Torres Rojas, Genara

From: ppizzi@connellfoley.com
Sent: Tuesday, September 23, 2014 2:17 PM
To: Duffy, Daniel; American, Heavyn-Leigh
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Subject: Freedom of Information Online Request Form

Information:

First Name: Peter
Last Name: Pizzi
Company: Connell Foley LLP
Mailing Address 1: 888 7th Avenue 9th Floor
Mailing Address 2:
City: New York
State: NY
Zip Code: 10106
Email Address: ppizzi@connellfoley.com
Phone: 2123073701
Required copies of the records: Yes

List of specific record(s):
All use and occupancy agreements or ground leases presently in effect at Teterboro Airport.

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

December 5, 2014

Mr. Peter Pizzi
Connell Foley LLP
888 7th Avenue, 9th Floor
New York, NY 10106

Re: Freedom of Information Reference No. 15341

Dear Mr. Pizzi:

This is in response to your September 23, 2014 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code"), for copies of all "use and occupancy agreements or ground leases presently in effect at Teterboro Airport."

Material responsive to your request and available under the Code can be found on the Port Authority's website at http://www.panynj.gov/corporate-information/foi/15341-LPA.pdf. Paper copies of the available records are available upon request.

Certain portions of the material responsive to your request are exempt from disclosure pursuant to exemptions (1), (2.a.) and (4) of the Code.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,

Daniel D. Duffy
FOI Administrator

225 Park Avenue South, 17th FL
New York, NY 10003
T: 212 435 3642 F: 212 435 7555

Contract: TA-449

USE AND OCCUPANCY AGREEMENT

Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

AFCO AVPORTS MANAGEMENT LLC

Dated as of January 1, 2013

AFCO AVPORTS MANAGEMENT LLC

Contract No. TA-449

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ATTACHMENTS

Exhibit 1	The Prior Agreement – Contract No. TA-306
Exhibit A	The Premises

THIS AGREEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED
REPRESENTATIVE OF THE PORT AUTHORITY

Port Authority Contract No. TA-449

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, made as of January 1, 2013 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, a body corporate and politic, established by Compact between the States of New Jersey and New York with the consent of the Congress of the United States of America, and having an office at 225 Park Avenue South, New York NY 10003 (the "**Port Authority**", also referred to as the "**Airport Operator**" in the Prior Agreement), and AFCO AVPORTS MANAGEMENT LLC, a limited liability company organized and existing under the laws of Delaware and having an office and place of business at 90 Moonachie Avenue, Teterboro, New Jersey 07608 (the "**User**"), whose representative is John Harden,

WITNESSETH, That:

WHEREAS, the Port Authority and the User entered into Port Authority Contract No. TA-306, dated as of December 1, 1999, a copy of which is attached hereto as Exhibit 1 and by this reference made a part hereof, the "**Prior Agreement**"); and

WHEREAS, the Prior Agreement includes a Consent Agreement dated as of December 15, 1999, a Supplement dated as of August 23, 2000, an Assignment with Assumption and Consent, dated as of November 27, 2002, and an Assignment with Assumption, Consent and Supplemental Agreement, dated as of May 22, 2008; and

WHEREAS, the Prior Agreement is expiring on the date hereof, and in lieu of extending and amending the Prior Agreement, the parties wish to enter into a new Agreement (the "**Agreement**") in replacement of the Prior Agreement, providing for the User to continue its occupancy of the Premises under the Prior Agreement; and

WHEREAS, in entering into this Agreement, the parties intend that this Agreement and the letting hereunder shall be construed as if the Prior Agreement had been extended and amended in accordance with the terms and conditions provided below;

NOW, THEREFORE, the Port Authority and the User, for and in consideration of the rents, covenants and mutual agreements hereinafter contained, hereby covenant and agree as follows:

Section 1. **Space Occupancy and Rights of User**

(a) ***Premises.***

Subject to and in accordance with the terms and conditions of this Agreement, the Port Authority hereby grants to the User and the User hereby hires and takes from the Port Authority at the Airport the right to use and occupy the premises as depicted in diagonal hatching on the drawing attached hereto as Exhibit A (the "**Space**").

(b) ***Continued Application of Prior Agreement.***

This Agreement shall be deemed to incorporate the terms, provisions and conditions of the Prior Agreement as if set forth in full herein and, except as otherwise provided herein, the terms, provisions and conditions of the Prior Agreement shall apply to the granting of the right to use the Premises to the User hereunder.

(c) ***Continuous Possession and Occupancy.***

The parties hereby acknowledge and agree that the commencement of the Term (as defined below) is occurring immediately upon the expiration of the Prior Agreement and that no gap in time and no reversion occurred between the expiration of the Prior Agreement and the commencement of the Term of this Agreement. Further, it is hereby acknowledged that the User remained in possession of the Premises hereunder continuously from the expiration of the Prior Agreement through the Effective Date (as defined below), and at no time did the User surrender the Premises to the Port Authority.

(d) ***Survival of Prior Agreement Obligations.***

The User shall not, by virtue of this Agreement, be released or discharged from any liabilities or obligations whatsoever under the Prior Agreement or any other Port Authority permits or agreements, including without limitation any permits to make alterations, all of which shall survive. Further, all the terms, provisions and conditions of the Prior Agreement and such permits and agreements shall survive and continue in full force and effect, and any breach or default under the Prior Agreement or under such permits and agreements, whether prior to or after the Effective Date, shall be deemed breaches and defaults under this Agreement. Without limiting the generality of any of the foregoing, any obligations under the Prior Agreement which were to mature upon the expiration or termination thereof, including any obligation to remove alterations and improvements, shall be deemed to have survived and shall mature upon the expiration or termination of this Agreement.

(e) ***Condition of the Premises.***

All references in the Prior Agreement, as incorporated herein, to the condition of the Premises at the beginning of the term shall be deemed to mean the condition of the Premises as they existed at the beginning of the term under the Prior Agreement.

Section 2. **Term**

(a) ***Term.***

The term of the letting under this Agreement (as it may be terminated pursuant to the provisions of this Agreement, the "**Term**") shall commence on January 1, 2013 (the "**Effective Date**") and shall expire on December 31, 2017 (the "**Expiration Date**"), unless sooner terminated in accordance with the terms and provisions of this Agreement, including without limitation the provisions of paragraph (b) below of this Section.

(b) ***Mutual Right of Termination.***

Notwithstanding any other term or condition hereof, the term of the letting hereunder may be terminated, without cause, by either party hereto upon thirty (30) days' written notice to the other party, provided that (i) the User shall be in possession of the Premises under this Agreement; (ii) this Agreement shall be in full force and effect and the User shall not otherwise be under notice of termination from the Port Authority and (iii) the User shall not be in default in the performance of any of the terms, covenants, conditions or agreements contained herein to be observed, performed or fulfilled by the User.

Section 3. **Fees to the Port Authority**

(a) On or before the first day of each month of the Term of this Agreement, the User will pay to the Port Authority the sum of Exemption (2.a.) per month, which is derived from the Space occupied of Three Thousand Two Hundred Seventy-Five (3,275) square feet. This fee shall escalated by (2.a.) annually, upon the anniversary of the Commencement Date.

(b) In addition to the fixed monthly payment as provided for in Section 3(a), the User shall pay to the Port Authority a pro-rata share of the cost of the building operating costs, as referenced in Section 23.5 of the Prior Agreement. Said building operating costs shall be billed to the User monthly based on actual costs incurred and shall be due and payable upon receipt.

(c) The fees shall be shall be mailed to The Port Authority of New York and New Jersey, P. O. Box 95000-1517, Philadelphia, Pennsylvania 19195-0001, or sent by wire transfer as follows: Bank: TD Bank; Bank ABA Number: 031201360; Account No. Ex. (1/4) or to such other office or address as may be substituted there for from time to time by notice by the Port Authority to the Lessee.

Section 4. **Security Deposit**

(a) ***Security Deposit.***

(1) *Required Security Amount.* As security for the User's full, faithful and prompt performance of and compliance with all of its obligations under this Agreement, the User shall, upon its execution and delivery of this Agreement, deposit

with the Port Authority (and shall keep deposited throughout the Term) the sum of Nine Thousand Seven Hundred Dollars and No Cents ($9,700.00) as the "**Required Security Amount**", either in cash, or in bonds of the United States of America, the State of New Jersey, the State of New York, or The Port Authority of New York and New Jersey, having a market value of the Required Security Amount.

(2) *Requirements for Bonds.* Bonds qualifying for deposit hereunder shall be in bearer form, but if bonds of that issue were offered only in registered form, then the User may deposit such bond or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the User) in a manner satisfactory to the Port Authority. The User may request the Port Authority to accept a registered bond in the User's name and, if acceptable to the Port Authority the User shall deposit such bond together with a bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the User, any expenses incurred by the Port Authority in re-registering a bond to the name of the User shall be borne by the User.

(3) *Use of Deposit.* In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the User. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Agreement on the part of the User. With respect to any bonds deposited by the User, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the User, to sell the same in whole or in part, at any time and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the User. The User hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the User. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the User. Any balance remaining shall be retained in cash toward bringing the deposit to the Required Security Amount. In the event that the Port Authority shall at any time or times so use the deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the Required Security Amount, the User shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times at the full Required Security Amount, and such additional deposits shall be subject to all the conditions of this Section.

(4) *No Encumbrance.* The User agrees that it will not assign or encumber the deposit.

(5) *Interest.* The User may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(6) *Return of Deposit.* After the expiration or earlier termination of the Term, and upon condition that the User shall then be in no way in default under any part of this Agreement, and upon written request therefor by the User, the Port Authority will return the deposit to the User less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the User of this Agreement.

(7) *Tax Number.* For the purposes of the foregoing provisions, the User hereby certifies that its federal Taxpayer Identification Number is 74-3247070.

(b) ***Obligations under other Agreements.***

If the User is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the User of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the User's operations at the Facility pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the User under this Agreement and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

Section 5. Counterclaims.

The User specifically agrees that it shall not interpose any claims as counterclaims in any summary proceeding or action for non-payment of fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed. The foregoing reference to summary proceedings shall not be construed to mean that a landlord-tenant relationship exists between the Port Authority and the User.

Section 6. Effect of Use and Occupancy after Expiration, Revocation or Termination.

(a) Notwithstanding any other provision in this Agreement, in the event that the User shall continue to use the Space after the expiration or earlier termination of the period of permission of this Agreement, such continuation of use shall not be deemed to operate as a renewal or extension of this Agreement but shall only create a month-to-month extension of this Agreement, which extension shall be terminable on thirty days' notice.

(b) The User acknowledges that the failure of the User to surrender, vacate and yield up the Space to the Port Authority on the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss. The User hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the User hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss.

Section 7. No Waiver.

No failure by the Port Authority to insist upon the strict performance of any agreement, term, covenant or condition of this Agreement or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Agreement during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term, covenant or condition. No agreement, term, covenant or condition of this Agreement to be performed or complied with by the User, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the User in performance of any agreement, term, covenant or condition of this Agreement shall affect or alter this Agreement but each and every agreement, term, covenant and condition thereof shall continue in full force and effect with respect to any other existing or subsequent breach or default thereof.

Section 8. Governing Law.

This Permit and any claim, dispute or controversy arising out of, under or related to this Permit, the relationship of the parties hereunder, and/or the interpretation and enforcement of the rights and obligation of the parties hereunder shall be governed by, interpreted and construed in accordance with the laws of the State of New Jersey, without regard to choice of law principles.

Section 9. OFAC Compliance.

(a) *User's Representation and Warranty.* The User hereby represents and warrants to the Port Authority that the User (x) is not a person or entity with whom the Port Authority is restricted from doing business under the regulations of the Office of Foreign Assets Control ("**OFAC**") of the United States Department of the Treasury (including, without limitation, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order or other regulation relating to national security or foreign policy (including, without limitation, Executive Order 13224 of September 23, 2001, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*), or other governmental action related to national security, the violation of which would also constitute a violation of law, such persons being referred to herein as "**Blocked Persons**" and such regulations, statutes, executive orders and governmental actions being referred to herein as "**Blocked Persons Laws**") and (y) is not engaging in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. The User acknowledges that the Port Authority is entering into this Agreement in reliance on the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing the Port Authority to enter into and execute this Agreement.

(b) *User's Covenant.* User covenants that (i) during the term of the Agreement it shall not become a Blocked Person, and shall not engage in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. In the event of any breach of the aforesaid covenant, the same shall constitute an event of default and, accordingly, a basis for termination of this Agreement by the Port Authority, in addition to any and all other remedies provided under this Agreement or at law or in equity, which does not constitute an acknowledgement by the Port Authority that such breach is capable of being cured.

(c) *User's Indemnification Obligation.* The User shall indemnify and hold harmless the Port Authority and its Commissioners, officers, employees, agents and representatives from and against any and all claims, damages, losses, risks, liabilities and expenses (including, without limitation, attorney's fees and disbursements) arising out of, relating to, or in connection with the User's breach of any of its representations and warranties made under this Section. Upon the request of the Port Authority, the User shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provision of any statutes respecting suits against the Port Authority.

(d) *Survival*. The provisions of this Section shall survive the expiration or earlier termination of the period of permission of this Agreement.

Section 10. Miscellaneous

(a) ***Non-liability of Individuals.***

No Commissioner, director, officer, agent or employee of either party shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of any supplement, modification or amendment to this Agreement or because of any breach thereof, or because of its or their execution or attempted execution.

(b) **Entire Agreement.**

This Agreement consists of the following: Sections 1 through 10 and Exhibits 1 and A attached hereto. It constitutes the entire agreement of the parties on the subject matter hereof and may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the User. The User agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in this Agreement.

[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, and intending to be legally bound, the Port Authority and the User have executed these presents as of the date first written above.

ATTEST:

Deputy Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

(name) David Kagan
(title) Assistant Director
Business. Properties & Airport Development

ATTEST:

(name) John Harrow
(title) SVP - COO

AFCO AVPORTS MANAGEMENT LLC

(name) Oswin E. Moore
(title) Pres & CEO
(Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
KO	RR

Exhibit 1 - The Prior Agreement – Contract No. TA-306

USE AND OCCUPANCY AGREEMENT

BETWEEN

JOHNSON CONTROLS WORLD SERVICES INC.

AND

AMERICAN PORT SERVICES INC.

TA-306

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Teterboro Airport
Use and Occupancy Agreement
TA- 306

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, made this First of December, ~~2000~~ 1999 by JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter call the "Airport Operator"), a Florida Corporation, and AMERICAN PORT SERVICES INC., (the "User"), a Delaware corporation,

WITNESSETH, THAT:

WHEREAS, the Port Authority of New York and New Jersey (hereinafter called the "Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services is the operator of Teterboro Airport and has the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. and the Port Authority dated September 19, 1967, (which agreement, as the same may have been or may hereafter be supplemented and amended, is hereinafter called the "Main Agreement"); and

WHEREAS, User desires to use and occupy the area at the Airport as hereinafter described;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto hereinafter set forth, the Airport Operator hereby grants to User the right to use and occupy the area at the Airport shown in diagonal hatching on Exhibit A attached hereto and made a part hereof, together with all structures, improvements, additions and permanent installations constructed or installed therein at the beginning of and during the term of this Agreement (hereinafter collectively referred to as the "Space"), upon the following terms and conditions and it is hereby mutually agreed as follows:

1. Term

1.1 The term of this Agreement shall commence on January 1, 2000, (hereinafter called "the Effective Date"), and expire on December 30, 2000, subject to earlier termination or extension as hereinafter provided. The parties to this Agreement acknowledge that the Consent Agreement to this Use and Occupancy Agreement granting the Port Authority's consent to this Agreement and the matters herein set forth shall provide for the termination of this Use and Occupancy Agreement upon the termination of the Main Agreement, but with the terms, rights and obligations of the Airport Operator of this Use and Occupancy Agreement being assumed by the Port Authority itself or a successor airport operator designated by the Port Authority.

2. Space Occupancy and Rights of User

2.1 The User shall use and occupy the Space for the following purposes only and for no other purpose whatsoever:

2.1.1 To provide consulting services to the Airport Operator and to the Port Authority relative to the management and operation of Teterboro Airport

2.1.2 To provide operational and marketing support for the conduct of the User's business of operating airports, Fixed Base Operations, and other aviation related activities at various location and to provide a base from which consulting services and support for other aviation related activities of the User are provided.

2.1.3 The Space shall be used as general office space only, for the housing of personnel, general office equipment and files of the User.

2.1.4 The User shall have the right to automobile parking spaces contiguous to the building from which the Space is a part, to accommodate its employees, guests and business visitors.

3. Fees to the Airport Operator

3.1 On or before the first day of each month of the Term of this Agreement, the User will pay to the Airport Operator the sum of Three Thousand Two Dollars and Eight Cents ($3,002.08) per month, which is derived from the Space occupied of 3,275 square feet times the rate of $11.00 per square foot per year.

3.2 In addition to the fixed monthly payment as provided for in Section 3.1, the User shall pay to the Airport Operator a pro-rate share of the cost of the building operating cost as referenced in Section 23.5. Said building operating cost shall be billed to the User monthly based on actual cost incurred and shall be due and payable upon receipt.

3.3 The fees specified in Section 3.1 above shall be paid on the first day of each month, in advance, throughout the original term, and any extension thereof, of this Agreement

3.4 In the event this Agreement is terminated on other than the last day of a month the fees set forth in 3.1 and 3.2 above shall be prorated in accordance with the number of days in such month as the Agreement shall have been in effect.

3.5 The fees shall be payable at the office of the Manager of Teterboro Airport, 399 Industrial Avenue, Teterboro, New Jersey 07608, or such other location as may from time to time be substituted therefor.

4. Care, Maintenance and Repair

4.1 The User warrants it has inspected the Space and accepts occupancy of the Space and the improvements thereon "as is" in their present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Airport Operator, and admits their suitableness and sufficiency for the uses permitted hereunder.

4.2 The User shall at all times keep in a clean and orderly condition and appearance the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public.

4.3 The User shall repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User, excluding the acts or omissions of the Airport Operator, its employees or agents.

4.4 In the event the User fails to commence so to repair, replace, rebuild or paint within a period of ten (10) days after notice from the Airport Operator so to do, or fails diligently to continue to complete the repair, replacement, rebuilding or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, the Airport Operator, may, at this 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

5. Insurance

5.1 During the original term, and any extension thereof, of this Agreement, the Airport Operator shall, as an item of building operating cost as hereinafter provided, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space which are provided by the Airport Operator against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction.

5.2 The aforesaid insurance coverage's and renewals thereof shall insure the Port Authority and the Airport Operator as their interests may appear and shall provide that the loss, if any, shall be adjusted with the Airport Operator and the Port Authority and shall be payable to the Port Authority or the Airport Operator as their interests may appear.

5.3 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify the

Airport Operator of such casualty and shall thereafter furnish to the Airport Operator such information and data as shall enable the parties to adjust the loss.

5.4 To the extent that any loss is recouped by actual payment to the Port Authority or the Airport Operator, the Airport Operator will, out of such proceeds, pay the costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligations under this Agreement.

5.5 The User, for its own protection, may separately insure at its own expense such fixtures, equipment or other personal property at the Space as its interests may appear.

6. Indemnity, Liability Insurance

6.1 The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives; and the Airport Operator, its subsidiaries and affiliates, their Directors, officers, employees and agents (to include reasonable attorneys and other professional fees) from and against all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damage arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on the Space or out of the acts or omissions of others on the Space with consent of the User whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or against termination or expiration of this Agreement.

6.2 In addition to the obligations set forth in the above subsection, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

6.3 Combined single limit of $2,000,000 for bodily injury and property damage.

6.4 In addition to the obligations set forth in the above subsections, the User in its own name as assured shall maintain personal property insurance covering loss or damage to its property on or at the Space. Such policy shall be in an amount to cover maximum exposure at any time, but in no event less than $400,000 per loss.

6.5 The Port Authority and the Airport Operator shall be named as additional insured on any policy of insurance required by this Agreement.

6.6 As to any insurance required by the provisions of this Agreement to be obtained by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders, together with evidence of the payment of the premium thereon, shall be delivered to the Airport Operator within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced

within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to the Airport Operator. A renewal policy shall be delivered to the Airport Operator at least twenty(20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement.

7. Ingress and Egress

7.1 The User, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport, as may from time to time be designated by the Airport Operator for the use of the public.

7.2 The use of any such roadway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Airport Operator may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User. The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; the Airport Operator, its subsidiaries and affiliates, their Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

8. Various Obligations of the User

8.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space on the Airport. The User shall take all reasonable measures:

8.1.1 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

8.1.2 to keep the sound level of its operations as low as possible.

8.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon objection from the Airport Operator concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If the Airport Operator shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Manager of the Airport.

8.3 The User shall daily remove from the Space by means of facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of the Airport Operator. No facilities of the Airport shall be used for such removal unless with the Airport Operator' prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space.

8.4 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable Federal, State and Municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder.

8.5 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirements, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to the Airport Operator that part of all premiums paid by the Airport Operator which shall have been charged because of such violation or failure by the User.

8.6 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Airport Operator shall relieve the User of such responsibility.

9. Prohibited Acts

9.1 The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following:

9.1.1 Hot and cold packaged foods;

9.1.2 Hot and cold beverages;

9.1.3 Candy and chewing gum;

9.1.4 Tobacco and tobacco products;

9.1.5 Newspapers and periodicals;

9.1.6 Telephone services (pay stations)

(hereinafter called "vending machines").

9.2 If User, installs or causes to be installed vending machines on the Space for the limited sale of merchandise or services permitted hereunder, User shall have the right to retain the revenues derived therefrom, provided, however, that:

9.2.1 The User shall itself, and shall also require its contractors, to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees (to include reasonable attorney's and other professional fees) from and against all claims and demands of third persons (including employees) arising or alleged to arise out of the installation, operation or maintenance of the vending machines (or consumable obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this agreement.

