by LESSEE exclusively;
and

(3) at all times during the letting, take appropriate anti-erosion measures with respect to all portions of the Premises not paved or built upon.

B. CITY may, at its option, and in addition to any other remedies which may be available to it, repair, replace, rebuild or paint all or any part of the structures and/or Premises, and the cost thereof shall be added to the rent due and payable the month following completion of such work by CITY and shall be paid by LESSEE to CITY along with said month's rent, if either:

(1) LESSEE fails in any material respect, to maintain, clean, repair, replace, rebuild or paint within a period of sixty (60) days after notice from the CITY to do so, and said notice specifies that the required work to be accomplished by LESSEE includes maintenance and/or repair that LESSEE is obligated to perform hereunder other than preventive maintenance; or

(2) for work involving preventative maintenance and repair that LESSEE is obligated to perform hereunder only, if LESSEE fails in any material respect to accomplish that specified work within one hundred eighty (180) days following notice from CITY; or

(3) within one hundred eighty (180) days, LESSEE fails in any material respect to diligently complete the repair, replacement, rebuilding or repainting of all of the Premises required to be repaired, replaced, rebuilt or painted by LESSEE under the terms of this Agreement.

9. **INSURANCE.**

LESSEE shall during the term of this Lease insure and keep insured to the extent of One Million Dollars (\$1,000,000) all buildings, structures, fixtures and equipment on the Premises leased to LESSEE against such hazards and risks as may now or in the future be included under the Standard Form of Fire and Extended Coverage insurance policy of the State of Florida and also against the following hazards and risks:

A. Sprinkler leakage - by which is meant damage caused by water or any other substance discharged from any part of the fire protective equipment for LESSEE's Premises or for adjoining premises; collapse or fail of tanks forming part of such fire protective equipment or the component parts or supports of such tanks.

B. Damage caused by such perils and hazards as may now or in the future be included under any Boiler and Machinery policy filed with and approved by the Insurance Commissioner of the State of Florida, or if there be no such policy filed, then reasonable coverage against perils and hazards occasioned by the existence and operation of such boilers, provided that LESSEE shall be required to maintain such insurance only with respect to such buildings and structures in which boilers are installed.

C. LESSEE hereby agrees to fully indemnify CITY for any environmental damages caused by LESSEE. This includes, but is not limited to any damage to the soil or groundwater as a result of the use, maintenance, repair, or leakage by any means, from any above ground fuel storage tank(s) (AST). LESSEE agrees to provide a separate insurance policy, naming the CITY as an additional insured, providing for the remediation and payment of any damages caused by the AST, in the amount of \$1,000,000. Furthermore, at the conclusion of the Lease term, LESSEE shall be responsible for the removal, closure, or repairs and remediation of

any resulting damage, of the AST, in accordance with applicable federal, state and local guidelines and criteria. CITY shall have the sole option as to whether to require LESSEE to perform removal, closure or repair and remediation. LESSEE may manufacture, process, distribute, use, treat, keep, store, handle, dispose of and transport "Hazardous Substances" (as defined in Federal, State, and Local environmental laws, rules and regulations) as are customarily manufactured, processed, distributed, used, treated, kept, stored, handled, disposed of or transported on, in or about property being used in the operation of a Fixed Based Operation in an airport, provided same is handled in a manner which complies with all Federal, State and Local environmental laws, rules and regulations and provided same is not prohibited by any Federal, State or Local law, rules or regulation.

D. LESSEE covenants and agrees to provide and keep in force and effect comprehensive general public liability and property damage insurance which shall include independent contractors and which shall name the City of Pompano Beach as an additional insured. Such comprehensive general liability coverage shall not be less than \$1,000,000.00 combined single limit bodily injury and property damage insurance, holding harmless and indemnifying LESSEE and CITY as their interests may appear against public liability and property damage claims, and to furnish CITY at all times with an appropriate certificate from the insurance carrier showing such insurance to be in force.

E. LESSEE further agrees to provide "contracts and agreements" insurance coverage with minimum limits for bodily injury of \$100,000.00 each person, \$300,000.00 each occurrence and \$300,000.00 aggregate, and for property damage of \$50,000.00 each accident and \$100,000.00 each occurrence. These minimum limits are subject to increase depending on

the nature of the contract or agreement and must be approved by the Risk Manager of the City of Pompano Beach.

F. It is further understood and agreed that LESSEE or his agents shall carry Products Liability and Completed Operations coverage with limits of liability as follows:

Bodily Injury	\$1,000,000 Each Person \$1,000,000 Each Occurrence \$1,000,000 Aggregate
Property Damage	\$1,000,000 Each Accident \$1,000,000 Aggregate

All policies of such insurance and renewal thereof shall insure CITY and LESSEE as their interests may appear.

G. LESSEE shall provide Worker's Compensation Insurance for all of its employees in accordance with the requirements of Florida Statutes, Chapter 440. LESSEE further agrees to be responsible for employment, control and conduct of all its employees and for any injury sustained by such employees in the course of their employment.

H. The aforesaid insurance shall be written by companies authorized to do business in the State of Florida and listed in "Best's Insurance Guide", or a comparable publication in the event of the discontinuance of publishing "Best's", said insurance company having a minimum rating in "Best's" of A, with a minimum financial surplus rating of VII or better.

I. The policies or certificates representing said insurance shall be delivered by LESSEE to CITY and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and also an endorsement obligating the insurance company to furnish CITY sixty (60) days' notice in advance of the cancellation of the insurance evidenced by said policy or certificate. Renewal policies or

certificates shall be delivered to CITY at least sixty (60) days before the expiration of the insurance which such policies are to renew.

J. When such policies or certificates have been delivered by LESSEE to CITY as aforesaid and at any time or times thereafter, CITY may notify LESSEE in writing that the insurance represented thereby does not conform to the provisions of this paragraph either because of the amount or because of the insurance company or for any other reason and LESSEE shall have thirty (30) days in which to cure the defect. Failure to cure such defect within thirty (30) days shall constitute a breach of this Agreement by this LESSEE, entitling CITY to all remedies occasioned by default.

K. LESSEE or his agent further agrees to hold harmless and indemnify the CITY OF POMPANO BEACH from any claims resulting from LESSEE's or his agent's negligence on or about the leased Premises and any operations in connection herewith.

L. All contracts in excess of One Hundred Thousand Dollars (\$100,000.00) in annual contract sum (but excluding leases and subleases) entered into by LESSEE shall be subject to review by the CITY in order to determine that CITY shall incur no liability not adequately covered by insurance and all contracts pursuant to this paragraph shall be submitted to CITY prior to being entered into by LESSEE.

10. DAMAGE TO OR DESTRUCTION OF PREMISES.

A. Removal of Debris. If the Premises or any part thereof shall be damaged by fire, the elements, the public enemy, riot, or other casualty, LESSEE shall promptly remove all debris resulting from such damage from the Premises and to the extent, if any, that the removal of debris under such circumstance is covered by insurance, the proceeds thereof shall be made available to LESSEE for such purpose.