9.3 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by the Airport Operator at any time during the term of this Agreement upon ninety (90) days' notice to the User and the Airport Operator, at any time thereafter, may substitute for the User's vending machines other machines selling similar

merchandise or services operated by the Airport Operator or by its permittee or concessionaire and thereupon User shall remove its machines.

9.4 Upon installation by the Airport Operator or by its permittee or concessionaire of vending machines in substitution of User's vending machines, all revenues derived therefrom shall be retained by the Airport Operator.

9.5 Upon rendering of notice to User of termination of the right to operate vending machines, the Airport Operator may elect to permit User's vending machines to remain, but in such case, User shall pay or cause to be paid to the Airport Operator each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of the Airport Operator then operating machines at the Airport for sale to the general public of similar merchandise or rendering of similar services.

9.6 The termination by the Airport Operator of the limited right of User to install vending machines at the Space shall be nondiscriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by the Airport Operator User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

9.7 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

9.8 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

9.9 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

9.10 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

9.11 The User shall not do or permit to be done any act or thing upon the Space which:

9.11.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

9.11.2 which, in the opinion of the Airport Operator, may constitute an extra hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

9.11.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

10. Rules and Regulations

10.1 User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such Rules and Regulations of the Airport as are now in effect or as may be promulgated from time to time for the government and conduct of operations of the Airport for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then the Airport Operator will make a copy thereof available to the User at the office of the Manager of Teterboro Airport.

11. Signs

11.1 Except with the prior written approval of the Airport Operator, the User shall not erect, maintain or display any advertising, signs, posters or similar devices at or on the Space.

11.2 Upon demand by the Airport Operator, the User shall remove, obliterate or paint out any and all advertising, signs, posters and similar devices placed by the User on the Space or elsewhere on the Airport without the prior approval of the Airport Operator. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, the Airport Operator may perform the necessary work and the User shall pay the costs thereof to the Airport Operator on demand.

12. Assignment

12.1 The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of the Airport Operator which consent shall not be unreasonable withheld. In the event that such consent is granted, the Airport Operator reserves the right to receive directly all payments of any kind, whether fees or otherwise, paid by the assignee, transferee, sub-user, or purchase as the case may be for the use and/or occupancy of the Space.

12.2 If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by anyone other than the User, the Airport Operator may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by it and shall apply the net amount collected to the fees, herein reserved; and no such collection shall be deemed a waiver by the Airport Operator of the agreements contained in this Section nor of acceptance by the Airport Operator of any assignee, claimant or occupant, nor as a release of the User by

the Airport Operator from the further performance by the User of the agreements contained herein.

13. Condemnation

13.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or the Airport Operator, or its subsidiaries and affiliates for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between the Airport Operator and the User that the Airport Operator shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

13.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be canceled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired.

13.3 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rules, regulation, requirement, order or direction, the Airport Operator may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to deliver possession of all or such portion of Space so required upon the effective date of such termination.

13.4 No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or the Airport Operator or its subsidiaries and affiliates for damages, consequential or otherwise.

13.5 In the event of a taking by any governmental agency or agencies or by the Port Authority of a part of the Space, then use of such part only shall, as of the date possession thereof is taken, cease and determine, and the Fees thereafter to be paid by the User to the Airport Operator shall be abated as hereinafter provided from and after the date of such taking. In the event that a substantial part shall be taken, which shall be deemed to mean a taking so extensive that the User is unable to use or operate the Space for the purposes expressed in this Agreement, then the User shall have the right to be exercised within thirty (30) days of the taking to terminate this Agreement, such termination to have the same effect as expiration.

14. . Non-Discrimination

14.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (l) no person on the grounds of sex, race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 2l, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of l964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between the Airport Operator and the United States Government or otherwise.

14.2 The User assures that it will undertake an affirmative action program as required by l4 CFR Part l52, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in l4 CFR Part l52, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by l4 CFR Part l52, Subpart E, to the same effect.

14.3 The User shall include the provisions of the above subsections in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting the Airport Operator a right to take such action as the United States may direct to enforce such covenant.

14.4 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above nondiscrimination provisions, the Airport Operator may take any appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from the Airport Operator, the Airport Operator shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any

or all of the foregoing, the Airport Operator may take such action as the United States may direct.

14.5 The User shall indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates and the Port Authority (to include reasonable attorney's and other proposed fees) from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse the Airport Operator and the Port Authority for any loss or expense incurred by reason of such noncompliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this agreement.

14.6 Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

15. Governmental Requirements

15.1 The User shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

15.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

15.3 The Airport Operator has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction of the airport and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Airport Operator. Unless otherwise directed in writing by the Airport Operator because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to the Airport Operator but prior to the receipt by the User of a written direction from the Airport Operator, such compliance shall not constitute a breach of this Agreement, although the Airport Operator thereafter notifies the User to refrain from such compliance.

15.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space.

15.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

16. Rights of Entry Reserved

16.1 The Port Authority, by its officers, employees, agents, representatives and contractors and the Airport Operator and its subsidiaries and affiliates by their officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or the Airport Operator may be obligated or have the right to do under this Agreement, or otherwise.

16.2 Without limiting the generality of the foregoing, the Airport Operator and its subsidiaries and affiliates, by their officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Airport Operator, be deemed necessary or advisable and, from time to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction the Airport Operator shall not unreasonably interfere with the use and occupancy of the Space by the User.

16.3 The exercise of any or all of the foregoing rights by the Port Authority, the Airport Operator or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

16.4 Nothing in this Section shall impose or shall be construed to impose upon the Airport Operator or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

17. Main Agreement

17.1 In the event the Main Agreement is terminated, revoked, canceled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement and such termination, revocation, cancellation or expiration of the Main Agreement shall not be deemed a breach of this Agreement.

18. Patents, Trademarks

18.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to indemnify and to save and hold the Port Authority, the Airport Operator, its subsidiaries and affiliates, their Commissioners, Directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

19. Additional Fees and Charges

19.1 If the Airport Operator is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 Fees thereafter due hereunder, and each and every part of the same shall be and become additional Fees, recoverable by the Airport Operator in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to the Airport Operator" hereof.

20. Right of Re-Entry

20.1 The Airport Operator shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

21. Surrender

21.1 The User covenants and agrees to yield and deliver peaceably to the Airport Operator possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

22. Termination by the Airport Operator

22.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, the Airport Operator may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

22.1.1 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

22.1.2 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

22.1.3 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

22.1.4 Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of User under this Agreement shall be transferred to, pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

22.1.5 The User, if a corporation, shall, without the prior written approval of the Airport Operator, become a successor or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

22.1.6 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of

the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

22.1.7 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

22.1.8 Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof; or

22.1.9 The User shall fail duly and punctually to pay the fees or to make any other payment required hereunder when due to the Airport Operator and shall persist in its failure for a period of ten (I0) days following the receipt of written notice of such default from the Airport Operator; or

22.1.10 The User shall fail to keep, perform and observe each and every other promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within ten (I0) days after receipt of notice of default thereunder from the Airport Operator (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within ten (I0) days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

22.1.11 There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and the Airport Operator at the Airport.

22.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the User shall not be entitled to enter into possession of the Space, and the Airport Operator upon the occurrence of any such event, or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel this Agreement, such cancellation to be effective upon the date specified in such notice.

22.3 No acceptance by the Airport Operator of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of the Airport Operator to terminate this Agreement.

22.4 No waiver by the Airport Operator of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by the Airport Operator of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

22.5 The rights of termination 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 the Airport Operator would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by the Airport Operator of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User," the sole right of the Airport Operator shall be a right of termination.

23 Services to User

23.1 The User shall have the right to use hallways, drinking fountains and lavatory facilities in the building of which the Space is a part and the right to use outside non-dedicated parking places at locations as may be assigned to User from time to time by the Airport Manager.

23.2 The Airport Operator agrees to furnish to the Space heat, air conditioning and electrical energy within the capacity of existing pipes, wires and conduit systems, subject, however, to Federal, State or local laws, regulations, order or directions which may limit or ration the use or consumption of energy. Failure on the part of the Airport Operator to supply such services to the User shall not constitute grounds for any diminution or abatement of fees nor grounds for any claim for damages. The services so furnished to User shall constitute an item of additional fee.

23.3 The Airport Operator agrees to furnish to the Space janitorial and window washing services in the same frequency and standard as are furnished by the Airport Operator to common areas and other occupants in the building who do not arrange their own services. The services so furnished to User shall constitute an item of additional fee.

23.4 The User shall be responsible for arranging and paying for its own telephone teletype and other communications service requirements at the Space.

23.5 Building operating costs referred to in Section 3.2 hereof shall mean the total cost to the Airport Operator incurred from electrical, gas and fuel oil consumption, sewer and water services, fire and boiler protection services, property taxes, maintenance material and labor, care of grounds, insurance, trash removal, pest control and cleaning of non exclusive areas in the building.

24. Survival of the Obligations of the User

24.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, or in the event that the Airport Operator has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of

Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Airport Operator to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. the Airport Operator may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

24.2 The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's Fee obligations, shall be the sum of the following:

24.2.1 The amount of the total of all installments of fees pursuant to the Section entitled "Fees to the Airport Operator" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month; and an amount equal to all expenses incurred by the Airport Operator in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to attorneys' fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

25. Use Subsequent to Cancellation or Termination

25.1 The Airport Operator, upon termination or cancellation pursuant to the Section entitled "Termination by the Airport Operator" of this Agreement, or upon any re-entry, regaining or resumption of possession pursuant to the Section entitled "Right of Re-Entry" of this Agreement, may occupy the Space or may enter into an agreement with another User and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be part only of the Space or of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.. the Airport Operator shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

25.2 In the event either of use by others or of any actual use and occupancy by the Airport Operator, there shall be credited to the account of the User against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any User, licensee, permittee or other occupier in connection with the use of the said

Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as the Airport Operator may itself during such period actually use and occupy, less all expenses, costs and disbursements incurred or paid by the Airport Operator in connection therewith.

25.3 No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of the Airport Operator hereunder. The Airport Operator will use its best efforts to minimize damages to User under this Section commensurate with its obligations under the Main Agreement.

26. Remedies to be Non-Exclusive

26.1 Except where otherwise specifically provided, 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 either party at law or in equity.

27. Limitation of Rights and Privileges Granted

27.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

28. Removal of Personal Property

28.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

28.2 If the User shall fail to remove its property on or before the termination or expiration of the term, the Airport Operator may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to the Airport Operator, with any balance remaining to be paid to the User, but if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to the Airport Operator upon demand.

29 Brokerage

29.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Airport Operator its subsidiaries and affiliates of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or

in part upon any act or omission of the User, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees.

30. Notices

30.1 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 mail.

Notices to the Airport Operator shall be directed to:

C. Robert Borders
Vice President (Acting)
Johnson Controls World Services Inc.
7315 North Atlantic Avenue
Cape Canaveral, FL 32920

With copy to:

Airport Manager
Johnson Controls World Services
399 Industrial Avenue
Teterboro Airport, New Jersey 07608

Notices to User shall be directed to:

Mr. Oswin Moore
American Port Services Inc.
1344 World Trade Center
Baltimore, MD 21202

31. Construction and Application of Terms

31.1 The Section and subsection 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 of intent of any provision hereof.

32. Non-Liability of Individuals

32.1 Neither the Directors of the Airport Operator, its subsidiaries and affiliates, or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or

because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

33. Construction by the User

33.1 The User shall not erect any structures, make any improvements or do any construction work on the Space, or install any fixtures (other than trade fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of the Airport Operator through the medium of a construction or alteration application and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice so to do, the User will remove the same or at the option of the Airport Operator, cause the same to be changed to the satisfaction of the Airport Operator. In case of any failure on the part of the User to comply with such notice, the Airport Operator may effect the removal or change and User shall pay the cost thereof to the Airport Operator.

33.2 Title to any construction, improvement, alteration, modification or addition performed by User at or on the Space in accordance with a the Airport Operator approved construction or alteration application shall vest in the Port Authority immediately upon completion without any further action or notice of any kind.

34. Abatement

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

35. Port Authority Consent

35.1 This Agreement shall become effective upon the execution hereof by all parties hereto and the execution of a Consent Agreement between and among the Port Authority, the Airport Operator, and User.

36. Entire Agreement

36.1 This Agreement consists of the following:

Section 1 through 36 and Exhibit A.

36.2 The foregoing constitutes the entire Agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by the Airport Operator and the User. The User agrees that no representations or warranties shall be binding upon the Airport Operator 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.

JOHNSON CONTROLS SERVICES INC.

ATTEST:

Laura Conner

By: C R Borchers

Title: Asst Asst

Title: Vice President (Acting)

AMERICAN PORT SERVICES INC.

ATTEST:

By: Dawn Moore

Title: VP Operations

Title: COO

Teterboro Airport
Use and Occupancy Agreement
Agreement TA-306

CONSENT AGREEMENT

THIS AGREEMENT, dated as of 15th day of December 1999 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called the "Airport Operator"), and AMERICAN PORT SERVICES INC.,(hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator's predecessor in interest, Pan American World Airways, Inc. (hereinafter referred to as "Pan Am") have heretofore entered into an agreement dated September I9, I967 (which agreement, as the same may have been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement") pursuant to which the Airport Operator, as successor in interest to Pan Am is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator proposes as of the effective date hereof to enter into a Use and Occupancy Agreement with the User dated as of December 15th, 1999, a copy of which is attached hereto, made a part hereof and hereafter called "the Use Agreement," subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of January 1, 2000, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Use Agreement.

2. (a) If the Main Agreement shall terminate (whether through the expiration of its term or by earlier termination as provided in the Main Agreement) before the expiration date of the Use and Occupancy Agreement TA-306, the Use and Occupancy Agreement shall terminate as hereinafter provided and the Port Authority or a successor airport operator selected by the Port Authority shall enter into a use and occupancy agreement with the User covering use and occupancy of the Space, with the term thereof commencing as of the expiration or earlier termination of Use and Occupancy Agreement TA-306, the rights and obligations of the parties being as set forth in the Use and Occupancy Agreement TA-306, and on substantially the same remaining terms and conditions as set forth in the Agreement TA-306 and such additional terms as may be necessary or appropriate.

(b) Any successor airport operator that may be selected by the Port Authority shall be required to assume the Airport Operator's obligations under the Agreement and under any successor agreement and relieve the Port Authority of the same.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by the Use Agreement if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. The Use Agreement is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of the Use Agreement shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of the Use Agreement, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Use Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

No provision of the Use Agreement including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Use Agreement covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the space covered by the Use Agreement, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Main Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in the Use Agreement which are not specifically referred to herein.

4. The User, in its operations under or in connection with the Use Agreement and in its occupancy of the space covered by the Use Agreement, shall be subject to the applicable terms, provisions, covenants and conditions of the Main Agreement. Without in any way affecting the obligations of the Airport Operator under the Main Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Main Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Main Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

5. The Use Agreement shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

6. If the Airport Operator shall at any time be in default of its obligations under the Main Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Main Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Main Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Main Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Main Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

7. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or the Use Agreement or of any rights under either of them, whether in whole or in part.

8. In the event of any substantial default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Main Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Main Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate the Use Agreement.

9. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the space covered by the Use Agreement or on the Airport with the consent of the User.

10. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term or provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

By: _____

Title: SECRETARY

Title: ASSISTANT DIRECTOR

JOHNSON CONTROLS WORLD SERVICES INC.
(Airport Operator)

ATTEST:

Laura Cannell

By: _____

Title: Asst Asst

Title: Vice President (Acting)

AMERICAN PORT SERVICES INC.
(User)

ATTEST:

By: _____

Title: VP Operations

Title: COO

APPROVED:
FORM | TERMS

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 7th day of April, 2000, before me, the subscriber, a notary public of New York, personally appeared Frances A. DiMola the Asst Dir Aviation of the Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Linda C. Handel
(notarial seal and stamp)

LINDA C. HANDEL
Notary Public, State of New York
No. 01HA6035589
Qualified in New York County
Commission Expires January 3, 2002

STATE OF Florida)
) ss.
COUNTY OF Brevard

On this 3rd day of February, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders, the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Denise E. Minacapelli
(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
DENISE E. MINACAPELLI
My Comm Exp. 1/28/2002
No. CC 711703
X Personally Known [ ] Other I.D.

STATE OF N.J.)
) ss.
COUNTY OF Bergen)

On this 1st day of February 2000, before me, the subscriber, a Notary Public personally appeared Oswin E Moore the COO ~~President~~ of American Port Services Inc who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Catherine Anderson
(notarial seal and stamp)

CATHERINE ANDERSON
Notary Public, State of New Jersey
Qualified in Bergen County
My Commission Expires 10/3/04

THIS SUPPLEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-306

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 23rd day of August, 2000 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and AMERICAN PORT SERVICES, INC., a corporation organized under the laws of the State of Delaware (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") is the operator of Teterboro Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. (hereinafter called "Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-306 and made effective as of December 1, 1999, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as "the Agreement"); and

WHEREAS, Johnson Controls and the Port Authority intend to terminate the Basic Agreement effective as of the Termination Date, as hereinafter defined, and such termination shall also effect the termination of the Agreement; and

WHEREAS, effective from and after the Termination Date the Port Authority will be the operator of the Airport and now desires, together with the User, to provide for the continuation of the Agreement on a month-to-month basis and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, as of the date first set forth above, as follows:

1. The parties hereby agree that if, as and when the Basic Agreement shall expire or be terminated, the Port Authority shall notify the User of the effective date thereof, with such date set forth in said notice being herein referred to as the "Effective Date." From and after the Effective Date, the term of the Agreement shall terminate and shall continue thereafter on a month-to-month basis with the Port Authority as the Airport Operator thereunder, with the Port Authority succeeding to all the rights and obligations of Johnson Controls under the Agreement from and after the Termination Date. The obligations and liabilities of Johnson Controls to the User arising under the Agreement prior to the Termination Date shall be and remain the obligations and liabilities of Johnson Controls and the Port Authority shall have no responsibility therefor.

2. As between the Port Authority and the User, this substitution of the Port Authority shall not in any way whatsoever affect or impair the liability of Johnson Controls to the User or to the Port Authority to perform all the terms, provisions and conditions of the Agreement on the part of Johnson Controls to be performed, for the period from the effective date of the Agreement to and including the Termination Date and the obligation to comply with all requirements of the Port Authority and appropriate federal, state and local governmental agencies arising from any environmental condition of the Space.

3. From and after the Termination Date, the Port Authority shall assume all the rights, obligations and duties of Johnson Controls under the Agreement as well as the performance of, and does hereby agree to perform, all the terms, provisions and conditions of the Agreement on the part of the Airport Operator thereunder to be performed. The execution of this instrument by the Port Authority does not constitute a representation by it that Johnson Controls has performed or fulfilled every obligation required by the Agreement; as to such matters the User agrees to look solely to Johnson Controls.

4. No provision of the Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Agreement covering actions which shall or may be undertaken by the User or the Airport Operator, including but not limited to, construction on the Space covered by the Agreement, be deemed to imply or infer that Port Authority consent or approval thereto has been or

shall be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to matters and provisions in the Agreement which are not specifically referred to herein.

5. Except as otherwise provided herein, during the month-to-month extension of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

7. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

ATTEST:

SECRETARY

AMERICAN PORT SERVICES, INC.

By: DOUGLAS TIPTON

Title: President

Corporate Seal

AMERICAN PORT SERVICES INC. INCORPORATED 1995 DELAWARE

APPROVED:
FORM | TERMS

STATE OF Florida)
) ss.
COUNTY OF Brevard

On this 3rd day of February, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders (the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Denise E. Miracapelli
(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
DENISE E. MIRACAPELLI
My Comm Exp. 1/28/2002
No. CC 711703
X Personally Known | | Other I.D.

STATE OF N.J.)
) ss.
COUNTY OF Bergen)

On this 1st day of February 2000, before me, the subscriber, a Notary Public personally appeared Edwin E Moore the COO ~~President~~ of American Port Services Inc who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Catherine Anderson
(notarial seal and stamp)

CATHERINE ANDERSON
Notary Public, State of New Jersey
Qualified in Bergen County
My Commission Expires 10/3/04

THIS ASSIGNMENT WITH ASSUMPTION AND CONSENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE ASSIGNOR AND ASSIGNEE BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT. FILE COPY

Port Authority Agreement No. 4600001963
Facility: Teterboro Airport

ASSIGNMENT WITH ASSUMPTION AND CONSENT AGREEMENT

THIS AGREEMENT, made as of the 27th day of November, 2002 (hereinafter the "Effective Date"), by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), AMERICAN PORT SERVICES, INC. (hereinafter called the "Assignor") and MACQUARIE AVIATION NORTH AMERICA 2 INC., a Delaware corporation, having an office and place of business at 600 Fifth Avenue, 21st Floor, New York, New York 10020, whose representative is Murray Bleach, President (hereinafter called the "Assignee"),

WITNESSETH, That:

WHEREAS, the Port Authority and the Assignor are parties to those certain agreements listed in Schedule 1 of this Agreement (together with all schedules, amendments, restatements, modifications and supplements thereto, the "Contracts"); and

WHEREAS, the Assignor desires to assign the Contracts to the Assignee and the Assignee is desirous of acquiring the Contracts and becoming the contractor of the Port Authority thereunder; and

WHEREAS, the Port Authority is willing to consent to such assignment of the Contracts from the Assignor to the Assignee on certain terms, provisions, covenants and conditions, to be effective on the Effective Date, unless otherwise stated, as hereinafter set forth;

NOW, THEREFORE, for and in consideration of the foregoing, and of the covenants and agreements herein contained, the Port Authority, the Assignor and the Assignee hereby agree as follows:

1. The Assignor does hereby assign, transfer and set over to the Assignee and its successors to its and their own proper use, benefit and behoof forever, the Contracts, to have and to hold the same unto the Assignee and its successors from the Effective Date, for and during all of the rest, residue, and remainder of the balance of the term of the Contracts, as herein amended, supplemented, subject to all the terms, provisions and conditions therein contained.

2. The Port Authority hereby consents to the foregoing assignment.

Notwithstanding anything herein to the contrary, the granting of such consent by the Port Authority shall not be, or be deemed to operate as, a waiver of the requirements for consent (or consents) to each and every subsequent assignment by the Assignee.

3. From the Effective Date, the Assignee does hereby assume the performance of and does hereby agree to perform all the terms, provisions, covenants and conditions contained in the Contracts, to be performed on the part of the contractor thereunder, as though the Assignee were the original signatory to the Contracts. The execution of this instrument by the Port Authority does not constitute a representation by it that the Assignor has performed or fulfilled every obligation required by the Contracts, as to such matters the Assignee agrees to rely solely upon the representation of the Assignor.

4. Neither the Commissioners of the Port Authority nor any of them, nor any officers, agent or employee thereof, shall be charged personally by the Assignor or by the Assignee with any liability or held liable to either of them under any term or provision of this Agreement, or because of its execution, or because of any breach or attempted or alleged breach thereof.

5. As of the date of this Agreement, the Port Authority hereby certifies solely for the benefit of the Assignee and its permitted successors and assigns that the Contracts are in full force and effect and that the Port Authority has no actual knowledge of any default by the Assignor under the Contracts.

6. As of the Effective Date, Assignee hereby assumes all liabilities and obligations of Assignor under the Contracts, including without limitation all liabilities and obligations accruing or arising prior to the Effective Date, and the Port Authority hereby releases and forever discharges Assignor from any and all of its obligations, responsibilities, or liabilities to the Port Authority under the Contracts.

7. This Agreement may be executed in two or more counterparts, all of which taken together shall constitute a single instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Port Authority, the Assignor and the Assignee have executed these presents as of the date first hereinabove set forth.

AMERICAN PORT SERVICES, INC.,
Assignor

ATTEST:

Secretary

By
(Title) CHIEF FINANCIAL OFFICER
(Corporate Seal)

AMERICAN PORT SERVICES INC. INCORPORATED 1995 DELAWARE

MACQUARIE AVIATION NORTH AMERICA 2 INC., Assignee

ATTEST:

Secretary

By
(Title) PRESIDENT
(Corporate Seal)

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

Secretary

By
(Title)
(Corporate Seal)

FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

APPROVED:
FORM | TERMS

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 25th day of November, 2002, before me, personally came Francis A. Di Mula to me known, who, being by me duly sworn, did depose and say that (s)he resides at 221 E. Allendale Av, Allendale Ohio NJ; that (s)he is the Asst. Director Avia. Dept of The Port Authority of New York and New Jersey, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Commissioners of the said corporation; and that he signed his name thereto by like order.

Peggy M. Spinelli
(notarial seal and stamp)
PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2003

STATE OF Maryland)
) ss.
~~COUNTY~~ CITY OF Baltimore)

On the 21st day of November, 2002, before me, personally came Rachel Page to me known, who, being by me duly sworn, did depose and say that (s)he resides at Exemption (1) that (s)he is the CFO of American Port Services, Inc., one of the corporations described in, and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of the said corporation; and that he signed his name thereto by like order.

Shannon Best
(notarial seal and stamp)
SHANNON BEST
NOTARY PUBLIC
MY COMMISSION EXPIRES 11/6/2004
BALTIMORE CITY, MD

STATE OF New York)
) ss.
COUNTY OF New York)

On the 21st day of November, 2002, before me, personally came Murray Bleach to me known, who, being by me duly sworn, did depose and say that (s)he resides at Exemption (1); that (s)he is the President of Macquarie Aviation North America 2 Inc., one of the corporations described in, and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of the said corporation; and that he signed his name thereto by like order.

George L. Bischof
(notarial seal and stamp)
GEORGE L. BISCHOF
Notary Public, State of New York
No. 02BI6069511
Qualified in Westchester County
Commission Expires Feb. 4, 2006

SCHEDULE 1

1. Agreement to Perform Operations and Maintenance at The Port Authority Teterboro Airport, dated September 15, 2000, between The Port Authority of New York and New Jersey and American Port Services, Inc.

2. Use and Occupancy Agreement (File No. TA-306), dated December 1, 1999, between Johnson Controls World Services, Inc. and American Port Services, Inc., as consented to by Consent Agreement, dated December 15, 1999, by and among Johnson Controls World Services, Inc., The Port Authority of New York and New Jersey and American Port Services, Inc.; and as supplemented by Supplemental Agreement, dated August 23, 2000, by and between The Port Authority of New York and New Jersey and American Port Services, Inc.

Assignment & Consent (TEB)
Macquarie to AFCO 4/24/08

THIS ASSIGNMENT WITH ASSUMPTION AND CONSENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE ASSIGNOR AND ASSIGNEE BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

(Port Authority Agreement No. 4600001963)
Facility: Teterboro Airport

ASSIGNMENT WITH ASSUMPTION, CONSENT AND SUPPLEMENTAL AGREEMENT

THIS AGREEMENT made as of the 22, day of MAY 2008 by and among **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**, a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States of America, having an office for the transaction of business at 225 Park Avenue South in the Borough of Manhattan, in the City, County and State of New York (hereinafter called the "***Port Authority***"), and **MACQUARIE NORTH AMERICA 2 INC.**, a corporation organized and existing under the laws of the State of Delaware, having an office for the transaction of business at 600 Fifth Avenue, 21st floor, New York, New York 10020 (hereinafter called the "***Assignor***"), and **AFCO AVPORTS MANAGEMENT, LLC**, a Delaware limited liability company, with an office for the transaction of business at 7600 Colshire Drive, Suite 240, Mclean Virginia 22102, the representative of which is Francis X. Chambers, Jr. (hereinafter called the "***Assignee***")

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Assignor are parties to those certain agreements listed in Exhibit 1 of this Agreement (together with all schedules, amendments, restatements, modifications and supplements thereto, the "***Contracts***"); and

WHEREAS, Macquarie Aviation North America Inc., a Delaware corporation, Assignor and Assignee are parties to that certain Asset Purchase Agreement, dated as of January 10, 2008 (the "***APA***"), pursuant to which, on the terms and subject to the conditions stated therein, Assignor has agreed to sell and assign certain of Assignor's assets to Assignee, and Assignee has agreed to assume certain of Assignor's liabilities (the "***Transaction***"); and

WHEREAS, among the assets and liabilities to be assigned and assumed under the APA are the rights and obligations under the Contracts; and

WHEREAS, the Assignor desires to effect its assignment of its rights under the Contracts to the Assignee, and the Assignee desires to effect its assumption of the obligations of Assignor under the Contracts, with such assignment and assumption to be effective upon the closing of the Transaction (the "***Effective Date***"); and

WHEREAS, the Port Authority is willing to consent to such assignment on certain terms, provisions, covenants and conditions:

NOW, THEREFORE, in consideration of the covenants and mutual promises herein contained, the Port Authority, the Assignor and the Assignee hereby agree as follows:

1. The Assignor does hereby assign, transfer and set over to the Assignee, and its successors to its and their own proper use, benefit and behoof forever, the Contracts, to have and to hold the same unto the Assignee and its successors from the Effective Date, for and during all the rest, residue, and remainder of the term of the Contracts, as herein amended and

supplemented, subject nevertheless to all the terms, provisions, covenants and conditions therein contained.

2. The Port Authority hereby consents to the foregoing assignment. Notwithstanding anything to the contrary stated herein, the granting of such consent by the Port Authority shall not be, or be deemed to operate as, a waiver of the requirement for consent or consents to each and every subsequent assignment by the Assignee.

3. From and after the Effective Date, the Assignee does hereby assume the performance of and does hereby agree to perform, all of the terms, provisions, covenants and conditions contained in the Contracts to be performed or observed by or are applicable to the contractor thereunder, as though the Assignee were the original signatory to the Contracts. The execution of this instrument by the Port Authority does not constitute a representation by it that the Assignor has performed or fulfilled every obligation required by the Contracts; and as to such matters the Assignee agrees to rely solely upon the representations of the Assignor.

4. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the Assignor or by the Assignee with any liability or held liable to either of them under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

5. As of the date of this Agreement, the Port Authority hereby certifies solely for the benefit of the Assignee and its permitted successors and assigns that the Contracts are in full force and effect, and that the Port Authority has no actual knowledge of any default by the Assignor under the Contracts.

6. As of the date of this Agreement, the following language shall be deemed inserted as Section 3 of Article 16 of the Operations Agreement, as defined in Exhibit 1 attached to this Agreement:

> "The Contractor hereby waives its right to trial by jury in any summary proceeding or action that may hereafter be instituted by the Port Authority against the Contractor in respect of this Agreement and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under this Agreement. The Contractor specifically agrees that it shall not interpose any claims as counterclaims in any summary proceeding or action for non-payment of fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed. The foregoing reference to summary proceedings shall not be construed to mean that a landlord-tenant relationship exists between the Port Authority and the Contractor."

7. As of the date of this Agreement, the following language shall be deemed inserted as Section 4 of Article 16 of the Operations Agreement, as defined in Exhibit 1 attached to this Agreement:

> Contractor hereby represents and warrants to the Port Authority that Contractor is not, and shall not become, a person or entity with whom the Port Authority is restricted from doing business under the regulations of the Office of Foreign Asset Control ("OFAC") of the United States Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including, but not limited to, the September 24, 2001 Executive Order on Terrorist Financing Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit or Support Terrorism), or other governmental action and is not engaging, and shall not engage, in any dealings or transactions or be otherwise associated with such persons or entities. Contractor

acknowledges that the Port Authority is entering into this Agreement in reliance on the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing the Port Authority to enter into and execute this Agreement. In the event of any breach of the foregoing representations and warranties by Contractor, the Port Authority shall have the right, in addition to any and all other remedies provided under this Agreement or at law or in equity, to immediately terminate this Agreement upon written notice to Contractor. In the event of any such termination by the Port Authority, Contractor shall, immediately on receipt of the Port Authority's termination notice, cease its operations at the Airport, and vacate any space in which it is in possession at the Airport, without the Port Authority being required to resort to any other legal process. Termination on the aforedescribed basis shall be deemed a termination for cause."

8. From and after the date of the execution of this Agreement and the consummation of the Transaction, notices to be delivered to the Assignee by the Port Authority pursuant to the Contracts shall be addressed as follows:

AFCO AvPorts Management LLC
c/o Aviation Facilities Company
7600 Colshire Drive, Suite 240
McLean, Virginia 22102
Attention: Francis X. Chambers, Jr.
Tel.: (703) 288-8580
Fax: (703) 902-2901

with a copy, for informational purposes only, to:

Reed Smith LLP
3110 Fairview Park Drive, Suite 1400
Falls Church, Virginia 22042
Attention: Carol C. Honigberg
Tel.: (703) 641-4220
Fax: (703) 641-4340

Failure on the part of the Port Authority to send the informational copy shall not, however, be or be deemed to be a breach of the Contract, or to impair or affect the validity of the notice or request actually given.

9. Nothing herein contained shall be construed to (i) modify (except as otherwise expressly stated in this Agreement), waive, impair or affect any of the provisions contained in the Contracts, (ii) operate as a consent to or approval by the Port Authority of any of the terms of the Transaction, (iii) operate as a representation or warranty by the Port Authority, (iv) waive any present or future breach of, or default under, any of the Contracts or any rights of the Port Authority against any person, firm, corporation or other entity liable or responsible for the performance thereof, or (v) enlarge or increase the Port Authority's obligations or the Assignee's rights under any of the Contracts.

10. From and after the Effective Date, Assignee hereby assumes all liabilities and obligations of Assignor under the Contracts, which were or are to be performed or observed by or are applicable to the Contractor thereunder, as though the Assignee were the original signatory to the Contracts. The execution of this instrument by the Port Authority does not constitute a representation by it that the Assignor has performed or fulfilled every obligation required by the Contracts; and as to such matters the Assignee agrees to rely solely upon the representations of the Assignor.

11. The Assignor agrees that, notwithstanding this assignment of the Contracts and this consent of the Port Authority thereto, the Assignor shall continue fully liable for all of its obligations, responsibilities, and liabilities under the Contracts arising or accruing prior to the Effective Date.

12. This Agreement constitutes the entire agreement of the parties on the subject matter hereof and may not be changed, modified, discharged or extended except by written instrument duly executed by all of the parties hereto.

IN WITNESS WHEREOF, the Port Authority, the Assignor and the Assignee have executed these presents to be effective on the Effective Date.

ASSIGNOR:

MACQUARIE NORTH AMERICA 2 INC.

ATTEST: _____

By _____

(Title) CEO

(Seal)

ASSIGNEE:

AFCO AVPORTS MANAGEMENT, LLC

By Aviation Facilities Company, Inc Managing Member

ATTEST: _____

By _____

(Title) President & CEO

(Seal)

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST: _____

By _____

(Title) David Kagan
Assistant Director
Business, Properties & Airport Development

(Seal)

APPROVED
FORM | TERMS
MD

Exhibit 1

1 Agreement to Perform Operations and Maintenance at the Port Authority Teterboro Airport, dated September 15, 2000, between the Port Authority of New York and New Jersey and American Port Services, Inc.; as supplemented by Letter, dated October 7, 2002, from Cile Pace to Oswin Moore increasing Management Fee thereunder; as assigned and consented to by Assignment with Assumption and Consent Agreement, dated November 27, 2002, by and among the Port Authority of New York and New Jersey, American Port Services, Inc., and MAVNA2; as supplemented by Letter, dated April 15, 2005, from Cile Pace to John Panarello extending the contract for one five (5) year option period. (collectively the ***Operations Agreement***")

2. Use and Occupancy Agreement (File No. TA-306), dated December 1, 1999, between Johnson Controls World Services, Inc. and American Port Services, Inc., as consented to by Consent Agreement, dated December 15, 1999, by and among Johnson Controls World Services, Inc., The Port Authority of New York and New Jersey and American Port Services, Inc.; and as supplemented by Supplemental Agreement, dated August 23, 2000, by and between The Port Authority of New York and New Jersey and American Port Services, Inc., as assigned and consented to by Assignment with Assumption and Consent Agreement, dated November 27, 2002, by and among the Port Authority of New York and New Jersey, American Port Services, Inc., and MAVNA2 (Teterboro), as further supplemented by email correspondence, dated March 22, 2007, from Frederick Longernecker to John Harden affirming the month-to-month status of the Use and Occupancy Agreement. (collectively the "***Occupancy Agreement***"))

Assignment & Consent (TEB)
Macquarie to AFCO 4/24/08

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 22ND day of MAY in the year 2008 before me, the undersigned, a Notary Public in and for said state, personally appeared DAVID KAGAN personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument the person upon behalf of which the individual acted, executed the instrument.

Gail E. Mitchell
(Notarial Seal and Stamp)

GAIL E. MITCHELL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MI6026210
Qualified in Queens County
My Commission Expires June 14, 20 11

STATE OF Texas)
)ss.:
COUNTY OF Collin

On the 25th day of April in the year 2008 before me, the undersigned, a Notary Public in and for said state, personally appeared Louis T. Pepper personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument the person upon behalf of which the individual acted, executed the instrument.

Virginia Jill Crider
(Notarial Seal and Stamp)

VIRGINIA JILL CRIDER
MY COMMISSION EXPIRES
September 23, 2011

STATE OF Virginia)
)ss.:
COUNTY OF Fairfax)

On the 2nd day of May in the year 2008, before me, the undersigned, a Notary Public in and for said state, personally appeared F.X. Chambers, Jr. personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument the person upon behalf of which the individual acted, executed the instrument.

Suzanne L. Smith
(Notarial Seal and Stamp)

SUZANNE L. SMITH
NOTARY PUBLIC
REG # 7032262
MY COMMISSION
EXPIRES
05/31/2010
COMMONWEALTH OF VIRGINIA

Exhibit A – The Space

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

For the Port Authority

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

On the 13th day of March in the year ~~2012,~~ 2013 before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(notarial seal and stamp)

MICHAEL F. SCHMIDT
Notary Public, State of New York
No. 01SC6118149
Qualified in New York County
Commission Expires November 1, 2016

TEB – AFCO AvPorts Management LLC
TA-449

For the User

STATE OF New Jersey)
) ss
COUNTY OF Bergen)

On the 12 day of December in the year 2012, before me, the undersigned, a Notary Public in and for said state, personally appeared Oswin E Maine _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Catherine Anderson

(notarial seal and stamp)

CATHERINE ANDERSON
Notary Public
State of New Jersey
My Commission Expires Oct 3, 2014

TEB – AFCO AvPorts Management LLC
TA-449

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-146
Supplement No. 2

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of November 29, 2000 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and AVIATION HALL OF FAME OF NEW JERSEY, a non-profit corporation organized under the laws of the State of New Jersey (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") is the operator of Teterboro Airport and has the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. (hereinafter called "Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-146 and made effective as of January 1, 1982, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as the "Agreement"); and

WHEREAS, Johnson Controls and the Port Authority intend to terminate the Basic Agreement effective as of November 30, 2000 (hereinafter called the "Termination Date"), and such termination shall also effect the termination of the Agreement; and

WHEREAS, effective from and after the Termination Date the Port Authority will be the operator of the Airport and now desires, together with the User, to provide for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, as of the date first set forth above, as follows:

1. The parties hereby agree that if, as and when the Basic Agreement shall expire or be terminated, the Port Authority shall notify the User of the effective date thereof, with such date set forth in said notice being herein referred to as the "Effective Date." From and after the Effective Date, the term of the Agreement shall continue thereafter for a term that shall expire on November 9, 2013, unless sooner revoked or terminated, with the Port Authority as the Airport Operator thereunder, with the Port Authority succeeding to all the rights and obligations of Johnson Controls under the Agreement from and after the Termination Date. The obligations and liabilities of Johnson Controls to the User arising under the Agreement prior to the Termination Date shall be and remain the obligations and liabilities of Johnson Controls and the Port Authority shall have no responsibility therefor.

2. As between the Port Authority and the User, this substitution of the Port Authority shall not in any way whatsoever affect or impair the liability of Johnson Controls to the User or to the Port Authority to perform all the terms, provisions and conditions of the Agreement on the part of Johnson Controls to be performed, for the period from the effective date of the Agreement to and including the Termination Date and the obligation to comply with all requirements of the Port Authority and appropriate federal, state and local governmental agencies arising from any environmental condition of the Space.

3. From and after the Termination Date, the Port Authority shall assume all the rights, obligations and duties of Johnson Controls under the Agreement as well as the performance of, and does hereby agree to perform, all the terms, provisions and conditions of the Agreement on the part of the Airport Operator thereunder to be performed. The execution of this instrument by the Port Authority does not constitute a representation by it that Johnson Controls has performed or fulfilled every obligation required by the Agreement; as to such matters the User agrees to look solely to Johnson Controls.

4. No provision of the Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Agreement covering actions which shall or may be

undertaken by the User or the Airport Operator, including but not limited to, construction on the Space covered by the Agreement, be deemed to imply or infer that Port Authority consent or approval thereto has been or shall be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to matters and provisions in the Agreement which are not specifically referred to herein.

5. Except as otherwise provided herein, during the month-to-month extension of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

7 This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

8. Except as otherwise provided herein, all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

9. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

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

ATTEST:

ASSISTANT Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

(Title) FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT

ATTEST:

Secretary

AVIATION HALL OF FAME OF NEW JERSEY

By: _____

(Title) _____

APPROVED
FORM | TERMS

Teterboro Airport
Agreement TA-146
Supplement No. 1

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 28th day of September 1992 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls") a Florida corporation, and AVIATION HALL OF FAME OF NEW JERSEY, a non-profit corporation organized under the laws of the State of New Jersey (hereinafter called "the User").

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of Teterboro Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 ("Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-146 and made effective as if January 1, 1982, was entered into between Pan American and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as "the Agreement"); and

WHEREAS, the User desires to construct an extension to the museum facility at the Space provided for in the Agreement and in consideration of said construction extend the term of the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained, and made by the parties hereto, the parties hereby agree, effective as of the date of this Supplemental Agreement, as follows:

1. The expiration date of December 30, 1999, as set forth in Section 1 of the Agreement shall be changed to be and become the day before the twentieth (20th) year anniversary of the approval by the Port Authority of the plans and specifications as provided for in Paragraph 4 below; provided, however that the foregoing change shall be null and void and the Agreement shall terminate on December 30, 1999 in the event that the User has not completed all of the Construction required to be completed under Paragraph 3 below on or before eighteen (18) months from the date of approval by the Port Authority of the construction application and the plans and specifications.

2 Upon the completion, the User shall use the Construction work, as hereinafter defined, in accordance with the purposes set forth in Section 2 of the Agreement and for no other purpose whatsoever.

3. The User agrees to design and construct on the Space contiguous to the existing facility a two-story extension of the existing facility consisting of approximately 5,000 square feet, together with all necessary and appropriate finishing work and all appropriate lines, pipes, cables, wires, conduits and other facilities required in connection with or relating to the mechanical and other systems necessary to the use and operation of the heating, electrical, water and other systems which are to serve the said extension; all of the foregoing design and construction work being hereinafter collectively called the "Construction Work."

4(a) Prior to the commencement of Construction Work as set forth in Paragraph 3 above, or any part thereof, the User shall submit to Johnson Controls a construction application and complete plans and specifications of such proposed construction for Johnson Controls's and the Port Authority's approval.

4(b) The User agrees to submit to Johnson Controls said construction application and complete plans and specifications for the proposed construction set forth in Paragraph 3 above on or before six (6) months from the execution date of this Supplement 1 to the Agreement.