B. Minor Damage. If the Premises, or any part thereof, shall be damaged by fire, the elements, the public enemy, riot or other casualty but not rendered untenable or unusable, the Premises shall be repaired with due diligence in accordance with the plans and specifications for the Premises as they existed prior to such damage, but with current Code requirements being met, by and at the expense of LESSEE and, if the damage is covered by insurance, the proceeds thereof shall be made available to LESSEE for that purpose.

C. Major Damage to or Destruction of the Premises. If the Premises or any part thereof, shall be destroyed or so damaged by fire, the elements, the public enemy, riot or other casualty and thereby rendered temporarily untenable or unusable, then:

(1) LESSEE shall have an option to make the necessary repairs or replacements for the restoration thereof in accordance with the plans and specifications as the same existed prior to such damage or destruction, provided that LESSEE within forty-five (45) days after the occurrence of such damage or destruction notifies CITY in writing that it elects to exercise its option to make the necessary repairs or replacements. If LESSEE elects to make such repairs or replacements it shall do so with reasonable dispatch provided, however, LESSEE shall not be responsible for delays caused by the insurance company or by an event of force majeure. If such destruction or damage was covered by insurance, the proceeds thereof shall be adjusted with and paid to LESSEE.

(2) If LESSEE fails to notify CITY in writing of its intention to make the necessary repairs or replacements within the forty-five (45) day period provided in subparagraph (1) of this subdivision C, or if within the said forty-five (45) day period LESSEE notifies CITY in writing that it does not elect to make such repairs or replacements, then CITY may at its election make such repairs or replacements provided that CITY notifies LESSEE of its

election to do so within thirty (30) days following the expiration of the said forty-five (45) day period. If CITY elects to make such repairs or replacements, it shall do so with reasonable dispatch and without cost to LESSEE, except that if such destruction or damage was covered by insurance, the proceeds thereof shall be adjusted with and paid to CITY.

(3) In the event that restoration is made pursuant to either subparagraphs (1) or (2) of this Subsection 13(C), the rent shall abate from the date of the damage or destruction until the Premises have been placed in a usable condition. In the event that portions of the Premises are usable, the abatement shall be pro-rated based on the percentage of usability. Such abatement shall be made pursuant to paragraph 28 hereof.

(4) In the event that neither of the two parties elects to make such repairs or replacements, then this Lease shall terminate either at the expiration of seventy-five (75) days from the occurrence of such destruction or damage or at the expiration of thirty (30) days following receipt of notice by CITY from LESSEE that the LESSEE does not elect to repair or replace such damage, whichever date occurs sooner; and in any such event, the proceeds of insurance applicable to the damage or destruction (other than the proceeds applicable to debris removal) shall be distributed between LESSEE, LESSEE's mortgage lender, and CITY as their interests may appear. In such event, the payment of rentals shall terminate as of the date of the damage or destruction.

(5) Notwithstanding anything contained in this Section 13(C) to the contrary, in the event the LESSEE has not yet settled with its insurance carrier as to the amount of money to be paid by the carrier in connection with the damage by the date that the LESSEE is required to make an election or send written notice to the CITY as required in Section 13(C)(1), then the period of time for LESSEE to send such written notice or make such election shall be

extended until the LESSEE has so settled with its insurance carrier provided that LESSEE notifies CITY in writing of the need to extend the notice period. In no event, however, shall the notice period required in Section 13(C)(1) be extended beyond a period of 180 days from the date of the damage or destruction; and if the LESSEE has not provided any required written notice to the CITY, then before the CITY can terminate this Lease Agreement pursuant to the provisions in this Section 13, the CITY shall give the LESSEE written notice and an additional fifteen (15) days for the LESSEE to provide such written notice to the prior to the CITY terminating the Lease.

11. INDEMNITY.

LESSEE shall indemnify and hold harmless CITY, its Commissioners, officers, employees and representatives, from and against all claims and demands of third persons, except in cases of gross and willful misconduct including, but not limited to, the execution of this Lease, claims and demands for death or personal injuries or for property damages arising out of the use or occupancy of the Premises by LESSEE or with its consent or out of any acts or omissions of others upon the Premises with the consent of LESSEE, or arising or resulting from any breach or default by LESSEE or any of the obligations or duties assumed by or imposed upon it under this Lease, including provisions within the Deeds from which CITY derives its rights in the Air Park, said Deeds being recorded in Deed Book 602, Page 458, Deed Book 614, Page 134, and Deed Book 633, Page 422, all Broward County Public Records, or indemnification arising by operation of law.

Further, LESSEE shall pay all costs incurred and reasonable attorneys' fees incurred by CITY in the event of a necessity to defend any claim, lawsuit or cause of action whatever against CITY arising out of the LESSEE's activities at the Air Park or the execution of this Lease, be the

same with or without merit. It is further understood that the above indemnification agreement extends to the act of invitees, licensees and trespassers upon the Premises leased, and LESSEE's obligations to indemnify CITY shall be cumulative with the obligations of any assignee of LESSEE, absent a specific agreement to the contrary with CITY at the time of such assignment.

Any sums due CITY under this paragraph 14 shall constitute a lien against the interest of LESSEE in the leased Premises.

12. SIGNS.

Except with the prior written approval of CITY, which approval shall not be unreasonably withheld or delayed and so long as same complies with all applicable governmental rules, regulations, and ordinances, including the CITY's Sign Code, LESSEE shall not erect, maintain or display any signs, flags or any advertising at or on the exterior parts of the Premises or in the Premises so as to be visible from outside the Premises.

13. OBSTRUCTION LIGHTS.

LESSEE shall install, maintain and operate at its own expense with obstruction lights on the Premises as the Federal Aviation Agency may direct or as the City Manager may reasonably direct and shall energize such lights daily at sunset and for such other period as may be directed or requested by CITY.

14. ADDITIONAL RENT AND CHARGES.

If CITY is required or elects to pay any sum or sums or incurs any obligations or expenses by reason of the failure, neglect or refusal of LESSEE to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement or as a result of any act or omission of LESSEE contrary to said conditions, covenants and agreements, LESSEE agrees to pay the sum or sums so paid or the expense so incurred, including all interest, costs,

damages and penalties, and the same may be added to any installment of rent thereafter due hereunder and each and every part of the same shall be and become additional rent recoverable by CITY in the same amount and with like remedies as if it were originally a part of the rent as set forth in paragraph 5 hereof.

15. RIGHTS OF ENTRY RESERVED.

A. CITY, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times, and with reasonable prior notice, to enter upon the Premises for the purpose of inspecting the same, for observing the performance by LESSEE of its obligations under this Agreement and for doing any act or thing which CITY may be obligated or have the right to do under this Agreement or otherwise as long as said inspection or visit does not interfere with the normal business of LESSEE.