4(c) The User agrees to complete the Construction Work on or before eighteen (18) months from the date of approval by the Port Authority of the construction application and the plans and specifications, provided, however, the User shall not be held in default under this subparagraph in the event construction cannot be completed within the said time limit due to "Force Majeure", which is hereby defined to include acts of God or the public enemy; compliance in good faith with any applicable governmental regulation, law or order whether or not it proves to be invalid; fires; riots; labor disputes; natural disasters; terrorism; war (declared or undeclared); civil disturbances or uprisings; epidemics; unusually severe weather; or any other cause beyond the reasonable control of the User, provided that the User promptly notify Johnson Controls of its noncompliance and the cause and estimated duration thereof and at all times uses its diligent efforts to remove or remedy the cause of such failure to perform. Johnson Controls recognizes that User will be enabled to perform the Construction Work only through the medium of grants and donations. If the User is unable to furnish to Johnson Controls, prior to commencement of construction but no later than Thirty Six (36) months from the date of execution of this Supplement 1 to the Agreement, satisfactory evidence that the User is in possession of sufficient funds to meet all of its construction obligations herein, then this Supplemental Agreement shall be null and void and the Agreement shall terminate on December 30, 1999.

4(d) The plans and specifications as referenced in Paragraph 4 above shall be submitted by Johnson Controls to the Port Authority for approval and Johnson Controls or the Port Authority may refuse to grant approval in accordance with Subsection 29.5 of the Agreement.

4(e) The Construction Work shall be performed in accordance with Subsections 29.6, 29.7, 29.8 and 29.9 of the Agreement.

5. Without limiting any other right of the Port Authority, in the event that at any time after the expiration or earlier termination of the Basic Agreement, the Port Authority shall have the right to terminate this Agreement. And, if the Basic Agreement shall terminate before the termination date of this Agreement and this Agreement shall terminate and if the User is unable to continue use and occupancy of the Space under this Agreement through reason of the Port Authority's termination without cause of the Agreement or any successor agreement consented to or entered into by the Port Authority, and for no other reason whatsoever, then upon the surrender and delivery of possession of the Space to the Port Authority, the Port Authority shall pay to the User an amount equal to the User's unamortized investment, as defined in subparagraph 2 (b) of the Consent Agreement Supplement No 1 attached hereto and made a part hereof, but only up to a maximum amount of Seven Hundred Fifty Thousand Dollars ($750,000) for the Construction Work.

5(a) A statement of capital investment in duplicate detailing all of the foregoing including two copies of invoices and contracts and certified by the principal financial officer of the User shall be delivered to Johnson Controls not later than forty-five (45) days after completion of any construction, and the User shall permit Johnson Controls and the Port Authority by their agents, employees or representatives at all reasonable times prior to a final settlement or determination of capital investment to examine and audit the records and books of the User which pertain to the capital investment and the User agrees to keep such records and books of account within the Port District of the Port Authority during such time. If in the certified statement, there is included any item of cost or expense as having been incurred which in the opinion of Johnson Controls or the Port Authority was not so incurred, or which in the opinion of Johnson Controls or the Port Authority was not a cost or expense properly chargeable to the capital investment under generally accepted accounting principles, within one hundred eighty (180) days after completion of audit and examination by the Port Authority and Johnson Controls, Johnson Controls shall give written notice to the User stating its objection to such item and the grounds therefor. If the User considers that Johnson Controls's or the Port Authority's objection is wrongly taken, the User may within thirty (30) days after Johnson Controls gives written notice, serve a notice on Johnson Controls stating the grounds upon which the User considers the objection to be wrongly taken and in such event the parties will refer the objection to Johnson Controls's and/or the Port Authority's

exceptions to the accounting firm selected by Johnson Controls from a list of three neutral accounting firms as submitted by the Port Authority, and the decision of such accounting firm as to the validity of the objection shall be final.

5(b) There shall be excluded from the capital investment any cost of personal property.

5(c) Notwithstanding any other provision of this Supplement 1 to the Agreement, in ascertaining the amount the Port Authority shall be obligated to pay the User under the terms of this Paragraph the unamortized capital investment of each such new structure or new building shall be diminished by the amount that any part of the components of any costs thereof are secured by liens, mortgages or other encumbrances or conditional bills of sale on said capital investment, by amounts already amortized, and less any other amounts whatsoever due to Johnson Controls by the User under this Agreement or any other agreement with the User at the Airport. The capital investment for any such new structure or new building shall not include any expenses, outlays or charges by or for the account of the User for or in connection with the work unless said work is actually made and completed and becomes part of the Space.

6. In accordance with the Construction Work, the User hereby agrees to made good faith efforts to ensure that disadvantaged business enterprises (D.B.E) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for D.B.E. participation in the total contract price shall be Seventeen Percent (17%).

7. Except as herein supplemented, all terms, provisions, covenants and conditions of the Agreement shall continue in full force and effect.

8. Neither the Directors of Johnson Controls, its subsidiaries and affiliates, nor any officers, agents, or employees thereof, shall be charged personally by the User with any liability or held liable to it under any term of provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

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

ATTEST:

Title: Director Finance

JOHNSON CONTROLS WORLD SERVICES INC.

By: Frederick Gammon

Title: Vice President

ATTEST:

Title: EXEC. V.P.

AVIATION HALL OF FAME OF NEW JERSEY

By: William McGroy

Title: PRESIDENT

Teterboro Airport
Agreement TA-146
Supplement No. 1

CONSENT AGREEMENT

THIS AGREEMENT, dated as of September 28, 1992 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "the Airport Operator") and AVIATION HALL OF FAME OF NEW JERSEY (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Basic Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport") and;

WHEREAS, pursuant to and in accordance with the terms of the Basic Agreement, the Airport Operator and the User have entered into a Use and Occupancy Agreement made effective as of January 1, 1982 with the consent of the Port Authority (which consent was set forth in an agreement hereinafter called the "Consent Agreement") which Use and Occupancy Agreement has been designated TA 146; and

WHEREAS, the Airport Operator and the User desire to supplement the above referenced Use and Occupancy Agreement, a copy of which Supplement is attached hereto, made a part hereof and hereafter called "the Supplement", subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority; and

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree, effective as of the effective date of the Supplement, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Supplement.

2. (a)If the Basic Agreement shall terminate (whether through the expiration of its term or by earlier termination as provided in the Basic Agreement) before the termination date of the Use and Occupancy Agreement, the Use and Occupancy Agreement shall terminate as hereinafter provided and, except as provided in subparagraph (b) hereof, if the User is in occupancy and using the Space, the Port Authority or a

successor airport operator selected by the Port Authority shall enter into a use and occupancy agreement with the User covering the use and occupancy of the Space, with the term thereof commencing as of the expiration or earlier termination of the Use and Occupancy Agreement, the permitted uses of the Space and the fees and charges thereunder being as set forth in the Use and Occupancy Agreement, and on substantially the same remaining terms and conditions as set forth in the Use and Occupancy Agreement and such additional terms as may be necessary or appropriate.

(b) (1) In the event (i) the Basic Agreement shall terminate before the termination date of the Use and Occupancy Agreement as set forth in subparagraph (a) hereof and (ii) the Use and Occupancy Agreement shall terminate, and (iii) if the User is unable to continue use and occupancy of the Space under this Agreement through reason of the Port Authority's termination without cause of the Agreement or any successor agreement consented to or entered into by the Port Authority, and for no other reason whatsoever, then upon the surrender and delivery of possession of the Space to the Port Authority the Port Authority shall pay to the User an amount equal to the User's unamortized investment, as hereinafter defined, but only up to a maximum amount of Seven Hundred Fifty Thousand Dollars and No Cents ($750,000.00) for the Construction Work.

(b) (2) The term "unamortized investment' as used in this Agreement shall mean the amount of the User's investment in the Construction Work after deduction therefrom of an amount equivalent to an allowance for depreciation and amortization. Such depreciation and amortization allowance will be computed on a straight-line basis without interest and over a period of whole months commencing on the respective completion date of the Construction Work to and including the expiration date of this Agreement or the date of the earlier termination of this Agreement, whichever shall first occur.

(b) (3) The foregoing computation to be made shall not take into consideration the effect of accelerated amortization, if any, granted to or taken by the User on its books or otherwise under the provisions of Section 168 (a) of Title 26 USCA or similar legislation hereafter enacted.

(b) (4) For the purposes of this subparagraph (b), the User's investment in the Construction Work shall be equal to the sum of: (1) the amounts paid by the User to independent contractors for work actually performed and labor and materials actually furnished in connection with the performance of the Construction Work, excluding payments made and expenses incurred by the User in connection with such

construction for engineering, architectural, professional and consulting services and the supervision of construction, and (ii) 10% of the amounts described in item (i); in each case, as the above-mentioned amounts, payments and expenses are evidenced, from time to time by certificates of a responsible fiscal officer of the User, sworn to before a Notary Public and delivered to the Port Authority, which certificates shall (a) set forth, in reasonable detail, the amounts paid to specified independent contractors, the payments made to other specified persons and the other expenses incurred by the User, which have not previously been reported in certificates delivered to the Port Authority, (b) have attached thereto reproduction copies or duplicate originals of the invoices of such independent contractors and other persons acknowledging the receipt by them of such amounts and payments, and (c) certify that the amounts, payments and expenses therein set forth constitute portions of the User's investment in the Construction Work. All records of the User with respect to the foregoing shall be kept at all times within the Port of New York District for a period of seven (7) years after the completion of the Construction Work and for such further period until the Port Authority shall notify the User in writing that it no longer need to do so after the final costs of all the Construction Work have been submitted by the User to the Port Authority and shall be subject to the audit and inspection of the Port Authority, its representatives and employees.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Basic Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by the Use Agreement if not granted to the Airport Operator under the Basic Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Basic Agreement. The Use and Occupancy Agreement is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of the Use and Occupancy Agreement shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Basic Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of the Use and

Occupancy Agreement, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Basic Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Use and Occupancy Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Basic Agreement shall, in all respects, be controlling, effective and determinative.

4. No provision of the Use and Occupancy Agreement including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Use and Occupancy Agreement covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the Space covered by the Use and Occupancy Agreement, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Basic Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in the Use and Occupancy Agreement which are not specifically referred to herein.

5. The User, in its operations under or in connection with the Use and Occupancy Agreement and in its occupancy of the Space covered by the Use and Occupancy Agreement, shall be subject to the applicable terms, provisions, covenants and conditions of the Basic Agreement. Without in any way affecting the obligations of the Airport Operator under the Basic Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Basic Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Basic Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said

default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

6. The Use and Occupancy Agreement shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

7. If the Airport Operator shall at any time be in default of its obligations under the Basic Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Basic Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Basic Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Basic Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Basic Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

8. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Basic Agreement or the Use and Occupancy Agreement or of any rights under either of them, whether in whole or in part.

9. In the event of any substantial default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Basic Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Basic Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate the Use Agreement.

10 If the Basic Agreement expires or is terminated and the Port Authority becomes the Airport Operator, then the User shall be obligated to pay annual rental for the Space to the Port Authority throughout the term of this Agreement at an annual rate to be computed by increasing the sum of Five Thousand Five Hundred Fifty-four Dollars and No Cents ($5,554.00) by 4.0% per year for each calendar year during the period commencing on the effective date of this Supplement to and including the calendar year during which the effective date of the Port Authority becoming the Airport Operator occurs, which computation shall be made for each calendar year up to and including the period ending December 30, 1999.

11. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the Space covered by the Use and Occupancy Agreement or elsewhere on the Airport with the consent of the User.

12. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: Gerald R. Fitzgerald

Title: DEPUTY DIRECTOR OF AVIATION

ATTEST:

Title: Director Trans.

JOHNSON CONTROLS WORLD SERVICES INC.

By: Frederick Hamm

Title: Vice President

ATTEST:

Title: Exc. V. R.

AVIATION HALL OF FAME OF NEW JERSEY

By: William H. McKay

Title: PRESIDENT

0089T

APPROVED

MW

M. Robb cop.

AVIATION DEPT.
FILE COPY

USE AND OCCUPANCY AGREEMENT

BETWEEN

PAN AMERICAN WORLD AIRWAYS, INC.

AND

AVIATION HALL OF FAME OF NEW JERSEY

TA-146

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TA-146

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, made this 3rd day of December 1981 by and between PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "Pan American"), a corporation of the State of New York, and AVIATION HALL OF FAME OF NEW JERSEY, a non-profit corporation organized under the laws of the State of New Jersey, (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Pan American is the operator of Teterboro Airport and has the right to operate and use the Airport under an agreement between Pan American and the Port Authority dated September 19, 1967 ("Basic Agreement"); and

WHEREAS, User desires to use and occupy the area of the Airport as set forth on Exhibit A hereto as hereinafter described;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto the right to use and occupy the area set forth and as shown in diagonal hatching on Exhibit A attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations existing thereon or therein and constructed by User therein or thereon during the term of this Agreement (hereinafter collectively referred to as "the Space") upon the following terms and conditions and it is hereby mutually agreed as follows:

1. Term

This Agreement shall become effective on January 1, 1982, and expire on December 30, 1999, unless sooner terminated.

2. Space Occupancy and Rights of User

2.1 The User shall use the Space for the following purposes and for no other purpose whatsoever:

2.1.1 to store and display artifacts, material and memorabilia in connection with the Aviation Hall of Fame;

2.1.2 to operate visual and audio displays, programs, lectures and seminars and such other educational programs and activities as may be compatible with User's charter, in connection with aeronautical events and developments, past, present and future.

2.1.3 to conduct group tours and permit access by the general public to view, be instructed and entertained by the memorabilia, displays and programs;

2.1.4 to promote general interest in the heritage of Teterboro Airport and aviation in New Jersey and the Hall of Fame and solicit membership therein;

2.1.5 to operate offices for the administration of the activities authorized herein;

3. Fees to Pan American

3.1 The User shall pay to Pan American a fee of One Dollar per year throughout the term of this Agreement.

3.2 The monthly fee shall be paid on the effective date hereof and on each anniversary thereof.

3.3 All fees specified herein shall be payable at the office of the Manager of Teterboro Airport, 399 Industrial Avenue, Teterboro, New Jersey 07608, or at such other location as may from time to time be substituted in writing therefor.

4. Care, Maintenance and Repair

4.1 The User shall at its own expense at all times keep in a clean and orderly condition and appearance the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public.

4.2 The User shall at its own expense repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

4.3 Further, the User at its own expense shall take good care of the Space including therein, without limitation thereto, paved areas, fences, roofs, skylights, steelwork, walls, partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, fire-protection, fire-alarm, sewerage, drainage, water-supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures

and shall make all necessary structural and nonstructural repairs and replacements and do all necessary rebuilding and repainting, regardless of the cause or the condition requiring the same.

4.4 In the event the User fails to commence so to repair, replace, rebuild or paint within a period of ten (10) days after notice from Pan American so to do, or fails diligently to continue to complete the repair, replacement, rebuilding or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, Pan American 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

5. Obstruction Lights

5.1 The User shall furnish such obstruction lights as Pan American shall direct, of the type and design approved by Pan American, and shall install said lights in the locations on the Space designated by Pan American and shall maintain them in first class operating condition at all times. The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of the said lights, and shall operate the same in accordance with the directions of Pan American. Pan American hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

6. Insurance

6.1 The User shall, during the term of this Agreement, insure and keep insured to the extent of One Hundred Percent (100%) of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey, and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having

jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction.

6.2 The aforesaid insurance coverages and renewals thereof shall insure the Port Authority and Pan American as their interests may appear and shall provide that the loss, if any, shall be adjusted with Pan American and the Port Authority and shall be payable to the Port Authority or Pan American as their interests may appear.

6.3 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify Pan American of such casualty and shall thereafter furnish to Pan American such information and data as shall enable the parties to adjust the loss.

6.4 At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to Pan American and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority and Pan American twenty (20) days' advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to Pan American at least twenty (20) days before the expiration of the insurance which such policies are to renew.

6.5 The aforesaid insurance shall be written by a company or companies approved by Pan American.

6.6 To the extent that any loss is recouped by actual payment to the Port Authority or Pan American of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by Pan American to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all

the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include an itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligations under the Agreement. If the proceeds of any such insurance paid to Pan American exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by Pan American.

6.7 If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space.

6.8 If the User does not so properly proceed then Pan American may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement, or Pan American in its discretion may elect to relieve the User of its obligations under this Agreement to repair, replace and rebuild the damaged or destroyed property, and not to have said property repaired, replaced or rebuilt and in such latter event the entire proceeds of the insurance shall be retained by Pan American.

6.9 If, moreover, there is damage or destruction to the property covered under this Section which occurs within the last three years of the term of the Agreement, the obligations of the User to repair, replace or rebuild such damaged or destroyed property shall be discharged (provided that the insurance applicable thereto has been maintained in full force and effect) and the entire proceeds of the insurance applicable thereto shall be retained by Pan American.

7. <u>Indemnity, Liability Insurance</u>

7.1 The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives; and Pan American, its Directors, officers, employees and representatives from all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damages arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on the Space or out of the acts or omissions of others on the Space with consent of the User.

7.2 In addition to the obligations set forth in the above subsection, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

7.3 Bodily-injury liability: for injury to or wrongful death of one person $250,000;
for injury to or wrongful death to more than one person from any one accident $500,000; and

7.4 Property-damage liability: for all damages arising out of injury to or destruction of property in any one accident $100,000.

7.5 Neither the Port Authority nor Pan American shall be named as an insured in any policy of insurance required by this Agreement, unless the Port Authority or Pan American shall, at any time during the effective period of this Agreement, direct otherwise in writing, in which case the User shall cause the Port Authority and/or Pan American to be so named. As to any insurance required by the provisions of this Agreement to be secured by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders, together with evidence of the payment of the premium thereon, shall be delivered to Pan American within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to Pan American. Each such copy or certificate shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. A renewal policy shall be delivered to Pan American at least twenty(20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or

become unsatisfactory to Pan American as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement.

8. Ingress and Egress

8.1 The User, its guests, invitees, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport, as may from time to time be designated by Pan American for the use of the public.

8.2 Pan American hereby grants to the User the right to establish, use and maintain an access road located approximately as shown in stipple on Exhibit A, subject to a construction application approved by Pan American. Pan American shall have the right at any time during the term of this Agreement, by serving a thirty (30) day prior notice to User, to permit use of the said access road by all persons as may be authorized by Pan American to use the same. From and after the effective date of such notice the said access road may continue to be used by the User, but only in common with all others authorized by Pan American to use the same. After said effective date said access road shall be maintained by Pan American and not by the User.

8.4 The use of any such roadway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. Pan American may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User. The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; Pan American, its Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

9. Various Obligations of the User

9.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space. The User shall take all reasonable measures:

9.1.2 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

9.1.3 to keep the sound level of its operations as low as possible.

9.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon objection from Pan American concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If Pan American shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Manager of the Airport.

9.3 The User shall daily remove from the Space by means of facilities provided by it all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of Pan American. No facilities of the Airport shall be used for such removal unless with Pan American's prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space.

9.4 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable Federal, State and Municipal laws, ordinances

and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder.

9.5 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirements, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to Pan American that part of all premiums paid by Pan American which shall have been charged because of such violation or failure by the User.

9.6 In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by Pan American or the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under the Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. Pan American hereby reserves the right from time-to-time and at any time during the term of the Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to

accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by Pan American. The User shall submit for Pan American approval a Construction Application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

9.7 The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that Pan American or the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of Pan American's or the Port Authority's recommendations or requirements and notwithstanding that Pan American and the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or Pan American or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to Pan American in entering into this Agreement with the User.

9.8 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of Pan American shall relieve the User of such responsibility.

10. Prohibited Acts

10.1 The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following:

10.1.1 Hot and cold packaged foods;

10.1.2 Hot and cold beverages;

10.1.3 Candy and chewing gum;

10.1.4 Tobacco and tobacco products;

10.1.5 Newspapers and periodicals;

10.1.6 Telephone services (pay stations)

(hereinafter called "vending machines").

10.2 If User, by itself or by contractors installs vending machines on the Space for the limited sale of merchandise or services permitted hereunder, it shall have the right to retain the revenues derived therefrom, provided, however, that

10.2.1 The User shall itself and shall also require its contractors to indemnify and hold harmless Pan American, its Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands of third persons (including employees, officers and agents of Pan American and the Port Authority) arising or alleged to arise out of the installation, operation or maintenance of the vending machines or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the vending machines.

10.3 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by Pan American at any time during the term of this Agreement upon ninety (90) days' notice to the User and Pan American, at any time thereafter, may substitute for the User's vending machines other machines selling similar merchandise or services operated by Pan American or by its permittee or concessionaire and thereupon User shall remove its machines.

10.4 Upon installation by Pan American or by its permittee or concessionaire of vending machines in substitution of User's vending machines, all revenues derived therefrom shall be retained by Pan American.

10.5 Upon rendering of notice to User of termination of the right to operate vending machines, Pan American may elect to permit User's vending machines to remain, but in such case, User shall pay or cause to be paid to Pan American each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of Pan American then operating machines at the Airport for sale to the general public of similar merchandise or rendering of similar services.

10.6 The termination by Pan American of the limited right of User to install vending machines at the Space shall be nondiscriminatory in that similar rights granted to other

Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by Pan American User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

10.7 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

10.8 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

10.9 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

10.10 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

10.11 The User shall not do or permit to be done any act or thing upon the Space which:

10.11.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport, or any part thereof; or

10.11.2 which, in the opinion of Pan American, may constitute an extrahazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

10.11.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building thereon.

11. Rules and Regulations

11.1 User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such Rules and Regulations of the Airport as are now in effect or as may be promulgated from time to time for the government and conduct of operations for reasons of safety, health or preservation of property, for the good and orderly

appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then Pan American will make a copy thereof available to the User at the office of the Manager of Teterboro Airport.