B. Without limiting the generality of the foregoing, CITY, by its officers, employees, agents, representatives, contractors, and furnishers of utilities and other services, shall have the right, at its own cost and expense, for its own benefit or for the benefit of others than LESSEE at the Air Park, to maintain existing and future utilities, mechanical, electrical and other systems and to enter upon the Premises at all reasonable times to make such repairs, replacements or alterations thereto as may, in the opinion of CITY, be deemed necessary or advisable and from time to time to construct or install over, in or under the premises such systems or parts thereof and in connection with such maintenance to use the premises for access to other parts of the Air Park otherwise not conveniently accessible provided, however, that in the exercise of such rights of access, repair, alteration or new construction CITY shall not unreasonably interfere with the actual use and occupancy of the Premises by LESSEE or LESSEE's subtenants, invitees or licensees.

C. In the event that any personal property of LESSEE shall obstruct the access of CITY, or its officers, employees, agents or contractors, to any of the existing or future utility, mechanical, electrical and other systems and thus shall interfere with the inspection, maintenance or repair of any such system, LESSEE shall move such property, as directed by CITY, in order that access may be had to the system or part thereof for its inspection, maintenance or repair, and if LESSEE shall fail to do so, CITY may move it and LESSEE hereby agrees to pay the cost of such moving upon demand.

D. At any time and from time to time during reasonable business hours within the six (6) months next preceding the expiration of the letting or immediately upon the determination by CITY of an abandonment or a breach of the Lease by LESSEE, CITY by its agents and employees, whether or not accompanied by a prospective LESSEE, occupier or user of the Premises, shall have the right to enter thereon, after reasonable notice, for the purpose of exhibiting and viewing all parts of the same and during such six (6) month period, CITY may place and maintain on the Premises the usual "to Let" signs, which signs LESSEE shall permit to remain without molestation. CITY shall not interfere with the normal business of LESSEE when entering onto property pursuant to this subsection.

E. If, during the last month of the letting, LESSEE shall have removed all or substantially all of its property from the Premises, CITY may immediately enter and alter, renovate and redecorate the Premises.

F. The exercise of any or all of the foregoing rights by CITY or others shall not be or be construed to be an eviction of LESSEE nor to be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

16. SALE, ASSIGNMENT AND SUBLEASE.

A. Except as otherwise provided in this Lease Agreement, LESSEE shall not sell, convey, assign, transfer or pledge this Lease or any part thereof or any rights created thereby or sublet the Premises or any part thereof without the prior written consent of CITY, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, LESSEE may, without CITY's consent, assign this Lease to an entity in which LESSEE or its principal holds a controlling or managing interest. For purposes of this paragraph, transfer of the control of a LESSEE which is a corporation, partnership or other type of business entity other than an individual shall be considered a transfer of this Lease. However, transfers within the immediate family of the current majority stockholder shall not be an assignment of this Lease even if such transfer involves a majority interest of said stock; provided further, however, that all such transfers shall be presented to CITY for informational purposes. A transfer of control of the business entity shall be deemed to occur when the owner or owners of more than fifteen (15%) percent of the proprietary interest in the business entity transfer, other than between themselves, such proprietary interest to another person, firm, partnership, corporation or business entity, or when the controlling interest of the business entity shall change. It is the intent that CITY know and approve of ownership of the Lease and any sublease tenants. Any LESSEE or sublessee hereunder who is a corporation, partnership or other type of business entity shall submit to CITY a list of all owners of proprietary interests in the business entity as well as a list of those persons who hold security interests of whatever kind or nature in the business entity or its personal property. An updated version of such list shall be submitted to the Air Park Manager on each anniversary date of this Lease. A current list of the names of all officers and shareholders and all persons who hold security interests of whatever kind or nature in the business entity or personal

property of the business, including the amount of shares held by each shareholder, except for corporate investors in formally recognized investment or mortgage companies which may be listed by their corporate names, is attached hereto as Exhibit "3". LESSEE shall have the right to sublease the Fixed Based Operation Facilities and Services to a qualified third party Fixed Based Operation operator(s) who shall be responsible to provide the Fixed Based Operation Services as set forth in this Lease Agreement and in the Air Park's Minimum Standards subject to the CITY's approval of the operator(s). The CITY shall have unfettered discretion to approve or disapprove the third party operator.

B. If, without the prior written consent of CITY, LESSEE assigns, sells, conveys, transfers, pledges or sublets in violation of subparagraph A above, CITY may collect rent from any assignee, sublessee or anyone who claims a right to this Agreement or letting or who occupies the Premises and CITY shall apply the net income collected to the rental herein reserved; but no such collection shall be deemed a waiver by CITY of the covenants contained in subparagraph A above or any acceptance by CITY of any such assignee or sublessee.

C. If at any time during the term of this Lease, any other Fixed Base Operator is granted privileges or rights specifically prohibited in Paragraph A and B above, CITY will also grant the same rights and privileges to LESSEE.

17. DEFAULT BY LESSEE.

LESSEE will be considered in default of this Lease if any one or more of the following events shall occur:

A. Bankruptcy or Insolvency. Should LESSEE, at any time during the term of this Lease, suffer or permit an involuntary or voluntary petition in bankruptcy to be filed against it, or should LESSEE, by order or decree of a court be adjudged bankrupt or an order be

made approving a petition filed by any of its creditors or stockholders, or should LESSEE or any of its stockholders institute any proceedings seeking a composition, arrangement, reorganization or readjustment of LESSEE's indebtedness under the Federal Bankruptcy Laws or under any other law or statute of the United States or any state thereof, or make any assignments for the benefit of its creditors, or should a receiver or trustee or liquidator be appointed for LESSEE's property because of LESSEE's insolvency, and the said appointment not vacated within thirty (30) days thereafter, or should LESSEE's leasehold interest be levied on and the lien thereof not discharged within thirty (30) days after said levy has been made, or should LESSEE fail promptly to make the necessary returns and reports required of it by state and federal law, or should LESSEE fail promptly to comply with all governmental regulations, both state and federal, and should such failure in any manner jeopardize the rights of CITY, then and, in such event, and upon the happening of either or any of said events, CITY shall have the right, at its election, to consider the same a default on the part of LESSEE of the terms and provisions hereof and, in the event of such default not being cured by LESSEE within a period of thirty (30) days from the date of the giving by CITY of written notice to LESSEE of the existence of such default, CITY shall have the option of declaring this Lease terminated and the interest of the LESSEE forfeited, or CITY may exercise any other options herein conferred upon it. The pendency of bankruptcy proceedings or arrangement proceedings, to which LESSEE shall be a party shall not preclude CITY from exercising the option herein conferred upon it. In the event LESSEE or the trustees or receiver of LESSEE's property shall seek an injunction against CITY's exercise of the option herein conferred, such action on the part of LESSEE, its trustee or receiver, shall automatically terminate this Lease as of the date of the making of such

application. In the event the court shall enjoin CITY from exercising the option herein conferred, such injunction shall automatically terminate the Lease.

B. Other Events Constituting Default.

(1) If LESSEE shall voluntarily abandon, desert or vacate the Premises or discontinue its operation at the Air Park absent an event of force majeure.

(2) If any lien is filed against the Premises because of any act or omission of LESSEE and is not removed or secured by bond or otherwise, within thirty (30) days after LESSEE has received notice thereof; or

(3) If LESSEE shall fail duly and punctually to pay the rental or to make any other payment required hereunder when due to CITY and shall continue in its failure to pay rentals or to make any other payments required hereunder for a period of ten (10) days after receipt of notice by it from CITY to make such payments; or

(4) If LESSEE shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Agreement on its part to be kept, performed or observed within thirty (30) days after receipt of notice of non-compliance thereunder from CITY except where fulfillment of its obligation requires activity over a period of time and LESSEE shall have commenced to perform whatever may be required for fulfillment within fifteen (15) days after receipt of notice and continues such performances without interruption

(5) Upon the occurrence of any such event which is not cured as provided herein or at any time thereafter during the continuance thereof, CITY, by forty-five (45) days' written notice, may terminate the rights of LESSEE hereunder and this letting, such

termination to be effective upon the date specified in such notice. Such right of termination and the exercise thereof shall be and operate as a conditional limitation.

C. Wasting or Destruction of Property. In the event the activities of LESSEE, which are in derogation of the terms of this Lease, are such as to constitute a material wasting or destruction of the property of CITY or of any individual whose property may be rightfully and properly located at the Air Park then and in that event it shall not be necessary for CITY to suffer the wasting or destruction of said property during the aforesaid periods of notice, but in such event CITY shall give LESSEE three (3) days' notice within which to terminate the aforesaid destruction or waste or terminate any act or practice which shall place the property of CITY or the property of any individual located properly upon the Air Park, in danger of destruction or waste. If at the expiration of the aforesaid three (3) days from the service of notice upon LESSEE in accordance with the provisions for service of such notice as contained in this Lease Agreement, LESSEE has not terminated such waste of CITY's property and plant, or the waste of any individual's property which may be properly located upon the Air Park as aforesaid, then and, in that event, CITY shall have the right to enter upon the Premises forthwith, and LESSEE shall remove himself from the Premises forthwith and this Lease shall be deemed canceled and terminated as of the expiration of the aforesaid three (3) days.

D. No acceptance by CITY of rental, fees, charges or other payments in whole or in part for any period or periods after a default of any of the terms, covenants and conditions hereof to be performed, kept or observed by LESSEE shall be deemed a waiver of any right on the part of CITY to terminate the letting.

E. No waiver by CITY of any default on the part of LESSEE in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by

LESSEE shall be or be construed to be a waiver by CITY of any other or subsequent default in performance of any of the said terms, covenants and conditions.

F. The rights of declaration of default described above shall be in addition to any other rights of termination provided in this Agreement and in addition to any rights and remedies that CITY would have at law or in equity consequent upon any breach of this Agreement by LESSEE and the exercise by CITY of any right of termination shall be without prejudice to any other such rights and remedies.

18. REMEDIES TO BE NON-EXCLUSIVE.

All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of or exclusive of each other or of any other remedy available to CITY or LESSEE at law or in equity and the exercise of any remedy or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

19. LIEN UPON REVENUES, INCOME, ETC.

In the event of LESSEE's breach of any of the provisions of this Lease Agreement, CITY shall thereupon have a lien upon all revenues, income, rents, earnings and profits from the Premises as additional security for LESSEE's faithful performance of each of the terms and provisions hereof, and to secure payment of all sums owing to CITY hereunder. Such liens shall be superior in dignity to the rights of LESSEE and any of its creditors or assignees or any trustee or receiver appointed for LESSEE's property, or any other person claiming under LESSEE. Upon CITY's termination of LESSEE's rights under this Lease by reason of LESSEE's default, all such revenues, income, rents, earnings and profits derived or accruing from the leased premises from the date of such termination by CITY shall constitute the property of CITY and the same is hereby declared to be a trust fund for the exclusive benefit of CITY and shall not

constitute any asset of LESSEE or any trustee or receiver appointed for LESSEE's property. The provisions of this paragraph shall be effective without CITY's re-entry upon the leased premises or repossession thereof and without any judicial determination that LESSEE's interest under said Lease has been terminated.

20. SURRENDER.

LESSEE covenants and agrees to yield and deliver peaceably to CITY on the date of cessation of the letting, whether such cessation be by termination, expiration or otherwise, possession of the Premises and all buildings, structures, pavements, facilities and permanent improvements located on the Premises free of all encumbrances, in a good state of repair and in good and usable condition, subject to reasonable wear and tear.

Personal property and furnishings belonging to LESSEE shall be removed from the Premises within thirty (30) days from the date of termination of the Lease, where termination is due to a breach of any condition imposed upon LESSEE under the terms of the Lease or whether by natural termination due to the lapse of time, it being specifically understood that CITY shall look to the buildings constructed on the Premises as its sole security for this Lease and not any personal property belonging to LESSEE which may be located on the leased premises. It is further understood that LESSEE shall have no right to remove any property, the removal of which will leave the building structurally defective and LESSEE shall be further prohibited from removing any plumbing fixtures, lighting fixtures or other items incorporated into the structure of the building.

21. REMOVAL OF LESSEE'S PROPERTY BY CITY.

If, under the terms of this Lease, LESSEE is entitled to remove its property from the Premises, but shall fail to do so on or before the termination or expiration of the letting, or after

the time for removal as provided in paragraph 22 hereof, CITY may remove such property to a public warehouse for deposit or retain the same in its own possession and sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale; second, to any sum owed by LESSEE to CITY, with any balance remaining to be paid to LESSEE. If the expense of such removal, storage and sale shall exceed the proceeds of the sale, LESSEE shall pay such excess to CITY upon demand.

22. LIMITATION OF RIGHTS OR PRIVILEGES GRANTED.

No greater rights or privileges with respect to the use of the Air Park or any part thereof are granted or intended to be granted to LESSEE by this Agreement or by any provision thereof than the rights and privileges expressly and specifically granted hereby.

23. NOTICES.

Except where expressly required or permitted herein to be oral, all notices, requests, consents and approvals required to be given to or by either party shall be in writing and all such notices and requests shall be personally delivered to the duly designated officer or representative of such party or delivered to the office of such officer or representative during regular business hours or forwarded to him or to the party at such address by certified or registered mail. LESSEE shall from time to time designate, in writing, an office within Broward County, Florida, an officer or representative whose regular place of business is at such office, upon whom notices and requests may be served. CITY designates the City Manager and, until further notice, LESSEE designates its President as its officer upon whom notices and requests may be served, and CITY designates its office at City Hall, 100 West Atlantic Boulevard, Pompano Beach, Florida 33060, and LESSEE designates its office at 2785 SE 11th Street, Pompano Beach, FL 33062, as their respective offices where notices and requests may be served. The notices herein

required to be served shall be deemed effective and served five (5) business days after the date of the registered or certified mailing thereof with proper postage prepaid.

24. PLACE OF PAYMENTS.

All payments received from LESSEE by this Agreement shall be made at the office of the City Manager, at City Hall, 100 West Atlantic Boulevard, Pompano Beach, Florida, 33060.