12. Signs

12.1 Except with the prior written approval of Pan American, the User shall not erect, maintain or display any advertising, signs, posters or similar devices at or on the Space.

12.2 Upon demand by Pan American, the User shall remove, obliterate or paint out any and all advertising, signs, posters and similar devices placed by the User on the Space or elsewhere on the Airport without the prior approval of Pan American. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, Pan American may perform the necessary work and the User shall pay the costs thereof to Pan American on demand.

13. Assignment

13.1 The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of Pan American.

13.2 If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by anyone other than the User, Pan American may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by it and shall apply the net amount collected to the fees, herein reserved; and no such collection shall be deemed a waiver by Pan American of the agreements contained in this Section nor of acceptance by Pan American of any assignee, claimant or occupant, nor as a release of the User by Pan American from the further performance by the User of the agreements contained herein.

14. Condemnation

14.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the

Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or Pan American, for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between Pan American and the User that Pan American shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

14.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be cancelled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and determine in the same manner and with the same effect as if the Agreement had on that date expired.

14.3 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rules, regulation, requirement, order or direction, Pan American may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to deliver possession of all or such portion of Space so required upon the effective date of such termination. No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or Pan American for damages, consequential or otherwise.

14.4 In the event of a taking by any governmental agency or agencies or by the Port Authority of a part of the Space, then use of such part only shall, as of the date possession thereof is taken, cease and determine, and the Fees thereafter to be paid by the User to Pan American shall be abated as hereinafter provided from and after the date of such taking. In the event that a substantial part shall be taken, which shall be deemed to mean a taking so extensive that the User is unable to use or operate the Space for the purposes expressed in this Agreement, then the User shall have the right to be exercised within thirty (30) days of the taking to terminate this Agreement, such termination to have the same effect as expiration.

14.5 In event that a taking as described in subsections 14.2, 14.3 or 14.4 hereof occurs with respect to any new building, new structure or other improvements (hereinafter "capital improvements") which may be erected or constructed by User at the Space, Pan American shall pay to the User the unamortized capital investment in any such capital improvements, said unamortized capital investment to be determined as follows and the foregoing obligation to be limited to, be subject to, and be in accordance with the following:

14.5.1 The unamortized capital investment in capital improvements erected or constructed by User with approval required under Section 29 hereof shall be determined by multiplying the capital investment by a fraction, the numerator of which shall be the number of whole calendar months between the date of the taking and the end of the amortization period of each such capital improvement and the denominator of which shall be the total amortization period of such capital improvement.

14.5.2 The amortization period with respect to each capital improvement shall commence at the date of substantial completion of the same, shall be computed in whole calendar months and shall be (i) the useful life of the capital improvement as determined under sound accounting practice, or (ii) the period from substantial completion of the capital improvement to the operation date of this Agreement, or (iii) 240, whichever is the least of any of the foregoing.

14.5.3 For purposes of this Agreement and to the extent permitted by sound accounting practice, the capital investment in each capital improvement shall mean the sum of (i) payments to independent contractors and suppliers of material, excluding any payments for engineering, architectural planning or designing services, engaged by the User for the actual construction of the capital improvements, including site preparation and bringing utilities to the site; and (ii) an amount equal to 20% of the foregoing item (i).

14.5.4 A statement of the capital investment detailing all of the foregoing, including copies of contracts and paid invoices, certified by a responsible officer of the User shall be delivered to Pan American no later than sixty (60) days after completion of any construction and the User shall permit Pan American and the Port Authority by their agents, employees or representatives at all reasonable times prior to a final settlement or determination of capital investment to examine and audit the records and books of the User which the User agrees to maintain within the Port Authority district during

such time. If, in the certified statement, there is included any item of cost or expense as having been incurred, or which in the opinion of Pan American or the Port Authority was not so incurred, or, if so incurred, was not a cost or expense properly chargeable to the capital investment under sound accounting practice, then, within 180 days after examination and audit of such statement, Pan American shall give written notice to the User stating the objection to such item and the grounds therefor.

If the User considers that the Port Authority or Pan American's objection is wrongly taken, the User may, within thirty (30) days after Pan American gives written notice, serve a notice on Pan American stating the grounds upon which the User considers the objection wrongly taken. In such event the parties will refer the objections to the accounting firm selected by the User from a list of three neutral accounting firms as submitted to User by Pan American, and the decision of such accounting firm as to the validity of the objection shall be final.

14.5.5 There shall be excluded from capital investment any cost of personal property and there shall be deducted from the unamortized capital investment in capital improvements the amount that any part of the components of cost thereof are secured by liens, mortgages, other encumbrances or conditional bills of sale on said construction and less any amounts whatsoever due under this Agreement from the User to Pan American.

14.5.6 Notwithstanding any other provision of this Agreement with respect to ascertaining the amount Pan American is obligated to pay the User for unamortized capital investment, in no event shall Pan American be obligated to pay the User under circumstances of a taking or conveyance of User's capital improvements any amount greater than the amount allowable and payable to Pan American by the Port Authority as set forth in Sections 11 and 28 of the Basic Agreement, excepting deductions by virtue of amounts owed the Port Authority by Pan American.

15. <u>Non-Discrimination</u>

15.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2)

that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination 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, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between Pan American and the United States Government or otherwise.

15.2 The User assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

15.3 The User shall include the provisions of the above subsection in every agreement or concession pursuant to which any person or persons, other than the User, operates any facility at the Space providing services to the public and shall also include therein a provision granting Pan American a right to take such action as the United States may direct to enforce such covenant.

15.4 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above nondiscrimination provisions, Pan American may take any appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from Pan American, Pan American shall have the right to terminate this Agreement with the same force and

effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, Pan American may take such action as the United States may direct.

15.5 The User shall indemnify and hold harmless Pan American and the Port Authority from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse Pan American and the Port Authority for any loss or expense incurred by reason of such noncompliance.

15.6 Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

16. Governmental Requirements

16.1 The User shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

16.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

16.3 Pan American has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to Pan American. Unless otherwise directed in writing by Pan American because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and

regulations insofar as they relate to the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to Pan American but prior to the receipt by the User of a written direction from Pan American, such compliance shall not constitute a breach of this Agreement, although Pan American thereafter notifies the User to refrain from such compliance.

16.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space.

16.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

17. Rights of Entry Reserved

17.1 The Port Authority, by its officers, employees, agents, representatives and contractors and Pan American by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or Pan American may be obligated or have the right to do under this Agreement, or otherwise.

17.2 Without limiting the generality of the foregoing, Pan American, by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of Pan American, be deemed necessary or advisable and, from time

to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction Pan American shall not unreasonably interfere with the use and occupancy of the Space by the User.

17.3 The exercise of any or all of the foregoing rights by the Port Authority, Pan American or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

17.4 Nothing in this Section shall impose or shall be construed to impose upon Pan American or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

18. Basic Agreement

18.1 In the event the Basic Agreement is terminated, revoked, cancelled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement.

19. Patents, Trademarks

19.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to save and hold the Port Authority, Pan American, their Commissioners, Directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement.

20. Additional Fees and Charges

20.1 If Pan American is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and

agreements, the User 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 Fees thereafter due hereunder, and each and every part of the same shall be and become additional Fees, recoverable by Pan American in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to Pan American" hereof.

21. Termination by Pan American

21.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, Pan American may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

21.1.1 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

21.1.2 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

21.1.3 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

21.1.4 Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of User under this Agreement shall be transferred to, pass to or devolve upon, by operation of law or, otherwise, any other person, firm or corporation; or

21.1.5 The User, if a corporation, shall, without the prior written approval of Pan American, become a possessor or

merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

21.1.6 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

21.1.7 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

21.1.8 Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof; or

21.1.9 The User shall fail duly and punctually to pay the Fees or to make any other payment required hereunder when due to Pan American and shall persist in its failure for a period of ten (10) days following the receipt of written notice of such default from Pan American; or

21.1.10 The User shall fail to keep, perform and observe each and every other promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within ten (10) days after receipt of notice of default thereunder from Pan American (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues such performance without interruption except for causes beyond its control); or

21.1.11 There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and Pan American at the Airport.

21.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the User shall not be entitled to enter into possession of the Space, and Pan American upon the occurrence of any such event, or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel this Agreement, such

cancellation to be effective upon the date specified in such notice.

21.3 No acceptance by Pan American of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of Pan American to terminate this Agreement.

21.4 No waiver by Pan American of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by Pan American of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

21.5 The rights of termination 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 Pan American would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by Pan American of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User," the sole right of Pan American shall be a right of termination.

22. Remedies to be Non-Exclusive

22.1 Except where otherwise specifically provided, 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 either party at law or in equity.

23. Limitation of Rights and Privileges Granted

23.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

24. Removal of Personal Property

24.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

24.2 If the User shall fail to remove its property on or before expiration of the term or within thirty (30) days after the effective date of earlier termination, Pan American 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 expense of removal, storage and sale; second, to any sums owed by the User to Pan American, with any balance remaining to be paid to the User, but if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to Pan American upon demand.

25. Brokerage

25.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The user shall indemnify and save harmless Pan American of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the User.

26. Notices

26.1 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 mail.

26.2 Notices to Pan American shall be directed to:

John P. Kennedy
Pan American World Airways, Inc.
Pan Am Building
Teterboro Airport, New Jersey 07608

26.3 With copy to:

Airport Manager
399 Industrial Avenue
Teterboro Airport, New Jersey 07608

26.4 Notices to User shall be directed to:

Executive Vice President
Aviation Hall of Fame and Museum of N.J.
Teterboro Airport
Teterboro, New Jersey 07608

27. Construction and Application of Terms

27.1 The Section and subsection 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 of intent of any provision hereof.

28. Non-Liability of Individuals

28.1 Neither the Directors of Pan American or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

29. Construction by the User

29.1 The User shall not erect any structures, make any improvements or do any construction work on the Space, or install any fixtures (other than trade fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of Pan American through the medium of a construction or alteration application and in the event any construction, improvement, alteration, and modification, addition, repair or replacement is made without such approval, then upon reasonable notice so to do, the User will remove the same or at the option of Pan American, cause the same to be changed to the satisfaction of Pan American. In case of any failure on the part of the User to comply with such notice, Pan American may effect the removal or change and User shall pay the cost thereof to Pan American.

29.2 The User agrees to construct on the Space the following facilities;

a building consisting of not less than 1,900 square feet; and paving to accommodate sufficient auto parking space; and together with the clearing and grading of the ground area contained within the Space and the installation on or in the Space such utilities as may be appropriate or necessary for the utilization of the space for the purposes the User is permitted to use the same hereunder and the connection of such utilities to existing mains and lines outside of the Space at the Airport.

29.3 The User agrees to complete the construction of such facilities on or before twenty-four (24) months from the effective date hereof, provided, however, the User shall not be held in default under this subsection in the event construction cannot be completed within the said time limit due to acts of God or work stoppages. Pan American recognizes that User will be enabled to perform the construction comtemplated herein only through the medium of grants and donations. If the User is unable to furnish to Pan American, prior to commencement of construction but no later than January 1, 1983, satisfactory evidence that User is in possession of sufficient funds to meet all of its construction obligations herein, Pan American may terminate this Agreement by written notice to User, which notice shall have the same effect as expiration.

29.4 Prior to the commencement of construction of said facilities or any part thereof, User shall submit to Pan American a construction application and complete plans and specifications of such proposed construction.

29.5 The plans and specifications shall be submitted by Pan American to the Port Authority for approval and Pan American or the Port Authority may refuse to grant approval if, in their opinion, the proposed facilities as laid out and indicated by the User on such plans, or if constructed according to such plans and specifications, the facilities:

29.5.1 will be structurally unsound or unsafe or hazardous for human occupancy or improper for the use and occupancy for which it is designed;

29.5.2 will not comply with all the requirements of this Agreement;

29.5.3 will not comply with Pan American's or the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

29.5.4 will not comply with the standards set by Pan American or the Port Authority with respect to utility or rentability;

29.5.5 will be so located that there will not be sufficient clearances in respect to existing or planned projecting aprons, runways or taxiways adjacent thereto;

29.5.6 is designed for use for purposes other than those for which User is permitted to use the Space under this Agreement;

29.5.7 will be in violation of any local code, OSHA-70, NFPA as it pertains to hangars and the National Electric Code or any other law, ordinance of regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation.

29.5.8 will not be compatible with external and interior building materials and finishes of similar existing or future construction at the Airport;

29.5.9 will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

29.5.10 will not provide adequate circulation arteries for vehicular and pedestrian traffic and fire-fighting equipment;

29.5.11 will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

29.6 Upon approval of such plans and specifications by Pan American and the Port Authority the User shall proceed expeditiously and with all reasonable diligence to construct, at its own expense and cost, the facilities in accordance with such approved plans and specifications.

29.7 The User or User's construction contractor shall furnish Pan American performance and payment bonds in a sum equal to the estimated cost of construction, in a form and with sureties satisfactory to Pan American for the faithful performance by User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of materialmen, workmen and subcontractors. User shall deliver such bonds or other instrument insuring User's performance to Pan American prior to commencement of construction or within (30) days after the award by User of construction contract or contracts, which ever occurs first.

29.8 Upon completion of any work to be performed by User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

29.9 All construction work shall be done in accordance with the following terms and conditions:

29.9.1 The User hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of loss or damage to all property of Pan American and of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the construction work and the property of Pan American or of the Port Authority without cost or expense to Pan American. The User shall itself and shall also require its contractors to indemnify and hold harmless Pan American, its Directors, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of Pan American) arising or alleged to arise out of the performance of the construction work and for all expenses incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the User, of any contractors of the User, of Pan American or of third persons, or from acts of God or of the public enemy, or otherwise (including claims of the port Authority of New York and New Jersey against Pan American pursuant to the Basic Agreement whereby Pan American has agreed to indemnify the Port Authority against claims) excepting only claims and demands which result solely from negligent acts done by Pan American, its Directors, officers, agents and employees subsequent to the commencement of the construction work.

29.9.2 Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to Pan American for its approval. Pan American shall have the right to disapprove any architect who may be unacceptable to it. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by Pan American and the Port Authority prior to

the commencement of the construction work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The User shall re-do, replace or reconstruct at its own cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of Pan American made in accordance with this Agreement.

29.9.3 Prior to entering into a contract for any part of the construction work, the User shall submit to Pan American for its approval the names of the constractors to whom the User proposes to award said contracts. Pan American shall have the right to disapprove any contractor who may be unacceptable to it. The User shall include in all such contracts such provisions and conditions as may be required by Pan American.

29.9.4 The User shall furnish or require its architect to furnish a resident engineer during the construction period as Pan American may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by Pan American from time to time.

29.9.5 The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same have been approved by Pan American and the Port Authority and notwithstanding the incorporation therein of Pan American or Port Authority recommendations or requirements. Notwithstanding the requirements for approval by Pan American of the contracts to be entered into by the User or the incorporation therein of Pan American requirements or recommendations, and notwithstanding any rights Pan American may have reserved to itself hereunder, Pan American shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges Pan American, its Directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising

or alleged to arise out of the performance of any construction work pursuant to the contracts between the User and its contractors. Any warranties contained in any contruction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of Pan American and the Port Authority as well as the User.

29.9.6 Pan American shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work.

29.9.7 The User agrees that it shall deliver to Pan American "as-built" drawings (capable of being reproduced) of the construction work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications to be made without Pan American's consent.)

29.9.8 The User shall, if requested by Pan American, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the construction work, including but not limited to the fencing of the space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as Pan American may direct.

29.9.9 The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, materialmen and workmen, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, materialman, workman and/or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep Pan American fully informed of its actions with respect thereto.

29.9.10 The User shall procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the User pursuant to this Section 29 which shall be in addition to all policies of insurance otherwise required under the Agreement or the User may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name Pan American and the Port Authority as an additional insured and be in an amount not less than $3,000,000 single limit per occurrence covering property damage and bodily injury to persons, including death.

29.9.11 The insurance required hereunder shall be maintained in effect during the performance of the construction work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to Pan American at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to Pan American and the Port Authority. Each such copy or certificate shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. The aforesaid insurance shall be written by a company or companies approved by Pan American, Pan American agreeing not to withhold its approval unreasonably. If at any time any of the insurance substance or if any of the

carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement, Pan American agreeing not to act unreasonable hereunder.

29.9.12 The User shall prior to the commencement of the construction work at all times during the construction work submit to Pan American all engineering studies with respect to the construction work and samples of construction materials as may be required at any time and from time to time by Pan American.

29.9.13 The User shall procure and maintain or cause to be procured and maintained Builder's Risk Completed Value Insurance covering the construction work during the performance therof including material delivered to the construction site but not attached to the realty. Such insurance shall name Pan American, the Port Authority, the User and its contractors and subcontractors as additional assureds and such policy shall provide that the loss shall be adjusted with and payable to the User. Such procéeds shall be used by the User for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to Pan American. The policies or certificates representing this insurance shall be delivered by the User to Pan American prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority and Pan American fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification of the insurance evidenced by said policy or certificate. The insurance shall be written by companies approved by Pan American, Pan American agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall be or become unsatisfactory to Pan American as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement, Pan American agreeing not to act unreasonably hereunder.

29.9.14 Nothing contained in this Agreement shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor or any other person engaged by the User of any of its contractors in the performance of any part of the construction work any right of action or claim

against Pan American, its Directors, officers, agents and employees or the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work. Nothing contained herein shall create or be deemed to create any suppliers, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work and neither Pan American nor the Port Authority shall be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

29.9.15 When the construction work is substantially completed and is ready for use by the User, the User shall advise Pan American to such effect and shall deliver to Pan American a certificate by an authorized officer of the User certifying that such construction work has been constructed strictly in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and govenmental rules, regulations and orders. Thereafter, such construction work will be inspected by Pan American and if the same has been completed as specified by the User, a certificate to such effect shall be delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User. The User shall not use or permit the use of the construction work for the purposes set forth in this Agreement until such certificate is received from Pan American. The date of delivery of the certificate by Pan American shall constitute the Completion Date for the purposes of this Agreement.

29.9.16 The construction work shall be conducted in such a manner that there will be at all times a minimum, of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from arising out of or resulting from the operations of the User under this Agreement. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the construction work hereunder such structures, fences, equipment and other facilities necessary or appropriate to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User submitted under Section 29 hereof and shall be part of the construction work hereunder.

29.9.17 Notwithstanding the provisions of subsection 29.9.16 above and in addition thereto, Pan American hereby reserves the right from time to time and at any time during the term of the Agreement to require the User, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of said subsection.

29.9.18 All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by Pan American. The User shall submit for Pan American's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. All other provisions of this Section with respect to the construction work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to subsection 29.9.16 and upon completion of each portion of such work it shall be and become a part of the construction work. The obligations assumed by the User under subsections 29.9.16 and 29.9.17 are a special inducement and consideraton to Pan American in granting this Agreement to the User.

30. Port Authority Consent

30.1 This Agreement shall become effective upon the execution hereof by all parties hereto and the execution of a Consent Agreement between and among the Port Authority, Pan American, and User.

31. Entire Agreement

31.1 This Agreement consists of the following: Sections 1 through 31 inclusive and Exhibit A.

31.2 It constitutes the entire Agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by Pan American and the User. The User agrees that no representations or warranties shall be binding upon Pan American 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.

PAN AMERICAN WORLD AIRWAYS, INC.

ATTEST:

By: _____
John P. Kennedy

Title: Director
Metropolitan Air Facilities Division

AVIATION HALL OF FAME OF NEW JERSEY
(User)

ATTEST:

By: _____

Title: President

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

CONSENT AGREEMENT

THIS AGREEMENT, dated as of December 3, 1981 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "the Airport Operator"), and AVIATION HALL OF FAME OF NEW JERSEY (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement") pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator proposes as of the effective date hereof to enter into a Use and Occupancy Agreement with the User dated December 3, 1981, a copy of which is attached hereto, made a part hereof and hereafter called "the Use Agreement," subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of January 1, 1982, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Use Agreement.

2. The Use Agreement shall terminate, without notice to the User, on the day preceding the date of expiration or earlier termination of the Main Agreement, or on such earlier date as the Airport Operator and the User may agree upon. The User shall quit the space covered by the Use Agreement and remove its property and property for which it is responsible therefrom on or before the termination of the Use Agreement.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or

privileges to the User as may be provided by the Use Agreement if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. The Use Agreement is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of the Use Agreement shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of the Use Agreement, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Use Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

No provision of the Use Agreement including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Use Agreement covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the space covered by the Use Agreement, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Main Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with

respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in the Use Agreement which are not specifically referred to herein.

4. The User, in its operations under or in connection with the Use Agreement and in its occupancy of the space covered by the Use Agreement, shall be subject to the applicable terms, provisions, covenants and conditions of the Main Agreement. Without in any way affecting the obligations of the Airport Operator under the Main Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Main Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Main Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

5. The Use Agreement shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

6. If the Airport Operator shall at any time be in default of its obligations under the Main Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Main Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Main Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Main Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Main Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

7. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or the Use Agreement or

of any rights under either of them, whether in whole or in part.

8. In the event of any substantial default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Main Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Main Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate the Use Agreement.

9. Notwithstanding anything contained in the Use and Occupancy Agreement the Airport Operator hereby agrees that the Airport Operator will include and report for the purpose of determining gross receipts under subparagraph (2) of Paragraph A of Section 5 of the Main Agreement any fees or other charges paid to Pan American by the User under the Use Agreement or the annual amount of

Exemption (2.a.)

whichever is greater, during the term of the Use Agreement.

10. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the space covered by the Use Agreement or on the Airport with the consent of the User.

11. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term or provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

ATTEST:

SECRETARY

By: S. J. Nowinski
S. J. NOWINSKI

Title: EXECUTIVE ASST. TO DIRECTOR OF AVIATION

PAN AMERICAN WORLD AIRWAYS, INC.
(Airport Operator)

ATTEST:

By: John P. Kennedy
John P. Kennedy

Title: Director
Metropolitan Air Facilities Division

AVIATION HALL OF FAME OF NEW JERSEY
(User)

ATTEST:

Michelle Reilly

By: Bernard Fisher Jr.

Title: President

APPROVED:

FORM	TERMS

RN

THIS SUPPLEMENTAL AGREEMENT SHALL NOT BE BINDING
UPON THE PORT AUTHORITY UNTIL DULY EXECUTED
BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Port Authority Agreement No. TA-314
Supplement No. 1
Teterboro Airport

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of December 31, 2006, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **FIRST AVIATION SERVICES, INC.** (hereinafter called the "User");

WITNESSETH, that:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of December 1, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-197 and made effective as of July 1, 1986, was entered into between Pan American and the User, with the consent of the Port Authority, for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement, as the same has been heretofore amended, supplemented and extended on a month-to-month basis, is hereinafter referred to as the "Use and Occupancy Agreement"); and

WHEREAS, the Port Authority and the User agreed to replace the Use and Occupancy Agreement with a new Use and Occupancy Agreement bearing Port Authority Agreement No. TA-314 (hereinafter, as the same may have been heretofore amended, supplement and extended, referred to as the "Agreement"); and

WHEREAS, in addition to the Space as defined in the Agreement, the User desires to use and occupy additional areas at the Airport as hereinafter described, as well as perform certain construction work at the said additional space as hereinafter described; and

WHEREAS, the parties desire to amend the Agreement in certain other respects as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of the dates set forth below, as follows.

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of the dates set forth below, as follows:

1. Effective as of January 1, 2007, the approximate 1.602 acres of open area as shown in green diagonal cross-hatching on the sketch attached hereto, hereby made a part hereof and marked "Exhibit B" shall be added to the Space under the Agreement (such additional space hereinafter referred to as the "Additional Space"). The parties hereto acknowledge that the Additional Space constitutes non-residential real property.

2. The User shall use the Additional Space for: the storage of tanks for the containment of glycol and other deicing fluids; for the parking of vehicles owned by the User and used in connection with its operations at the Airport; for the parking of personal vehicles of the officers, employees and business invitees of the User at the Airport; and for the bulk storage of aviation fuel to be used in connection with that certain agreement denominated as Permit No. TA-198 by and between the Port Authority and the User governing the receiving, storing, selling and delivering of aviation fuel at the Airport and for no other purpose or purposes whatsoever.

3. The User, prior to the execution of this Supplemental Agreement, has thoroughly examined the Additional Space and determined it to be suitable for the User's operations hereunder and the User restates and continues said determination in connection with its continued occupancy hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Additional Space whether existed prior to, on or after the date of its original occupancy of the Additional Space, including, without limitation, all Environmental Requirements and Environmental Damages, as such terms are defined in the Agreement, and all soil remediation to the extent required under Environmental Requirements, including but not limited to, remediation which may be required as a result of discovery of any contaminants while performing test borings or in the performance of the Additional Construction Work (as hereinafter defined); and to indemnify and hold harmless the Port Authority with respect to third party claims in accordance with Section 14 of the Agreement. Notwithstanding the foregoing, the User shall be responsible for the removal of and remediation of Hazardous Substances placed, or permitted or caused to be placed on, in or under the Additional Space by the User or by its employees, agents, contractors, or others using or occupying the Additional Space under the Agreement or this Supplemental Agreement.

4. The User acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of the Additional Space for the operations permitted thereon by the Agreement, as herein amended. Without limiting any obligation of the User to commence operations under the Agreement, as herein amended, at the time and in the manner stated elsewhere in this Supplemental Agreement, the User agrees that no portion of the Additional Space will be used initially or at any time during the effective period of the permission granted under the Agreement, as herein amended, which is in a condition unsafe or improper for the conduct of the User's operations therein under the Agreement, as herein amended, so that there is possibility of injury or damage to life or property, and the User further agrees that before any use of the Additional Space, it will immediately correct any such unsafe or improper condition. Without limiting the generality of any of the provisions of the

Agreement, as herein amended, or this Supplemental Agreement, the Port Authority shall not be liable to the User for any claims for loss, theft or damage involving any property stored or placed in the Additional Space.

5. (a) As used herein, the term "Additional Space Fee Commencement Date" shall mean the earlier to occur of: (i) the date on which the certificate, as set forth in subparagraph (f)(15) of Section 5 of the Agreement, shall be issued by the Port Authority as the same shall relate to completion of the Additional Construction Work; and (ii) August 1, 2007.

(b) In addition to all other fees and charges provided for under the Agreement, as herein amended, from and after the Additional Space Fee Commencement Date, the User shall pay land fees to the Port Authority for the use and occupancy of the Additional Space at the annual rate o Exemption (2.a.)
payable in advance on the Additional Space Fee Commencement Date and on the first day of each and every calendar month thereafter during the term of the Agreement in equal installments of

(c) If the Additional Space Fee Commencement Date shall occur on a date other than the first day of a month, the land fee due to the Port Authority for the Additional Space for the month in which the Additional Space Fee Commencement Date shall occur shall be prorated on the basis of the actual number of days from the Additional Space Fee Commencement Date to the end of such month.

(d) The Port Authority reserves the right to establish a new land fee for the Additional Space effective January 1, 2010 and January 1, 2020 in accordance with the provisions of paragraphs (d), (e), (f) and (g) of Section 7 of the Agreement.

(e) In the event that the User shall at any time by the provisions of the Agreement, as herein amended, become entitled to an abatement of the land fee for the Additional Space, then said abatement shall be computed at the following daily land rate, as the same may be adjusted during the term of the Agreement, at the rate of (2.a.) for each square foot of area of the Additional Space the use of which is denied to the User.

6. (a) As soon as practicable after the execution of this Supplemental Agreement by the User and delivery thereof to the Port Authority, the User shall, in accordance with the provisions of this paragraph and Section 5 of the Agreement, submit to the Port Authority for its approval the User's plans and specifications for the design, construction and installation on the Additional Space of a new aviation fuel storage facility (hereinafter called the "Fuel Storage Facility") with a capacity of not less than Exemption (2.a.) gallons (such design, construction and installation of said aviation fuel storage facility hereinafter called the "Additional Construction Work"). The User agrees that during the performance of the Additional Construction Work, it shall construct the Fuel Storage Facility so as to segregate its storage capacity into two (2) separate Exemption (2.a.) gallon aviation fuel storage areas.

(b) If, as and when the Port Authority approves said plans for the Fuel Storage Facility, the User shall proceed expeditiously and with all reasonable diligence to perform, at its own cost and expense, the Additional Construction Work. The User hereby agrees that it shall expend, or cause to be expended, not less than Exemption (2.a.)
in connection with the Additional Construction Work.

7. Subject to and in accordance with the terms of the Agreement, the User agrees that, on or before April 1, 2007, it shall enter into an agreement of subuse of the Additional Space with Jet Aviation Teterboro L.P. (hereinafter referred to as the "Subuser"), the terms and form of which shall be satisfactory to the Port Authority. Such agreement of subuse shall be the subject of a Consent to Subuse Agreement by and among the Port Authority, the User and the Subuser substantially in the form as attached hereto, hereby becoming a part hereof and marked "Exhibit X".

8. Effective as of October 13, 2005, the following new paragraph (m) shall be deemed added to the end of Section 15 of the Agreement:

> "(m) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the User, the User shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the User under this Agreement or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including, without limitation, the Port Authority's rights to revoke this Agreement or (ii) any obligations of the User under this Agreement."

9. Except as otherwise provided herein, all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

10. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

11. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

provision of this Supplemental Agreement, or because of its execution or attempted execution, or because of any breach or attempt or alleged breach thereof.

12. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the Port Authority and the User have executed these presents as of the date first hereinabove set forth.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____ Secretary
ASSISTANT

By _____

Name DAVID KAGAN
(Please Print Clearly)

(Title) Assistant Director
(Seal)

ATTEST:

FIRST AVIATION SERVICES, INC.

By _____ Secretary

By _____

Name Florence Ritorto
(Please Print Clearly)

(Title) President
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
	EJV

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

THIS AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER AND SUBUSER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

Agreement No. TA-314
Teterboro Airport

CONSENT TO SUBUSE AGREEMENT

THIS CONSENT AGREEMENT, dated as of _____, 20___ (hereinafter referred to as the "Effective Date"), by and among **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **FIRST AVIATION SERVICES, INC.** (hereinafter called the "User"), and **JET AVIATION TETERBORO, L.P.**, a limited partnership organized under the laws of the State of New Jersey (hereinafter called the "Subuser"), with an office and place of business at 111 Charles Lindbergh Drive, Teterboro, New Jersey 07608, whose representative is_____,

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of December 1, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-197 and made effective as of July 1, 1986, was entered into between Pan American and the User, with the consent of the Port Authority, for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement, as the same has been heretofore amended, supplemented and extended on a month-to-month basis, is hereinafter referred to as the "Use and Occupancy Agreement"); and

WHEREAS, the Port Authority and the User agreed to replace the Use and Occupancy Agreement with a new Use and Occupancy Agreement bearing Port Authority Agreement No. TA-314 (hereinafter, as the same may have been heretofore amended, supplement and extended, referred to as the "Agreement"); and

WHEREAS, the User and the Subuser have requested the consent of the Port Authority to a proposed Subuse Agreement (a copy of which is attached hereto, hereby made a part hereof and hereinafter called the "Subuse Agreement") between the User and the Subuser covering

the use and occupancy of a portion of the Space (said portion of the Space being hereinafter called the "Subuse Space"), effective as of _____, 20___;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the User and the Subuser hereby agree, effective as of _____, 20___ as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Subuse Agreement.

2. (a) Notwithstanding any provision of the Subuse Agreement to the contrary, both this Consent Agreement and the Subuse Agreement shall terminate, without notice to the User or the Subuser, on the earlier to occur of the day preceding the date of expiration or earlier termination of the Subuse Agreement, or such earlier date for the expiration or termination of the Subuse Agreement as the User and the Subuser may agree upon. The Subuser shall quit the Space and remove, at the direction of the Port Authority, its personal property for which it is responsible therefrom on or before termination of the Subuse Agreement.

(b) In the event of an early termination of the Agreement by the Port Authority, and provided that the Subuser is not then in default of any of its obligations under the Subuse Agreement and no breach exists which with the passage of time would constitute a default under the Subuse Agreement, the right of the Subuser to possession of the Subuse Space shall not be disturbed and the Subuse Agreement shall continue in full force and effect. The Subuser shall attorn to and shall perform all of its obligations under the Subuse Agreement, including without limitation the payment of rent and fees to the Port Authority.

3. If the User shall at any time be in default under the Agreement, the Subuser shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the User. No such payment shall relieve the User from any obligation under the Agreement or under this Consent Agreement, but all such payments shall be credited against the obligations of the User or of the Subuser, as the Port Authority may determine for each payment or part thereof.

4. (a) Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights and privileges granted to the User under the Agreement, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the User under the Agreement. The Subuse Agreement is an agreement between the User and the Subuser with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the User that the provisions of the Subuse Agreement shall apply and pertain as between the User and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Agreement shall, in all respects, be controlling, effective and determinative. It is the intention of the Port Authority hereunder merely to permit the exercise of the User's rights and privileges thereunder by the Subuser (to the extent permitted by the Agreement and this Consent Agreement). The specific mention of or reference to the Port Authority in any part of the Subuse Agreement, including without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall hereafter grant its consent or

approval thereto or that the subject mater as to which the consent or approval applies has been or shall be approved or consent to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the Subuse Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Agreement shall in all respects be controlling, effective and determinative.

(b) No provision of the Subuse Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules and regulations, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Subuse Agreement covering action which may be undertaken by the User, be deemed to imply or infer that Port Authority consent or approval thereto has or will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this Consent to specific matters and provisions as contained in the Subuse Agreement shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to granting or withholding approvals or consents as to other matters and provision in the Subuse Agreement which are not specifically referred to herein.

(c) With respect to this Consent Agreement, the User and the Subuser understand and agree that although the User is permitted under the Agreement to perform services and functions for itself the User may not and is expressly prohibited from performing any services or functions at the Airport for the Subuser (even though the User may perform the same for itself pursuant to the Agreement) which are performed by organizations at the Airport authorized by permit from the Port Authority to perform such services or functions. unless the User is specifically authorized by permit to perform such services or functions for other users or operators at the Airport and the space under the Agreement and in such event said services and functions shall be performed pursuant thereto. The User, however, may make the necessary arrangements with the authorized organizations performing such services or functions at the Airport to have such services or functions performed for the Subuser by such organizations or the Subuser may perform such services and functions itself.

5. The Subuser, in its operations under and in connection with the Subuse Agreement and its use and occupancy of the Subuse Space, agrees to assume, observe, be bound by and comply with all the terms, provisions and conditions of the Agreement to the extent that such obligations relate to the portion of the Space covered by the Subuse Agreement.

6. Without in any wise affecting the obligations of the User under the Agreement and under this Consent Agreement and notwithstanding the terms and provisions of the Subuse Agreement (but without limiting the rights and duties of the User and the Subuser as between themselves), the parties agree as follows:

(a) With respect to the Subuse Space, the Subuser shall make repairs and replacements as if it were the User under the Agreement. In addition, the Subuser shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority, its Commissioners, officers, employees and representatives for its and their costs and expenses, including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death, for personal injuries and for property damages, arising out of a breach or default of any term or provision of this Consent Agreement by the Subuser or out of its operations under the

Subuse Agreement or at the Subuse Space, or out of the use of the Subuse Space by the Subuser or by others with its consent, or out of any other acts or omissions of the Subuser, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Subuser at the Subuse Space or out of any other acts or omissions of the Subuser, its officers and employees at the airport. However, all acts and omissions of the Subuser shall be deemed to be acts and omissions of the User under the Agreement and the User shall also be severally responsible therefor, including but not limited to, the obligations of indemnification, repair and replacement.

(b) If so directed, the Subuser shall at its own expense defend any suit based upon any such claim or demand (even if such claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting any suits against the Port Authority.

(c) Each policy and each certificate with respect to the insurance naming the Port Authority as an additional insured under the Subuse Agreement shall contain any additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The parties acknowledge that the Port Authority and the User entered into a Use and Occupancy Agreement and not a Master Lease and that the Subuse Agreement is not a Sublease and, therefore, the terminology describing the parties and their agreements set forth in this Consent Agreement shall prevail over the terminology used in the Subuse Agreement.

(e) Nothing contained herein shall create or be deemed to have created a landlord-tenant relationship or privity of estate between the Port Authority and the Subuser nor shall be or be deemed to be an attornment by the Subuser to the Port Authority nor acceptance thereof by the Port Authority and the Subuse Agreement and the use and occupancy by the Subuser of the Space shall in all events be and remain subject and subordinate to the Agreement.

7. This Consent Agreement may be revoked at any time by the Port Authority without cause on thirty (30) days' notice to the User and the Subuser and no such revocation shall be deemed to affect the Agreement or the continuance thereof, but the Subuse Agreement shall be deemed terminated thereby.

8. The granting of this Consent Agreement by the Port Authority shall not be deemed to operate as a waiver of the rights of the Port Authority, or as a consent to any subsequent subuse agreement (by the User or by the Subuser) or to any assignment of the Agreement or to any assignment of the Subuse Agreement or of any rights under any rights under any of the foregoing, whether in whole or in part.

9. Reference herein to the "User" or the "Subuser" shall mean and include the User and the Subuser, respectively, and their respective officers, agents, employees and also others at the Space under the Agreement or the Airport with the consent of either the User or the Subuser.

10. The User hereby represents to the Port Authority that the User has complied with and will comply with, and the Subuser hereby represents to the Port Authority that the Subuser has complied with and will comply with, all laws, governmental rules, regulations and orders now or at any time during the term of the Subuse Agreement which as a matter of law are applicable to or that affect, respectively, the operations of the User or the Subuser, under the Agreement or the Subuse Agreement, or its or their use and occupancy of the Space. The obligation of the User and the Subuser hereunder to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property. Without limiting the generality of the provisions of subparagraph (b) of paragraph 4 of this Consent Agreement, such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

11. The Subuser assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Subuser assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Subuser assures that it will require that its covered suborganizations provide assurances to the Subuser that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, subpart E, to the same effect.

12. Nothing contained in this Consent Agreement or the Subuse Agreement shall be or deemed to be consent to, or approval or, the erection of any structures, or the making of any improvements, alterations, modifications, additions, repairs or replacements to the Space, including without limitation, the installation of any signs at the Airport. The User and Subuser agree that no construction or installation, as aforesaid shall be performed without the prior written approval of the Port Authority and shall be subject to the terms and conditions of the Agreement and of the Subuse Agreement and an approved Alteration Application which the User shall prepare and submit to the Port Authority.

13. The Subuse Agreement shall not be changed, modified or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

14. Except where expressly required or permitted herein to be oral, all notice, directions, 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 registered or certified mail. Said designated officer or representative of the Port Authority, the User and the Subuser, and their respective officers, shall be as set forth in the Agreement and the Subuse Agreement. If mailed, the notices herein required to be served shall be deemed effective and served as of the date of the registered or certified mailing thereof.

15. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the User or to the Subuser under any term or provision of this consent or because of its execution or because of any breach or alleged breach thereof.

IN WITNESS WHEREOF, the Port Authority, the User and the Subuser have executed these presents.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By_____
Secretary

By_____

Name David Kagan
Assistant Director
Business Prop (Please Print Clearly) Airport Development

(Title)_____
(Seal)

ATTEST:

FIRST AVIATION SERVICES, INC., User

By_____
Secretary

By_____

Name_____
(Please Print Clearly)

(Title) President
(Corporate Seal)

ATTEST:

JET AVIATION TETERBORO, L.P., Subuser

By_____
Secretary

By_____

Name_____
(Please Print Clearly)

(Title) President
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

(Port Authority Acknowledgment)

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 26 H day of JUNE in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared DAVID KAGAN

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

GAIL E. MITCHELL
NOTARY PUBLIC STATE OF NEW YORK
NO. 01MI6026210
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES JUNE 14, 2011

Gail E. Mitchell
(Signature of Notary Public)

(User Acknowledgment)

STATE OF)
)ss.:
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
(Signature of Notary Public)

(Subuser Acknowledgment)

STATE OF)
)ss.:
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
(Signature of Notary Public)

For the Port Authority

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the day of in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notary seal and stamp)

For the User

STATE OF New Jersey)
)ss.:
COUNTY OF Bergen)

On the Seven day of May in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared Lorraine Rizzotto

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

GIULIA MURIALE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 24, 2010

Giulia Muriale

(notary seal and stamp)

AVIATION DEPT.
FILE COPY

USE AND OCCUPANCY AGREEMENT

TA-314

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

AND

FIRST AVIATION SERVICES, INC.

TETERBORO AIRPORT

USE AND OCCUPANCY AGREEMENT
(9/08/03)

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Exhibit A ..... --

Teterboro Airport
Agreement TA-314

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, made as of September 16, 2003, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority" or the "Airport Operator"), and FIRST AVIATION SERVICES, INC. (hereinafter called the "User"), a corporation organized under the laws of the State of New Jersey;

WITNESSETH, THAT:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of December 1, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-197 and made effective as of July 1, 1986, was entered into between Pan American and the User, with the consent of the Port Authority, for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement, as the same has been heretofore amended and extended on a month-to-month basis, is hereinafter referred to as the "Use and Occupancy Agreement"); and

WHEREAS, the Port Authority and the User desire to replace the Use and Occupancy Agreement with a new Use and Occupancy Agreement bearing Port Authority Agreement No. TA-314 (hereinafter called the "Agreement") as hereinafter set forth; and

WHEREAS, the User desires to use and occupy the Space as defined in the Use and Occupancy Agreement and such additional areas as hereinafter described (all of the foregoing being hereinafter collectively called the "Space") as well as perform certain construction work at the Space as hereinafter described; and

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of August 1, 2003 (the "Effective Date" of this Agreement) unless otherwise stated, as follows:

Section 1. Term

The term of this Agreement shall commence on October 1, 2003 and, unless sooner terminated in accordance with the terms of this Agreement, shall terminate on the later to occur of the day immediately before the twentieth (20th) year anniversary of the Completion Date of the New Facility, as hereinafter defined, or July 31, 2026.

Section 2. Termination of Prior Agreement

It is hereby agreed by and between the parties that the Use and Occupancy Agreement and the Port Authority's consent thereto shall each and all be terminated effective as of the 30th day after the Completion Date, as hereinafter defined, and shall be of no further force or effect from and after the said date, provided, however, that any and all obligations that the User and the Port Authority had under either of said agreements that survive pursuant to the terms thereof shall survive such termination of said agreements. In the event the User has not vacated the Space under the Use and Occupancy Agreement after the 30th day of Completion Date, the User shall be liable for double the fees thereunder for each day the User remains in occupancy of such Space.

Section 3. Space

On and after the Effective Date, the Space under the Agreement shall be the ground area outlined in broken-line and stipple on the drawing attached hereto, hereby made a part hereof and designated "Exhibit A," together with all buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the term of this Agreement (hereinafter collectively referred to as the "Space").