25. CONSTRUCTION AND APPLICATION OF TERMS.

The paragraph and subparagraph headings, if any, in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of the provision hereof.

26. ABATEMENT.

A. If at any time LESSEE shall become entitled to an abatement of rental by the provisions of this Agreement or otherwise, the abatement of rental shall be made on an equitable basis giving effect to the amount and character of the space, the use of which is denied LESSEE as compared with the entire Premises.

B. If CITY shall, for safety or other reasons, prohibit the use of the Public Landing Area at the Air Park or of any substantial part thereof for a period covering more than fifteen (15) consecutive days, and LESSEE shall thereby be prevented from conducting those operations at the Air Park enumerated in paragraph 2 hereof, then, upon the occurrence of such event, LESSEE shall be entitled to an abatement of rental as defined herein during such period of prohibition and prevention. LESSEE hereby releases and discharges CITY of and from all claims and rights which LESSEE may have arising out of or consequent upon such closing and the subsequent interrupted use of such Public Landing Area or part thereof during the period of prohibition.

27. **DEFINITIONS.**

The following terms, when used in this Agreement, shall, unless the context shall require otherwise, have the respective meanings given below:

A. Air Park shall mean the land and premises in the City of Pompano Beach, County of Broward, State of Florida, described in those certain deeds recorded in Deed Book 602, Page 458, Deed Book 614, Page 134 and Deed Book 633, Page 422, Public Records of Broward County, Florida.

B. Agreement shall mean this Agreement of Lease.

C. Lease shall mean this Agreement of Lease including any supplements, modifications or amendments thereof, as long as said supplement, modification or amendments specifically identify this Lease and are executed with the same formality.

D. Letting shall mean the letting under this Agreement for the original term stated herein.

E. Premises shall mean and include the land, buildings, structures and other improvements located or to be located or to be constructed therein or thereon, the equipment permanently affixed or permanently located therein, such as electrical, plumbing, sprinkler fire protection and fire alarm, heating, steam, sewage, drainage, refrigerating, communications, gas and other systems and their pipes, mains, lines, tubes, conduits, equipment and fixtures and all paving, drains, culverts, ditches and catch basins.

F. Public Landing Area shall mean the area of land at the Air Park including runways, taxiways and the areas between and adjacent to runways and taxiways, designated and made available from time to time by CITY for common use for the loading or unloading of passengers or cargo to or from aircraft using the Public Landing Area.

G. Runways (including approaches thereto) shall mean the portion of the Air Park used for the purpose of landing and taking off of aircraft.

H. Taxiways shall mean the portion of the Air Park used for the purpose of ground movement of aircraft to, from and between the runways, the public ramps and apron area, the aircraft parking and storage space and other portions of the Air Park (not including, however, any taxiways the exclusive use of which is granted to LESSEE or any other person by lease, permit or otherwise).

28. OBLIGATION OF LESSEE TO PAY CERTAIN TAXES AND EXPENSES.

LESSEE shall be responsible to pay all real and personal property taxes, tangible or intangible taxes, assessments, utilities, insurance premiums, occupational license, maintenance and other similar expenses.

29. OPERATING COSTS.

LESSEE agrees to promptly pay when due all operating, maintenance and servicing charges and costs including telephone, gas, electricity, water, water connections, sewer, sewer connections and all other expenses incurred in the use and operation of the Premises.

30. PERMITS, APPROVALS AND FEES.

It is understood and agreed that any construction on the Premises shall be accomplished in accordance with the applicable rules, regulations, resolutions and ordinances of the CITY, County, State and Federal governments, and that LESSEE shall be responsible for obtaining all necessary plat approvals, zoning and building permits, and any other approvals or permits which may be required, and shall pay all charges therefore, whether such charges become payable prior to or subsequent to the issuance of the approval or permit. It is specifically understood and agreed that LESSEE shall have sole responsibility for any platting of the Premises which may be

required by CITY and Broward County and for the payment of all fees and charges in connection therewith including, but not limited to, engineering, surveying and drafting charges, application, processing and recording fees, impact fees and off-site road improvement fees. The CITY and Air Park Manager shall cooperate with, support and join in, to the extent required, all necessary applications for platting, site plan approval, building permits, variances, special exceptions and other approvals, permits, and licenses for the construction and use of LESSEE's intended improvements, but shall bear no cost for the same.

31. FIRE HYDRANTS.

It is agreed that CITY, at its expense, shall provide adequate fire hydrants within a reasonable distance from any building being constructed by LESSEE to meet the minimum fire insurance requirements and safety requirements. Any such hydrant that may be required by the provisions hereof, as determined by the location of the buildings in the plans and specifications to be submitted by LESSEE, shall be installed by CITY prior to the completion of the construction of the buildings delineated in said plans.

32. CANCELLATION OF LEASE.

In the event the Air Park is taken over through condemnation or any other proceeding by a governmental body having the power and authority to do so, other than CITY, this Lease shall become null and void and the term and granted shall cease and determine upon the taking of possession of the demised premises from LESSEE, and the rights and interests of CITY and LESSEE in the award of just compensation which shall be made therefore shall be governed by the law applicable in such cases. CITY shall not be liable to LESSEE for any damages attributable to such taking.

33. RETENTION OF RECORDS AND RIGHT TO ACCESS.

LESSEE shall preserve and make available all financial records, supporting documents, statistical records and any other documents pertinent to this contract for a period of three (3) years after termination of this contract or if an audit has been initiated and audit findings have not been resolved at the end of these three (3) years, the records shall be retained until resolution of audit finding.

Additionally, LESSEE shall provide CITY with an Annual Statement of gross receipts and operating expenses for informational purposes only upon request.

34. NON-DISCRIMINATION.

LESSEE, in exercising any of the rights or privileges herein granted to it shall not on the grounds of race, color or national origin discriminate against any person or persons in any manner prohibited by Part 21 of the Federal Department of Transportation Regulations. CITY is hereby granted the right to take such action, anything to the contrary herein notwithstanding, as the United States may direct to enforce this nondiscrimination covenant.

35. STORM/SURFACE WATER DRAINAGE

LESSEE shall maintain all storm and/or surface water on the Premises.

36. RIGHT TO RECORD.

Either CITY or LESSEE shall have the right to record this Lease or a written Memorandum of this Lease in the public records of Broward County, Florida, at their own expense. Upon request by the LESSEE, the CITY agrees to simultaneously with the execution of this Lease enter into a Memorandum of Lease, in a form satisfactory to the CITY, for purposes of recording same in the public records.

37. INGRESS AND EGRESS.

CITY hereby grants to LESSEE, LESSEE's subtenants, and their respective agents, employees, guests and invitees, during the term of this Lease, an easement for ingress and egress over and the inner-perimeter road and any extensions thereof.

38. ENTIRE AGREEMENT.

This Agreement consists of the following: Paragraphs 1 through 42 inclusive, and Exhibits "1," "2, and "3."

It constitutes the entire agreement of the parties on the subject matter hereof and many not be changed, modified, discharged or extended except by written instrument duly executed by CITY and LESSEE. LESSEE agrees that no representatives or warranties shall be binding upon CITY unless expressed in writing in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

"CITY":

Witnesses:

CITY OF POMPANO BEACH

Christine Wodka

By:

Lamar Fisher
LAMAR FISHER, MAYOR

Shelby R. Bartholomew

By:

Dennis W. Beach
DENNIS W. BEACH, CITY MANAGER

Attest:

Mary L. Chambers
MARY L. CHAMBERS, CITY CLERK

(SEAL)

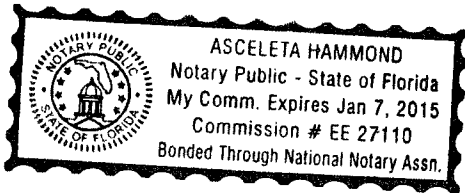
Approved by:

Gordon B. Linn
GORDON B. LINN, CITY ATTORNEY

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 13th day of January, 2011 by **LAMAR FISHER** as Mayor, **DENNIS W. BEACH** as City Manager, and **MARY L. CHAMBERS** as City Clerk of the City of Pompano Beach, Florida, a municipal corporation, on behalf of the municipal corporation, who is personally known to me.

NOTARY'S SEAL:



Asceletha Hammond
NOTARY PUBLIC, STATE OF FLORIDA
Asceletha Hammond

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

"LESSEE":

Witnesses:

[Signature]
[Signature]

AMERIFLYERS OF FLORIDA, L.L.C.

By:

[Signature]
Signature

Jill Cole
Typed, Stamped or Printed Name

Secretary
Title

STATE OF Texas
COUNTY OF Dallas

The foregoing instrument was acknowledged before me this 9th day of December, 2010 by Jill Cole as Secretary of Ameriflyers of Florida, L.L.C. on behalf of the limited liability company. He/She is personally known to me or who has produced drivers license (type of identification) as identification.

NOTARY'S SEAL:



Tiffany R Stafin
NOTARY PUBLIC, STATE OF Texas

Tiffany R Stafin
(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

DESCRIPTION

PARCEL AAAA

A Parcel of land in the North One-Half (N1/2) of Section 36, Township 48 South, Range 42 East, more particularly described as follows:

COMMENCING at the Southwest corner of the Northeast One-Quarter (NE1/4) of said Section 36;

THENCE on an assumed bearing of N 00° 55' 14" W along the West line of the said Northeast One-Quarter (NE1/4) a distance of 1,001.70 feet to the limited access right-of-way line of N. E. 10th Street;

THENCE S 89° 15' 53" W along said limited access right-of-way line a distance of 1,268.32 feet to a point of curvature of a tangent curve concave to the Southeast;

THENCE Southwesterly along said right-of-way line, along the arc of said curve, to the left, having a central angle of 5° 15' 24" and a radius of 1,572.39 feet for an arc distance of 144.27 feet to the POINT OF BEGINNING;

THENCE continue Southwesterly along the arc of said curve, having a central angle of 11° 04' 50" and a radius of 1,572.39 feet for an arc distance of 304.09 feet to a point of tangency;

THENCE S 72° 55' 17" W along said right-of-way line a distance of 25.59 feet;

THENCE N 00° 55' 21" W a distance of 695.61 feet to a line 250.00 feet Southeast of and parallel with the centerline of Runway 5-23;

THENCE N 52° 39' 31" E along said parallel line a distance of 61.53 feet;

THENCE S 82° 11' 56" E a distance 276.68 feet;

THENCE S 00° 55' 21" E a distance of 627.16 feet to the POINT OF BEGINNING.

Said land situate in Pompano Beach Air Park, Broward County, Florida, containing 5.00 Acres, more or less.

3244/61/120881

CITY OF POMPANO BEACH
Broward County, Florida

A RESOLUTION AMENDING THE STANDARDS FOR FIXED BASE OPERATORS
AT THE POMPANO BEACH AIR PARK; PROVIDING AN EFFECTIVE DATE.

WHEREAS, by Resolution No. 67-109, passed and adopted February 20, 1967, the City Commission of the City of Pompano Beach did fix and adopt certain minimum standards for Fixed Base Operators and Air Park Tenants at the Pompano Beach Air Park, Pompano Beach, Florida; and

WHEREAS, the said Fixed Base Standards have previously been amended from time to time; and

WHEREAS, the City Commission deems it wise and expedient to further amend said Standards in accordance with the copy of same attached hereto; and

WHEREAS, the Air Park Advisory Board has recommended that such amendments be made to said Standards; now, therefore

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH,
FLORIDA:

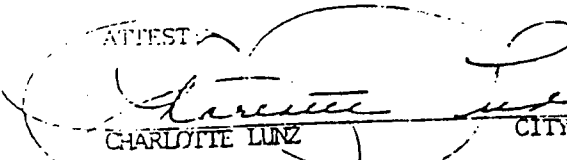
SECTION 1: That the Standards for Fixed Base Operators and Air Park Tenants at the Pompano Beach Air Park, as fixed and adopted by Resolution No. 67-109 and as previously amended from time to time, are hereby further amended to read as set forth in the copy of said Standards attached hereto, said copy being incorporated herein by this reference and made a part of this Resolution as if set forth in full.

SECTION 2: That these Standards shall henceforth be known as the "Standards for Fixed Base Operators at the Pompano Beach Air Park".

SECTION 3: This Resolution shall become effective upon passage.

PASSED AND ADOPTED this 5th day of January, 1982.


EMMA LOU OLSON MAYOR

ATTEST

CHARLOTTE LINZ CITY CLERK

DCR/mcs
12/30/81
#99

STANDARDS FOR FIXED BASE OPERATORS
AT THE POMPANO BEACH AIR PARK

1. A Fixed Base Operator shall mean any person, firm or corporation leasing property at the Air Park who provides any or all of the aeronautical services to the General Flying Public.

1.1 For purposes of these Standards, the term "Aircraft" is defined to include all powered flight vehicles, such as fixed wing aircraft, gyrocopters, helicopters, ultralites, etc.

2. No person, firm or corporation shall engage in any commercial activity on the Air Park unless said activity is in compliance with these Standards and approved by the City Commission.

3. All Fixed Base operations at the Pompano Beach Air Park shall be conducted for the benefit of the public so as to promote aviation and aeronautical activities.

4. All Fixed Base Operators shall protect the general public, the customers or clients of such Fixed Base Operators and the City of Pompano Beach from any and all lawful damages, claims, or liability, and they shall carry comprehensive general liability insurance in a company authorized to do business in the State of Florida protecting against personal injury and property damage, on a per occurrence basis, in such amounts as may be determined from time to time by the City Commission. The City of Pompano Beach shall be an additional named insured in any such policy and a certificate of insurance evidencing the same and the required coverage shall be delivered to the City Manager prior to or at the time of any lease of Air Park property. The certificate of insurance shall also provide that the City Manager will be notified by the insurance company, in writing, ten (10) days in advance of any cancellation of such insurance.