Section 4. Use and Occupancy

(a) The User shall use and occupy the Space for the following purposes only and for no other purpose whatsoever:

(1) For the storage, maintenance, servicing and repair of aircraft, aircraft assemblies, aircraft accessories and aircraft radio and electronic equipment and any component parts thereof;

(2) For the sale of aircraft assemblies, accessories, aircraft radio and electronic equipment and any component parts thereof;

(3) For the leasing, chartering and management of general aviation aircraft;

(4) For the parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User and permitted subusers; it being understood that the parking of vehicles on areas of the Space shown on Exhibit A shall be subject to the prior and continuing approval of the Airport Operator;

(5) For the parking of aircraft;

(6) For business and operations offices and terminals in connection with the purposes authorized hereunder, including providing the temporary use of office space to the User's customers;

(7) For the sale of aviation fuel and aviation lubricants and for delivery of such fuel and lubricants to and into aircraft, all in accordance with provisions of that certain Permit issued to the User dated as of February 21, 2002, and bearing Permit No. TA-198 entered into between the Port Authority and the User specifically regulating such sales and deliveries and providing for the payment of fees therefor; and

(8) for the sale of aircraft or fractional shares thereof.

(b) Notwithstanding the right granted to the User to conduct pilot training hereunder, the Port Authority hereby reserves the right to restrict or terminate touch-and-go flight operations and to restrict the time primary flight training operations may be conducted at the Airport when, in its sole judgment, such action is deemed necessary for Airport safety.

(c) All flight operations conducted at the Airport by the User shall be subject to the Schedule of Charges pertaining thereto in addition to all other fees payable by the User hereunder.

Section 5. Construction by the User

(a) (1) Within six (6) months from the Effective Date, the User shall, in accordance with subparagraphs (b) through (i) hereof, submit to the Port Authority for its approval the User's plans and specifications for the design, construction and installation of a new hangar complex consisting generally of two Hangars, a Terminal/office building and aircraft ramp/taxiway facilities (hereinafter sometimes collectively called the "New Facility").

(2) If, as and when the Port Authority approves said plans for the New Facility and, and upon receipt of the Permits, the User shall proceed expeditiously and with all reasonable diligence to perform, at its own cost and expense, the construction of:

(i) two 39,500 or more square foot hangars, both with adjacent office and shop space, an approximately 16,000 or more square foot terminal building, and an approximately 3,750 square foot Ground Service Equipment Maintenance building together with all necessary and appropriate parking areas for automobile parking;

(ii) all appropriate lines, mains, cables, manholes, wires, conduits, meters and other facilities, on and off the Space, required in connection with or relating to the mechanical, utility, electrical, storm sewer, sanitary sewer, telephone, fire alarm, fire protection, gas and other systems needed for said facilities, including all necessary relocations and upgrades with sufficient capacity for said facilities;

(iii) all necessary roadways, ramps and pedestrian circulation areas, together with all associated and related areas and facilities;

(iv) all necessary aircraft ramp, taxiways and apron areas, together with all associated and related areas and facilities; and

(v) all grading and paving of ground areas and appropriate landscaping.

(3) All of the foregoing design, construction and installation work shall be performed by the User on the Space and off the said Space where required and, where performed on the said Space, shall be and become a part of the Space under this Agreement and is sometimes collectively referred to herein as the "Construction Work" and shall be substantially completed by the User within thirty (30) months of the Port Authority's initial approval to commence construction. In the event the User, through no fault of its own, fails to receive Port Authority approval within six (6) months of the submission of said plans and specifications, the Completion Date, as hereinafter defined, will be extended by one month for each month in excess of six (6) months that elapses from the time of the submission of said plans and specifications to the receipt of Port Authority approval.

(4) Should the User not complete the Construction Work as specified above within the time specified, subject to force majeure, the total land rent for the uncompleted Space shall be increased by fifty percent (50%) per month or portion thereof until such facilities are completed.

(b) The User shall not use or permit the use of the Construction Work or any portion thereof for any purpose until a certificate to do so is issued by the Port Authority. The date set forth in such certificate by the Port Authority as the day of completion shall constitute the "Completion Date" for the Construction Work for the purposes of this Agreement.

(c) The plans and specifications shall he submitted by the User to the Port Authority for approval and the Port Authority may refuse to grant approval if, in its opinion, any of the proposed Construction Work as set forth in said plans and specifications (all of which shall be in such detail as may reasonably permit the Port Authority to make a determination as to whether the requirements hereinafter referred to are met) would:

(1) be structurally unsound or unsafe or hazardous for human occupation or improper for the use and occupancy for which it is designed;

(2) not comply with all the requirements of this Agreement;

(3) not comply with the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

(4) not comply with the standards set by the Port Authority with respect to utility or rentability;

(5) be so located that there will not be sufficient clearance in respect to existing or planned projecting aprons, runways, or taxiways adjacent thereto;

(6) be designed for use for purposes other than those for which the User is permitted to use the Space under this Agreement;

(7) be in violation of any local code, OSHA-70, or any other law, ordnance, enactment, resolution, regulation, rule or order of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation;

(8) set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

(9) not provide adequate circulation arteries for vehicular and pedestrian traffic and firefighting equipment; or

(10) not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

(d) The User or the User's construction contractors shall furnish the Port Authority performance and payment bonds in a sum equal to the estimated cost of the Construction Work, in a form and with sureties satisfactory to the Port Authority, for the faithful performance by the User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of tradepersons, workers and subcontractors. The User shall deliver such bonds to the Port Authority prior to commencement of construction or within thirty (30) days after the award by the User of construction contract or contracts, whichever occurs first.

(e) Upon completion of any work to be performed by the User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

(f) All the Construction Work shall be done in accordance with the following terms and conditions:

(1) The User hereby assumes the risk of loss or damage to all of the Construction Work prior to the completion thereof and the risk of loss or damage to all property of the Port Authority arising out of or in connection with the performance of the Construction Work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the Construction Work and the property of the Port Authority without cost or expense to the Port Authority. The User shall itself and shall also require its contractors to indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Port Authority) arising or alleged to arise out of the performance of the Construction Work and for all expenses, (whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement) incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage (to include reasonable attorney's and other professional fees) direct or consequential, whether they arise out of or from the acts or omissions of the User, of any contractors of the User, of the Port Authority or of third persons, or from acts of God or of the public enemy, or otherwise excepting only claims and demands which result solely from willful acts done by the Port Authority, its Commissioners, officers, agents and employees subsequent to the commencement of the Construction Work.

(2) Prior to engaging or retaining an architect or architects for the Construction Work, the name or names of said architect or architects licensed in the State of New Jersey shall be submitted to the Port Authority for its approval; for the purposes hereof, the Port Authority hereby approves Gaddis Wind Associates, LTD., as the User's architect. The Port Authority shall have the right to disapprove any architect who may be unacceptable to it and shall advise the User in writing of the Port Authority's reason for such disapproval. All Construction Work shall be done in accordance with plans and specifications to be submitted to and approved by the Port Authority prior to the commencement of the Construction Work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently

at its sole cost and expense to perform the Construction Work. All the Construction Work, including workmanship and materials, shall be of first class quality. The User shall re-do, replace or reconstruct at its own cost and expense, any of the Construction Work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of the Port Authority made in accordance with this Agreement, so long as the Port Authority has advised the User that the work was not done in accordance with the plans and specifications within sixty (60) days of the User's certification to the Port Authority of the substantial completion of such work.

(3) Prior to entering into a contract for any part of the Construction Work, the User shall submit to the Port Authority for its approval the names of the contractors to whom the User proposes to award said contracts. The Port Authority shall have the right to disapprove any contractor who may be unacceptable to it and shall advise the User in writing of the Port Authority's reasons for such disapproval. The User shall include in all such contracts such provisions and conditions as may be required by the Port Authority, including but not limited to, the following: "If (i) the Contractor fails to perform any of his obligations under the Contract, including his obligation to the User to pay any claims lawfully made against him by any materialman, subcontractor or workman or other third person which arises out of or in connection with the performance of the Contract or (ii) any claim (just or unjust) which arises out of or in connection with the Contract is made against the User or (iii) any subcontractor under the Contract fails to pay any claims lawfully made against him by any materialman, subcontractor, workman or other third persons which arise out of or in connection with the Contract or if in the User's opinion any of the aforesaid contingencies is likely to arise, then the User shall have the right, in its discretion, to withhold out of any payment (final or otherwise and even though such payments have already been certified as due) such sums as the User may deem ample to protect it against delay or loss or to assume the payment of just claims of third persons, and to apply such sums in such manner as the User may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the User to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the User does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the User to withhold and apply monies nor any exercise or attempted exercise of, or omission to exercise, such rights by the User shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons. Until actual payment is made to the Contractor, his right to any amount to be paid under the Contract (even though such amount has

already been certified as due) shall be subordinate to the rights of the User under this provision."

(4) The User shall furnish or require its architect to furnish a resident engineer during the construction period as the Port Authority may require. The User shall require certification by a licensed engineer of all pile driving data, if any, and of all controlled concrete work and such other certifications as may be requested by the Port Authority from time to time.

(5) The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same having been approved by the Port Authority and notwithstanding the incorporation therein of Port Authority recommendations or requirements. Notwithstanding the requirements for approval by the Port Authority of the contracts to be entered into by the User or the incorporation therein of the Port Authority requirements or recommendations, and notwithstanding any rights the Port Authority may have reserved to itself hereunder, the Port Authority shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges the Port Authority, its Commissioners, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any of the Construction Work pursuant to the contracts between the User and its contractors (to include reasonable attorney's and other professional fees). Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of the Port Authority as well as the User.

(6) The Port Authority shall have the right, through its duly designated representatives, to inspect the Construction Work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the Construction Work, but the taking of samples and testing shall be conducted so as to minimize interference with the Construction Work, if such minimization of impact can be accomplished without diminishing the effectiveness or accuracy of the samples and or tests.

(7) The User agrees that it shall deliver to the Port Authority "as-built" drawings (capable of being reproduced) of the Construction Work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications shall be made without the Port Authority's consent).

(8) The User shall, if requested by the Port Authority, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the Construction Work, including but not limited to, the fencing of the Space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as the Port Authority may direct.

(9) The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, tradepersons and workers, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the Construction Work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, tradepersons, workman or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep the Port Authority fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful performance of and also for the payment of all lawful claims of subcontractors, tradepersons and workers arising out of the performance of said construction contract.

(10) The User shall procure and maintain Commercial General Liability Insurance, including but not limited to premises-operations, completed operations, a Broad Form Property Damage Endorsement, worker's compensation, independent contractors' coverage, and coverage for explosion, collapse and underground property damage, with a contractual liability endorsement covering the obligations assumed by the User herein, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles, which shall be in addition to all policies of insurance otherwise required under this Agreement or the User may provide such insurance by requiring each contractor engaged by it for the Construction Work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name the Port Authority as additional insured and be in not less than the following amounts:

(i) Commercial General Liability:
death, bodily injury and property

damage liability: combined single limit per occurrence: $ 25,000,000.00

(ii) Commercial Automobile Liability: death, bodily injury and property damage liability: combined single limit per accident: $ 10,000,000.00

The insurance required hereunder shall be maintained in effect during the performance of the Construction Work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Port Authority. The aforesaid insurance shall be written by a company or companies licensed to conduct business in the State of New Jersey and approved by the Port Authority, the Port Authority agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Port Authority agreeing not to act unreasonably hereunder.

(11) The User shall prior to the commencement of the Construction Work, and at all times during the Construction Work, submit or cause to be submitted to the Port Authority all engineering studies with respect to the Construction Work and samples of construction materials as may be reasonably required at any time and from time to time by the Port Authority.

(12) The User shall procure and maintain or cause to be procured and maintained Builder's Risk Completed Value Insurance covering the Construction Work during the performance thereof including material delivered to the construction site but not attached to the realty in an amount and form satisfactory to the Port Authority. Such insurance shall name the Port Authority, the User and its contractors and subcontractors as additional insured and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the Construction Work and any excess shall be paid over to the Port Authority. The policies or certificates representing this insurance shall be delivered by the User to the Port Authority prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port

Authority fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification of the insurance evidenced by said policy or certificate. The insurance shall be written by companies licensed to conduct business in the State of New Jersey, and approved by the Port Authority, the Port Authority agreeing not to withhold its approval unreasonably and if the Port Authority disapproves of any insurance company, it shall advise User in writing of the reasons for such disapproval. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Port Authority agreeing not to act unreasonably hereunder.

(13) Nothing contained herein shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor, or any other person engaged by the User or any of its contractors in the performance of any part of the Construction Work, any right of action or claim against the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the Construction Work.

(14) Nothing contained herein shall create or be deemed to create any relationship between the Port Authority and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the Construction Work and the Port Authority shall not be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the Construction Work.

(15) When the Construction Work is substantially completed and is ready for use by the User, the User shall advise the Port Authority to such effect and shall deliver to the Port Authority a certificate executed by an authorized officer of the User certifying that the Construction Work has been constructed strictly in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders and a certificate executed by the User's architect licensed in the State of New Jersey certifying that the Construction Work has been constructed strictly in accordance with the approved plans and specifications and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders. The User shall correct, modify, or redo any item that has not been completed in accordance with the approved plans and specifications. Thereafter, the Construction Work will be inspected by the Port Authority and if the same has been completed as specified by the User, a certificate to such effect shall be

delivered to the User, subject to the condition that all risks thereafter with respect to the Construction Work and installation of the same and any liability therefor for negligence or other reason shall be borne by the User. The User shall not use or permit the use of the Construction Work for the purposes set forth in this Agreement until such certificate is received from the Port Authority. The date of delivery of such certificate by the Port Authority shall constitute the Completion Date for the Construction Work for purposes of this Agreement.

(16) The Construction Work shall be conducted in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from or arising out of or resulting from the operations of the User under this Section. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the Construction Work hereunder such necessary or appropriate systems to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User and shall be part of the Construction Work hereunder.

(17) Notwithstanding the provisions of the foregoing subparagraph and in addition thereto, the Port Authority hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, subsequent to the completion of the Construction Work, to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of subparagraph (16).

(g) The User hereby acknowledges that the Port Authority has constructed security fencing to secure and prevent inadvertent entry onto the aeronautical areas of the Airport. The User hereby agrees, during all phases of Construction Work and at all times during the term of this Agreement, to design and construct, at its sole cost and expense, such further fencing as may be necessary to maintain said security fencing.

(h) All locations, the manner, type, size and method of construction under any of the provisions of subparagraph (16) and paragraph (g) hereof shall be determined by the Port Authority. The User shall submit for the Port Authority's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. It is expressly agreed that the design and appearance of the construction required by subparagraph (f) (16) and paragraph (g) hereof shall be consistent with the overall design and construction of the User's facilities. All other provisions of this Section with respect to the Construction Work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this paragraph and upon completion of each portion of such work it shall be and become a part of the Construction Work.

Section 6. Other Construction by the User

Except as otherwise expressly provided herein, the User shall not erect any structures, make any improvements or do any Construction Work on the Space, or install any fixtures (other than fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of the Port Authority through the medium of a construction or alteration application and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice to do so, the User shall remove the same or, at the option of the Port Authority, cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the User to comply with such notice, the Port Authority may effect the removal or change and the User shall pay the cost thereof to the Port Authority.

Section 7. Fees to the Port Authority

(a) The monthly Building fees payable to the Port Authority for the use and occupancy of the Space shall be abated for the period from the Effective Date to and including the twentieth anniversary of the Completion Date.

(b) From and after the earlier to occur of the issuance of the certificate set forth in subparagraph (f)(15) of Section 5 hereof or October 1, 2006 (hereinafter called the "Land fee Commencement Date"), the User shall pay Land fees to the Port Authority for the use and occupancy of the Space at the annual rate of Exemption (2.a.) payable in advance on the Land fee Commencement Date and on the first day of each and every calendar month thereafter during the term hereunder in equal installments of

Exemption (2.a.)

(c) If any payment of fees is payable on a date other than the first day of a month, the land rental fees set forth in paragraphs (a) and (b) above shall be prorated on the basis of the number of days from the day such payment is due to the end of such month.

(d) The Port Authority reserves the right to establish new land and building Basic Fee Rates for each fee component effective January 1, 2010 and January 1, 2020. New land and building Basic Fee Rates, if any, will be determined considering real estate appraisals conducted in the year prior to the effective dates of such new Basic Fee Rates. If such new Basic Fee Rates are not established for one or both of these time periods, the Basic Fee Rates for the immediately prior period will continue to apply. If such appraisals are performed for the land as vacant and unimproved, the first newly established rates shall be hereinafter referred to as "Basic Fee Rates One", and the second newly established rates shall be know as "Basic Fee Rates Two." It is hereby agreed that any appraiser selected to conduct an appraisal of the Airport shall be selected by the Port Authority. The Port Authority shall require the appraiser to identify separately, in such appraisal, the Basic Fee Rates with respect to each of the building and land fees.

(e) In addition to the foregoing, the rates of all the Building and Land fees set forth in paragraphs (a) and (b) hereof shall be subject to adjustment annually on a calendar year basis, using the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all Items, Selected Larger Cities, for the New York - Northeastern New Jersey Area from December 2003 as the data source (herein referred to as the "CPI Index"). The "Standard Inflation Adjustment Factor" (hereinafter referred to as "SIAF") is defined as the quotient resulting from dividing the CPI for the month of December for the year prior to the year for which the rates are being determined by the CPI for the second year prior to the year for which the rates are being determined (for example, to determine the SIAF that will be necessary to calculate the rates for 2009, divide the CPI for the month of December 2008 by the CPI for the month of December 2007). However, if the quotient which results from the computation as described above is less than 1.00, the SIAF for the particular year will be 1.00. Furthermore, if the quotient which results from the computation as described above is greater than 1.06, the SIAF for the particular year will be 1.06. Thus the rates for one year will not be less than those of the prior year, nor exceed the prior years rates by more than 6%.

(f) In the event that an appraisal is performed in accordance with paragraph (d) above, from and after January 1, 2010 the rates applicable for determining the building and land fees shall be the greater of either (i) the Basic Rental Rates One or (ii) the December 2009 rates multiplied by the SIAF. In the event that the one or both of the rates calculated in accordance with (ii) above are Exemption (2.a.)) or higher than the Basic Rental Rates One, then the monthly building and land fees payable effective January 1, 2010 would be the greater of (a) the rates effective for January 2000 adjusted annually by 1/2 of the increase in the CPI or (b) the rate calculated under item (h) hereof.

(g) If new basic rates have been established in accordance with paragraph (d) above, effective January 1, 2011 and annually thereafter the rates used for determining the building and land fees the User shall pay to the Port Authority shall be determined by taking the rates for the prior year and multiplying them by the SIAF for the appropriate year. Under no circumstances shall any of the above rates for a particular year be less than the rates for the previous year as a result of appraisal or adjustment.

(h) In the event that the User shall at any time by the provisions of this Agreement become entitled to an abatement of land fees, then said abatement shall be computed at the following daily land rates, as the same may be adjusted during the term of this Agreement, at the rate of $0.94 for each square of newly paved area up to and including the twentieth (20th) anniversary of the Completion Date set forth in subparagraph (b)(4) hereof.

(i) Nothing contained in the foregoing shall affect the survival obligations of the User as set forth in Section 30 hereof.

(j) In addition to all other fees set forth in this Section, the User shall pay to the Port Authority a gross receipts fee of Exemption (2.a.) of the gross receipts (as hereinafter defined) of the User arising during each annual period in excess of Exemption (2.a.)(hereinafter called the "annual exemption amount").

(1) The term gross receipts as used herein shall mean all monies derived by the User at the Space, as defined hereunder, provided, however, there shall be excluded from gross receipts for purposes of such fee:

(w) any taxes imposed by law which are separately stated by and paid by customer of User and directly remitted by the User to the taxing or tax collecting authority;

(x) all monies paid or payable to the User for the sale of aviation fuel and lubricants;

(y) all monies paid or payable to the User in connection with its sale of aircraft or shares therein or its chartering operations at the Airport; and

(z) all monies paid or payable in connection with pass-through expenses related to management clients, limited, however, to amounts actually paid by the User for such expenses.

(2) During any annual period of the term of the Agreement if the fees pursuant to this Section are increased or decreased, the annual exemption amount defined in this paragraph (j) shall be increased or decreased, as the case may be, by an amount equal to twenty (20) times the amount by which the Basic Fee Rate and Additional Fee were increased or decreased. If the change in such fee shall become effective other than at the end of an annual period under the Agreement, the increase or decrease in the annual exemption amount shall be made pro rata.

(k) In addition to all other fees set forth in this Section the User shall pay to the Port Authority an annual amount equal to Fifteen Thousand Dollars and No Cents ($15,000.00) for the right to sell aircraft and fractional shares hereunder. Said annual amount shall be prorated based upon any portion of a year this Agreement is in effect and shall be payable on the Effective Date of this Agreement and upon the first day of January of each and every year thereafter.

(l) The following terms as used in this Agreement shall have the respective meanings given below:

(1) Each payment made by the Port Authority to the User is herein referred to as a "Construction Advance." The date each Construction Advance is made is herein referred to as a "Construction Advance Date."

(2) The term the "Final Date" shall mean the date twelve (12) months after the Completion Date.

(3) The term "the Construction Advance Amount" shall mean the sum of the first Construction Advance and each additional further Construction Advance paid by the Port Authority to the User pursuant to paragraphs (a) and (b) hereof.

(4) The term "the Cost of the Construction Work" shall mean the sum of the following amounts, and such amounts only, actually paid by the User to the extent that the inclusion of the same is permitted by sound accounting practices consistently applied:

(i) Amounts equal to payments actually paid by the User to independent third party contractors for work actually performed and labor and materials actually furnished in connection with the construction of the Construction Work, plus

(ii) Amounts actually paid by the User in connection with the Construction Work for engineering, architectural, professional, consulting services and supervision of construction (as defined below), provided, however, payments under this subitem (ii) shall not exceed fifteen percent (15%) of the amounts paid under subitem (i) above, excluding up to $100,000 of environmental engineering fees.