5. All Fixed Base Operators shall render full time service with the exception of Category "A" at the Pompano Beach Air Park during normal business hours of 9:00 A.M. to 5:00 P.M. daily through regularly employed personnel on duty at all times during such normal business hours. Service outside of normal business hours may be pre-arranged by appointment or on a special overtime fee arrangement basis between Fixed Base Operator and customer.

6. All Fixed Base Operators shall satisfy the City Commission that they are technically and financially able to perform the services of such fixed base operations before any lease of Air Park property for such an operation shall be executed. In the event of insolvency, voluntary or involuntary bankruptcy, or an arrangement for creditors of any Fixed Base Operator, the City shall have the right, at its election, to consider the same a default on the part of the Lessee and to terminate any such lease.

7. All Fixed Base Operators shall conform with and abide by all reasonable rules and regulations of the Federal Aviation Agency, and the City of Pompano Beach. In this regard, Fixed Base Operators shall require that aircraft which they own and operate or make available for hire, be operated by personnel who hold appropriate and current Federal Aviation Agency Pilot and Medical Certificates.

8. All Fixed Base Operators shall permit individual aircraft owners to effect their own minor maintenance and repairs which do not require F.A.A. Licensed Personnel, if such owner so desires.

9. No construction of any kind shall be done at the Pompano Beach Air Park without the prior approval of the Federal Aviation Agency, or its successor governmental agency, and the City Commission, and no such approval shall be granted unless such construction and design is consistent with the Master Plan for the development of said Air Park.

10. Fixed Base Operators shall abide by and comply with the Standards pertaining to the particular category of such Fixed Base Operators as defined in Categories "A" through "F" hereinafter set forth.

11. If a hangar or hangars are constructed to be used for the rental of space for aircraft storage, such hangar or hangars shall be not less than 10,000 square feet in floor area. A Fixed Base Operator in any category may, if sufficient land and area is leased from the City, construct such a hangar or hangars and engage in the business of rental of space for aircraft storage.

12. Any person, firm or corporation capable of meeting the minimum Standards set forth herein for any of the stated categories is eligible to become a Fixed Base Operator at the Air Park, subject to the execution of a written lease for not less than three (3) years containing such terms and conditions as may be determined by the City Commission after such competitive bidding as the City Commission may require. Any Fixed Base Operator desiring to extend his operations into more than one category or to discontinue operations in a category, shall first apply, in writing, to the Air Park Advisory Board for permission to do so, setting forth in detail the reasons and conditions for the request. The Air Park Advisory Board shall thereupon make its recommendation on such request to the City Commission, who shall then grant or deny the request on such terms and conditions as the City Commission deems to be prudent and proper under the circumstances. Each Fixed Base Operator shall provide his own land, buildings, personnel and equipment, and other requirements as herein stated.

13. A Fixed Base Operator shall not assign his lease nor sublet any portion of the property without first securing approval of the City Commission.

14. Ramp space other than ramp space specifically leased to Fixed Base Operators shall be for use by the general public only. No Fixed Base Operator shall be permitted to use any portion of public ramp space for his use exclusively or to use any of such ramp space as tie-down area.

15. Leases to Fixed Base Operators may be authorized by Ordinance of the City Commission duly enacted by approval of a majority of the City Commission.

A. Leases containing provisions requiring the Lessee to construct building(s) and/or other capital improvements may be authorized for a period of time not exceeding thirty (30) years, including any renewal options contained therein. All other leases may be authorized to a period of time not exceeding ten (10) years, including any renewal options contained therein. Leases requiring Lessees to construct building(s) and/or other capital improvements shall specify the dollar amount to be expended by the Lessee for such building(s) and/or other capital improvements and shall require that at least fifty (50) per cent of such dollar amount shall be expended during the first two (2) years of the lease and that the remainder of such amount, if any, shall be expended during the second two (2) years of the lease.

B. The following matrix may be considered as a guideline in determining the length of leases of Air Park property:

<u>Investment</u>	<u>Lease Term In Years</u>
\$250,000 or less	20
\$250,000 to \$500,000	25
\$500,000 and over	30

C. The City Attorney shall prepare all leases in accordance with Section 62 of the City Charter. All leases shall be for a definite period of time, shall be in writing, executed in duplicate, with one copy retained by the City of Pompano Beach. Such leases shall be signed by an officer of the City designated by Charter.

D. In addition, leases shall, at the discretion of the City, be subject to review and re-evaluation at the end of each three (3) year period thereof, in relation to the National Cost of Living. In this regard, when at the end of each said three (3) year period, the Department of Commerce Consumer Price Index is determined by the City to be five (5) or more per cent higher than at the date the lease became effective, the rental terms thereof may be increased by such percentage of increase of said Index. If at the end of such three (3) year period the said Index has changed less than five (5) per cent, then the City shall take no action to review or re-evaluate the lease. In

the event of a dispute over an increase of rates above those specified in the lease at the time of review, Fixed Base Operators affected may appeal this matter to a City Commission appointed Board of Arbitration, whose decision shall govern.

E. No Lessee shall do business in any business name other than the name of the business as it appears in the Lease Agreement with the City of Pompano Beach.

16. The City of Pompano Beach will provide the following normal City services to Fixed Base Operators at the Pompano Beach Air Park:

A. Maintenance of the runways, taxiways, open areas, and ramp areas which are open for use of the general aviation public.

B. Maintenance and operation of the runway lights, rotating light beacon, and lighted wind tee to permit night flying operations seven days each week between the hours of sunset and sunrise.

17. On-site security patrolling and inspection of leased or owned properties of Fixed Base Operators at the Pompano Beach Air Park will be provided by the subject Fixed Base Operators. In cases of fire or disorder beyond the capabilities of on-site Fixed Base Operators self-provided personnel, the City when notified, will provide assistance from the City Police and City Fire Departments.

18. All non airworthy aircraft shall be removed from the Air Park on thirty (30) days written notice of the City at the Fixed Base Operators expense.

19. In the event of any conflict between the terms of these minimum Standards and the provisions of any lease of a portion of the Air Park property, the terms of the lease shall be controlling.

20. The Air Park Advisory Board and City Commission without intending to restrict proposal preparation, but at the same time for the purpose of requiring uniformity in the submissions of applications for operating a Fixed Base Operation must have as a minimum the following:

A. A complete and detailed narrative description of the Lessee's proposed method of operating his business enterprise. Such narrative must include statements which will clearly establish the policies and business practices to be employed and observed in the operations, including but not necessarily limited to:

1. Management employment policies.
2. Sales procedures.
3. System of cashiering.
4. Control of collection type and kind of equipment to be used.
5. Administrative control techniques to be applied.

B. A listing of proposed number and labor classifications of full time and part time personnel to be employed in the operation, and the proposed number of employees on a shift.

C. A statement of projected gross revenue and of projected operating costs each year of the contract.

D. A complete and comprehensive presentation or brochure clearly setting forth the Lessee's qualifications in terms of experience, organization, financial capability and factors, that demonstrate unquestionably the competency to undertake and operate this enterprise. A current financial statement shall be included if existing corporation.

E. A statement as to the Lessee's pricing policies and proposed schedule of charges.

F. A plan or series of sketches illustrating the manner in which the assigned premises will be utilized:

1. A detailed layout plan showing the location of all structures, tie-down areas and placement of offices, shops, terminal areas, counters, etc.
2. A detailed plan and location of the fuel form, storage tanks, , , fueling equipment, etc.

3. A list and location of proposed equipment to be used in the operation of the business.

G. A statement of the estimated financial investments the Lessee proposes to make in the enterprise, including the costs of fixed improvements, estimates of cost of operating equipment, and names and addresses of the principles in the enterprise. It is the intent that the City know and approve the ownership of the lease and any sublease tenants.

FIXED BASE OPERATOR CATEGORIES

CATEGORY "A" Sale of Aviation Petroleum Products and Ramp Service.

A Fixed Base Operator in this category shall:

1. Lease from the City or provide with the approval of the City a concrete rigid pavement or flexible asphalt surface ramp of not less than 15,000 square feet, plus a concrete rigid pavement or flexible asphalt surface access or accesses to taxiways. The type of pavement shall be determined by the City.
2. Maintain pumping equipment meeting all applicable safety requirements with reliable metering devices subject to independent inspection and with a pumping efficiency capable of servicing all aircraft normally using the Air Park.
3. Have personnel on full-time duty during normal business hours of 7:00 A.M. to 7:00 P.M. seven days a week.
4. Lease from the City a minimum of five (5) acres of land. There shall be located all required improvements for aircraft parking and tie-down areas with adequate tie-down facilities including approved ropes and chocks for a minimum of ten (10) aircraft. Demonstrate capability to efficiently and safely conduct or move aircraft to such areas and park them in compliance with all local regulations, if any.

5. Be required to install at all fixed fueling locations adequate grounding rods to reduce the hazards of static electricity.

6. Construct on said five (5) acres and have available a building with a minimum of 1,000 square feet conveniently located and comfortably heated and air conditioned with waiting room for passengers and crew of itinerant aircraft while being fueled, including sanitary restrooms and public telephone.

7. A Fixed Base Operator shall demonstrate a capability to perform minor repairs; provided, however, that the Operator shall first demonstrate his ability to comply with the requirements of the City Commission determined to be necessary for the suppression of noise, dust, fumes, dirt, odors, smoke and other similar effects, including, but not necessarily limited to, sound proof air conditioned enclosures for the performance of such minor repairs.

8. A Fixed Base Operator in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment without meeting the requirements of Category "D".

CATEGORY "B" Flight Instruction and Aircraft Rental.

A Fixed Base Operator in this category shall:

1. Have available on a full-time employment basis a minimum of one instructor pilot with appropriate and current Federal Aviation Agency Pilot and Federal Aviation Agency approved Medical Certificates.

2. Provide and at all times maintain a minimum of two (2) aircraft owned or leased by and under the exclusive control of this Fixed Base Operator which are properly equipped and Federal Aviation Agency certificated for flight instruction and rental.

3. Lease from the City or provide under terms agreeable to the City for his exclusive use a minimum of 1,000 square feet of classroom and/or office space, to include restrooms.

4. Demonstrate the continuing ability to meet requirements for certification of flight instructor personnel and aircraft by the Federal Aviation Agency.

5. Lease from the City a minimum of five (5) acres of land on which will be located all required improvements.

6. Be responsible that personnel operating rental equipment obtained from the subject Fixed Base Operator have appropriate and current Federal Aviation Agency pilot and Federal Aviation Agency approved Medical Certificates.

7. A Fixed Base Operator in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment without meeting the requirements of Category "D".

CATEGORY "C" Aircraft Charter and Taxi.

A Fixed Base Operator in this category shall:

1. Have available on a full-time employment basis a minimum of one Federal Aviation Agency certified pilot with current commercial and instrument ratings and appropriate and current Federal Aviation Agency approved Medical Certificate.

2. Lease from the City or provide under terms agreeable to the City for his exclusive use a minimum of 100 square feet in a building for passenger shelter, restrooms, telephone, etc.

3. Provide satisfactory arrangements for the checking in of passengers, handling of luggage, ticketing, and ground transportation, etc.

4. Provide and at all times maintain a minimum of two (2) currently certified and continuously airworthy aircraft owned or leased by and under the exclusive control of this Fixed Base Operator, properly certificated for air charter or air taxi service.

5. Lease from the City a minimum of five (5) acres of land on which will be located all required improvements.

6. A Fixed Base Operator in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment without meeting the requirements of Category "D".

CATEGORY "D" Aircraft Sales.

A Fixed Base Operator in this category shall:

1. Have a sales or distributorship franchise from a recognized aircraft manufacturer.
2. Have available during normal working hours of 9:00 A.M. to 5:00 P.M. Federal Aviation Agency certificated and currently airworthy aircraft for sale.
3. Have a minimum of one (1) fully qualified demonstrator pilot employed with current and appropriate Federal Aviation Agency pilot and Federal Aviation Agency approved Medical Certificate.
4. Lease from the City a minimum of five (5) acres of land on which will be located all required improvements.
5. Lease from the City or provide under terms agreeable to the City for his exclusive use a minimum of 1,000 square feet of office space.

CATEGORY "E" Aircraft, Engine, Propeller and Accessory Maintenance.

A Fixed Base Operator in this category shall:

1. Lease from the City or provide under terms agreeable to the City for his exclusive use a minimum of 5,000 square feet of hangar, shop, and storage space.
2. Furnish facilities and equipment for airframe and power plant repairs with at least one (1) duly Federal Aviation Agency certified A & P Mechanic and such other personnel as may be necessary. Such airframe and power plant repair shall include facilities for both major and minor repair of aircraft and engines used in private aviation in this area; provided, however, that the Operator shall first demonstrate his ability to comply with requirements of the City Commission

determined to be necessary for the suppression of noise, dust, fumes, dirt, odors, smoke, and other similar effects, including, but not necessarily limited to, sound proof, airconditioned enclosures for the performance of such aircraft and engine repair.

3. Demonstrate the ability to and assume responsibility for promptly removing from the public landing area as soon as permitted by cognizant Federal Aviation Agency and Civil Aeronautics Board authorities any disabled aircraft.

4. Lease from the City a minimum of five (5) acres of land on which will be located all required improvements.

5. A Fixed Base Operator in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment without meeting the requirements of Category "D".

CATEGORY "F" Radio and Instrument.

A Fixed Base Operator in this category shall:

1. Lease from the City or provide under terms agreeable to the City for his exclusive use a minimum of 100 square feet of shop and storage space.

2. Have available on a normal full-time basis Federal Aviation Agency certificated technicians in the field of aircraft electronics and/or aircraft instruments with proper Federal Communication Commission License to conduct complete aircraft transmitter, receiver and antennae repair.

3. Provide satisfactory arrangements for access to and storage of aircraft being worked on.

4. Lease from the City a minimum of two (2) acres of land on which shall be located all required improvements.