(m) The Port Authority shall reimburse the User for the Cost of the Construction Work as follows: on the tenth (10th) day of each calendar month following the commencement of the Construction Work, the User shall, but not more often than once a month, deliver to the Port Authority a certificate signed by a responsible fiscal officer of the User, which certificate shall certify the sum of the (i) amounts equal to payments actually paid by the User to independent third party contractors for work actually performed and labor and materials actually furnished by vendors in connection with the construction of the Construction Work and (ii) amounts actually paid by the User in connection with the Construction Work for engineering, architectural, professional, consulting services and supervision of construction, which amounts under items (i) and (ii) of this paragraph shall be determined and limited as provided in item (4) of paragraph (l) above (it being understood that payments under this item [ii] shall not in total exceed fifteen percent [15%] of the amounts paid under item [i] above and shall only apply to payments not included in a prior certificate, it being further understood that the User may carry over such amounts under item [ii] to a subsequent certificate so long as the total of 15% is not exceeded). Any reimbursement by the Port Authority which may exceed the limitations set forth in subitems (l) (4) (i) and (ii) above shall be promptly refunded to the Port Authority upon demand. Each such certificate shall: first, set forth, in reasonable detail, the amounts paid to specified independent third party contractors and the payments made to other specified persons separately listed for each of the User's contractors and by trade breakdown for the Construction Work covered by each such certificate which have not previously been reported in certificates delivered to the Port Authority; second, have attached thereto reproduction copies or duplicate originals of the invoices of such independent third party contractors and other persons; and third, set forth, in such detail as shall be required by the Port Authority, the amounts of the costs

incurred by the User which have not previously been reported in certificates delivered to the Port Authority; and fourth, certify that the amounts, payments and costs therein set forth constitute portions of the Cost of the Construction Work. Each such certificate shall also set forth the total cumulative payments made by the User for the entire Construction Work and for each phase of the construction broken down by trade as reported in certificates submitted to the Port Authority from the commencement of the Construction Work to the date of the certificate, and each such certificate shall also contain a certification by the User that each portion of the Construction Work covered by said certificate has been performed strictly in accordance with the terms of the Agreement. Within 30 days from the day of receipt of said certificate together with all supporting documentation, the Port Authority shall pay to the User the amounts paid by the User during the period covered by such certificate, as certified in such certificate, but only to the extent that such amounts or costs or any portion thereof have not theretofore been included in a Construction Advance, provided, however, in the event the Agreement is not in full force and effect or if the User shall be under a notice of termination of the Agreement or in default under any term or provision thereof, the Port Authority shall have the right, in its discretion, to withhold the payment of the Construction Advance to the User, provided, further, that no payment or withholding of a Construction Advance shall waive or be deemed to have waived any rights of the Port Authority with respect to the termination of the Agreement or to a default by the User under any term or provision thereof or to the withholding or payment of future Construction Advances. The Port Authority shall have the right to make payments directly to contractors upon the submission of appropriate invoices. In the event the Port Authority elects to make any direct payment to a contractor of the User, each such direct payment shall be deemed to have been made to the User and to the extent of such payment by the Port Authority the Port Authority shall be released of such obligation to the User, and the Port Authority shall send to the User at the time of making such direct payment a notice thereof setting forth the name of the contractor to whom payment was made and the amount of such the payment. It is further understood that at the election of the Port Authority no payment will be made if the Port Authority's inspection or audit does not substantiate the contents of said certificate and until such matters have been resolved to the satisfaction of the Port Authority, but the Port Authority shall have no obligation to conduct any such inspection or audit at such time. The certificate shall also contain such further information and documentation with respect to the Cost of the Construction Work as the Port Authority may from time to time require, which information, documentation and certification shall be given on such forms as may be adopted by the Port Authority. The User shall mark as "Final" its final certificate covering the Construction Work. The said Final Certificate shall be sworn to before a Notary Public and certified by a responsible fiscal officer of the User. After submitting the said Final Certificate the User shall submit no further certificate hereunder.

(n) The entire obligation of the Port Authority under paragraph (o) hereof to make payments to the User for the Cost of the Construction Work shall be limited in amount to a total of Twenty-five Million Dollars and No Cents ($25,000,000.00), provided, however, that such obligation shall be further limited in time to Construction Work covered by certificates as set forth in said paragraph (o) duly submitted to the Port Authority on or prior to the Final Date.

(o) The User shall promptly submit to the Port Authority further information, including but not limited to, its estimate of the amounts and times of the various payments it will

be making and costs it will be incurring in connection with the Cost of the Construction Work as the Port Authority may from time to time and at any time request.

(p) The Port Authority shall have the right at any time and from time to time by its agents, employees and representatives to audit and inspect during regular business hours the books, records and other data of the User relating to the Cost of the Construction Work, it being understood that the Port Authority shall not be bound by any prior audit conducted by it. The User agrees to keep such books, records and other data within the Port of New York District, but the User shall not be required to maintain any of such books, records and other data for more than five (5) years after the User has delivered the certificates marked "Final" called for under paragraph (i) above.

(q) It is hereby understood and agreed by the parties that the following terms shall be applied to the construction of the New Facility and shall have the respective meanings given below:

(1) "Monthly Additional Fee Commencement Date" shall mean the first day of the month following the month during which the Completion Date occurs.

(2) "Final Cost of the Construction Work" shall mean the amount set forth in the Final certificates submitted by the User to the Port Authority under paragraph (b) of Paragraph 6 hereof.

(3) "Monthly Additional Fee Factor" shall mean the factor or factors derived in accordance herewith from time to time by the application of the following formula:

$$\frac{i}{\dfrac{1}{1 - i(1+i)^t}} = \text{Monthly Additional Fee Factor}$$

Where i equals the sum of (i) the annual interest rate expressed in decimal form of the "25-Bond Revenue Index" appearing in the issue of "The Bond Buyer" published on the Friday occurring immediately after the Completion Date plus (ii) Three Hundred (300) basis points, divided by twelve.

Where t (a power) equals the number of calendar months or parts thereof occurring during the Monthly Additional Fee Period.

(4) (i) The term "Accrued Amount" shall mean the monthly amount, calculated on the last day of each calendar month, equal to the product obtained by multiplying (A) the then established Port Authority

cost of capital by (B) all amounts constituting portions of the Construction Advance Amount (including any previously calculated Accrued Amounts) paid up to and including the last day of the previous month, for each month during the period commencing on the first Construction Advance Date and ending on the day immediately preceding the Monthly Additional Fee Commencement Date, the parties hereto acknowledging that the Final Cost of the Construction Work shall not be determined until after the submission of the Final certificate, upon which determination all Accrued Amounts shall be recalculated for purposes of paying the Monthly Additional Fee, as hereinafter defined.

(ii) As a part of the payment of each Accrued Amount due as provided in subitem (i) hereof and in addition to the foregoing, the User shall pay to the Port Authority an amount equal to the product obtained by multiplying (A) the then established Port Authority cost of capital, (B) the amount of the Construction Advance Amount made on other than the last day of such month, and (C) the number of days in the period from the date such portion of the Construction Advance Amount is made to and including the last day of the calendar month in which such portion of the Construction Advance Amount is made, for each month during the period commencing on the first Construction Advance Date and ending on the day immediately preceding the Monthly Additional Fee Commencement Date, the parties hereto acknowledging that the Final Cost of the Construction Work shall not be determined until after the submission of the Final certificate, upon which determination all Accrued Amounts, if any, shall be recalculated for purposes of paying the Monthly Additional Fee.

(5) The term the "Reimbursement Amount" shall mean the sum of all Construction Advances and all Accrued Amounts determined for the day immediately preceding the Monthly Additional Fee Commencement Date.

(6) The "Monthly Additional Fee Period" shall mean the period commencing on the Monthly Additional Fee Commencement Date and ending on the expiration date of this Agreement.

(r) In addition to all other fees and charges payable under the Agreement, the User shall pay to the Part Authority a Monthly Additional Fee as follows:

(1) Commencing on the Monthly Additional Fee Commencement Date, the User shall pay to the Port Authority a Monthly Additional Fee which shall be an amount determined for and payable on the first day of each and every calendar month occurring during the Monthly Additional Fee Period equal to the product obtained by multiplying the portion of the Reimbursement Amount by the Monthly Additional Fee Factor.

(2) In the event that a Port Authority audit shall disclose that the User has expended in the Cost of the Construction Work amounts as set forth in subitems (i) and (ii) of item (4) of Paragraph 2 hereof which total less than the total of all Construction Advances made to the User hereunder up to the time of such audit then, upon demand of the Port Authority, the User shall immediately pay to the Port Authority an amount equal to the difference between the amounts expended by the User as disclosed by the Port Authority audit and the aforesaid amount of the total of all Construction Advances made to the User and effective from and after such date of payment the Construction Advance Amount shall be reduced by the amount of such payment and the Monthly Additional Fee payable by the User adjusted appropriately hereunder.

(3) The User shall have the right to prepay without penalty in whole or in part the unpaid balance of the Reimbursement Amount.

(4) The Reimbursement Amount shall not be subject to abatement or suspension or reduction for any reason whatsoever.

(s) In the event that the Agreement is terminated or canceled by the User, the User to notify the Port Authority in such event promptly upon the occurrence thereof, or if the Agreement is terminated for cause under Section 29 hereof by the Port Authority, then in such event, the User shall pay to the Port Authority the entire unpaid balance remaining due of the Reimbursement Amount.

(t) Notwithstanding any other fee obligations of the User hereunder, the User hereby agrees, as a separate and independent covenant, that it shall pay to the Port Authority the Reimbursement Amount, as and in the manner set forth above. Said obligation of the User is of the essence of this Supplemental Agreement and shall survive any termination, expiration or cancellation of the Agreement.

(u) The User further understands and agrees that, in the event the Agreement is terminated, the User's obligation to pay the amounts due the Port Authority under Paragraph 4 hereof shall survive such termination of the Agreement and shall remain in full force and effect until such amounts are paid. The User hereby specifically acknowledges that neither the survival of the obligation with respect to any such amounts nor any other provision of the Agreement shall grant or shall be deemed to grant any rights whatsoever to the User to have the term of the Agreement extended for any period beyond the end of the term as provided in Paragraph 1 hereof or affect in any way the Port Authority's right to terminate the Agreement under Section 29 hereof.

Section 8. Security Deposit

(a) Upon execution and delivery of this Agreement by the User to the Port Authority, the User shall deposit with the Port Authority (and shall keep deposited throughout the term of this Agreement) the sum of Four Hundred Thousand Dollars and No Cents ($400,000.00) which is approximately equal to six (6) months of the total land fees for the entire Space, as the same may change from time to time during the term hereof, either in cash or bonds of the United States of America, or of the State of New York, or of the State of New Jersey, or of The Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the User, all of the terms, provisions, covenants and conditions of this Agreement on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the User may deposit such bond or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the User) in a manner satisfactory to the Port Authority. The User may request the Port Authority to accept a registered bond in the User's name and if acceptable to the Port Authority the User shall deposit such bond together with a bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the User any expenses incurred by the Port Authority in re-registering a bond to the name of the User shall be borne by the User. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the User. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Agreement on the part of the User. With respect to any bonds deposited by the User, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the User, to sell the same in whole or in part, at any time and from time to time, with or without prior notice, at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the User. The User hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the User. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the User. Any balance remaining shall be retained in cash toward bringing the deposit to the sum specified above. In the event that the Port Authority shall at any time or times so use the deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the above-mentioned amount, the User shall, on demand of the Port Authority and within five (5) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier termination of the letting under this Agreement as the said letting may have been extended, and upon condition that the User shall then be in no wise in default under any part of this Agreement, as this Agreement may have been amended or extended (or both), and upon written request therefor by

the User, the Port Authority will return the deposit to the User less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the User of this Agreement or any part thereof. The User agrees that it will not assign or encumber the deposit. The User may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(b) The User may at any time during the term of this Agreement offer to deliver to the Port Authority, as security for all obligations of the User under this Agreement, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of set forth in paragraph (a) above. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission under this Agreement and for a period of not less than ninety (90) days thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit, the User agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with paragraph (a) of this Standard Endorsement or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a) of this Standard Endorsement. Failure to provide such a letter of credit at any time during the effective period of the permission, under this Agreement, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit shall be deemed to be a breach of this Agreement on the part of the User. Upon acceptance of such letter of credit by the Port Authority, and upon request by the User made thereafter, the Port Authority will return the security deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a) of this Standard Endorsement. The User shall have the same rights to receive such deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the permission under this Agreement and fulfillment of the obligations of the User hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the User on demand of the Port Authority and within ten (10) business days thereafter, shall bring the letter of credit back up to its full amount.

Section 9. Time of Payment and Computation of Amounts

(a) The User shall pay to the Port Authority the monthly payments of the land fees specified in Section 7 hereof in advance on the first (1st) day of each and every month, without tender of an invoice by the Port Authority, until the termination of this Agreement, provided, however, if this Agreement is terminated on other than the last day of the month, the last payment shall be the then-effective monthly fee prorated in the same proportion as the number of

days the Agreement was in effect in the month during which such termination takes place bears to the actual number of days in said month.

(b) For each annual period the User shall pay the percentage fees set forth in paragraph (j) of Section 7 hereof as follows: on the twentieth (20th) day of the first (1st) month following the Effective Date and on the twentieth (20th) day of each and every month thereafter including the month following the end of the annual period, the User shall render to the Port Authority a statement certified by the User's principal financial officer showing its gross receipts for the preceding calendar month and its cumulative gross receipts from the date of commencement of the annual period for which the report is made, through the last day of the preceding calendar month; whenever any such statement shall show that the cumulative gross receipts for the annual period are in excess of the annual exemption amount, the User shall pay to the Port Authority at the time of rendering the statement an amount equal to Exemption (2.a.) of such excess and shall, on the twentieth (20th) day of each month thereafter during the annual period and the month next succeeding that annual period, pay to the Port Authority an amount equal to Exemption (2.a.) of the gross receipts of each subsequent month during the annual period. At any time that the annual exemption amount is decreased by abatement so that there is an excess of gross receipts as to which such percentage fee has not been paid the same shall be payable to the Port Authority forthwith. At the time the User pays the foregoing fees it shall also pay the fee payable under paragraph (j) hereof.

(c) Upon any termination of the Agreement, even if stated to have the same effect as expiration, the User shall, within twenty (20) days of the effective date of such termination, make a payment of the gross receipts fees computed as follows: (1) the User shall within twenty (20) days after the effective date of termination render to the Port Authority a statement of gross receipts certified by the User's principal financial officer for the annual period in which the effective date of termination falls; and (2) the payment when due on account of all such gross receipts fees for the annual period in which the effective date of termination falls shall be the excess for such gross receipts fees computed as follows, over the total of such gross receipts fee payments previously made for such annual period: Exemption (2.a.) of the gross receipts of the User for such annual period which are in excess of the annual exemption amount, said annual exemption amount being multiplied by a fraction, the numerator of which shall be the number of days from the commencement of the annual period to the effective date of termination, and the denominator of which shall be three hundred sixty-five (365). At the time the User pays the foregoing fees it shall also pay the fee payable under paragraph (j) hereof.

(d) Nothing contained in the foregoing shall affect the survival of the obligation of the User as set forth in the Sections of this Agreement covering the survival of the User's obligations.

Section 10. <u>Care, Maintenance and Repair</u>

(a) The User shall at its own expense at all times keep the Space and all the User's fixtures, equipment and personal property and any property of the Port Authority which are

located in any parts of the Space which are open to or visible by the general public, in a clean and orderly condition and appearance.

(b) The User shall, at its own expense, repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

(c) The User shall perform all snow removal from the Space in a manner prescribed by an annual snow removal plan which shall be submitted to the User each year by the Airport Manager prior to start of the snow season.

(d) In the event the User fails to adhere to said plan, the Port Authority may, at its option, upon ten (10) days' advance notice to the User and the User's failure to cure within such time period, commence corrective action and charge the cost thereof to the User. The amount of such charge to constitute an item of an additional fee.

(e) Except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof, the User at its own expense shall take good care of the Space, including without limitation paved and unpaved areas, fences, skylights, steelwork, walls, partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, lights, sewerage, drainage, water-supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures.

(f) The User shall perform all structural and non-structural maintenance, repairs, replacements and painting at the Space, including walls, ceilings, windows, doors, floors, partitions, glass, electrical, plumbing and heater equipment and fixtures, air conditioning and ventilation equipment that service the Space, regardless of the cause of the condition requiring the same, except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof.

(g) In the event the User fails to commence to so repair, replace, rebuild or paint as required above within a period of thirty (30) days after notice from the Port Authority so to do, or fails diligently to continue to complete the repair, rebuilding, replacement, or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, the Port Authority 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

Section 11. <u>Services to the User</u>

(a) As part of the Construction Work, the User shall be solely responsible for the connections for water, sewerage, electricity and gas to the Space.

(b) The User shall promptly pay all domestic water, electric, gas and other utility bills covering consumption by the User in the Space. In the event that any such bill or bills remains unpaid for a period of thirty (30) days after the same becomes due and payable, or in the event that any such bill remains unpaid at the expiration or earlier termination of this Agreement, the Port Authority may pay the same and any interest or penalties thereon, and the total payment or payments at any time so made shall constitute an item of additional fee, payable to the Port Authority upon demand.

(c) The User agrees to heat the enclosed portion of the Space to a sufficient temperature so that plumbing, fire protection and sprinkler systems, will not be damaged by the cold.

(d) In the event that the Borough of Moonachie, or the State of New Jersey or any other municipal subdivision, or corporation now furnishing, with or without charge therefor, any services which are beneficial to the User in its use or occupancy of the Space shall hereafter impose charges or increase existing charges for such services, the User agrees to pay the Port Authority as an item of additional fee hereunder such of the charges or the increase in charges as may be imposed or assessed against the Port Authority in respect of the Space hereunder or the User's use or occupancy thereof.

(e) The Port Authority shall charge the User for the following services, as the same are metered:

(1) Sewer usage, taking into account total usage of others on the same sewer system; and

(2) Standby water charges for fire protection system, taking into account total usage of others on the same systems.

(f) Except as may be otherwise expressly provided in the Agreement, the Port Authority shall not be obligated to provide any services to the User.

Section 12. Insurance

(a) The Port Authority hereby reserves the right, exercisable at any time during the term of this Agreement and without any notice to the User to self-insure under its self-insurance plan.

(b) The parties hereby stipulate that neither the provisions of Title 46:8-6 and 46:8-7 of the Revised Statutes of New Jersey nor those of any similar statute shall extend or apply to this Agreement.

(c) During the term of this Agreement, the User shall, insure and keep insured to the extent of 100% of the replacement cost thereof, covering all risk of physical loss of or damage to all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by flood, earthquake, windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the reasonable commercial availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction. The Port Authority shall be included as an additional insured and the policy or policies shall be endorsed to include losses adjusted with and payable to the Port Authority.

(d) The aforesaid insurance coverages and renewals thereof shall insure the Port Authority as its interests may appear and shall provide that the loss, if any, shall be adjusted with the Port Authority and shall be payable to the Port Authority as its interests may appear.

(e) At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to the Port Authority and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority twenty (20) days advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to the Port Authority at least twenty (20) days before the expiration of the insurance that such policies are to renew.

(f) In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify the Port Authority of such casualty and shall thereafter furnish to the Port Authority such information and data as shall enable the parties to adjust the loss.

(g) To the extent that any loss is recouped by actual payment to the Port Authority of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by the Port Authority to the User in installments if requested by the User and as work progresses provided that as to each request for payment the

User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include as itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligation under the Agreement. If the proceeds of any such insurance paid to the Port Authority exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by the Port Authority.

(h) If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space. If the User does not so properly proceed then the Port Authority may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement.

(i) The User, for its own protection, may separately insure at its own expense such fixtures, equipment or other personal property at the Space as its interests may appear.

(j) In the event that as a result of a casualty the Space is damaged (without fault of the User, its employees, customers, guests, contractors, subcontractors, invitees or persons doing business with it) so as to render the same untenantable in whole or in part, then the fees payable hereunder with respect to the damaged portion of the Space shall be abated as herein provided for the period from the occurrence of the damage to the earlier to occur of (1) the date of substantial completion of the repairs and rebuilding and the issuance of the appropriate certificate by the Port Authority in connection therewith or (2) the date the User makes use of the part of the Space so damaged.

Section 13. Ingress and Egress

(a) The User, its agents, officers, employees, affiliates, customers, contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport as may from time to time be designated by the Port Authority for the use of the public.

(b) The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

(c) The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Port Authority may, at any time, temporarily

or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User.

(d) The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done that will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

Section 14. Indemnity, Liability Insurance

(a) (1) The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs or expenses including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death or personal injuries, or for property damages, arising out of the use or occupancy of the Space, or arising out of any other acts or omissions of the User, its officers, employees, guests, invitees and business visitors on the Space, or out of the acts or omissions of others on the Space, or arising out of the acts or omissions of the User, its officers and employees elsewhere at the Airport.

(2) If so directed, the User shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provision of any statutes respecting suits against the Port Authority.

(b) In addition to the obligations set forth in paragraph (a) hereof and all other insurance required under this Agreement, the User in its own name as assured and with the Port Authority as an additional insured shall secure, maintain and pay the premium or premiums during the term of this Agreement on a policy or policies of Commercial Public Liability Insurance, including but not limited to, premises-operations, products, completed operations, and covering bodily injury, including death, and property damage liability, broadened to include or equivalent separate policies covering aircraft liability and airport operator's liability under an

airport liability policy, hangarkeeper's coverage, boiler and machinery coverage, all risk personal property coverage for the full replacement value, a subrogation waiver in favor of the Port Authority, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles, and providing for coverage in the limits set forth below. The said policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the User thereunder with respect to any claim or action against the User by a third person shall pertain and apply with like effect with respect to any claim or action against the User by the Port Authority, but such endorsement shall not limit, vary, change, or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by the User shall be the same as the protections afforded the User thereunder with respect to any claim or action against the User by a third person as if the Port Authority were the named insured thereunder. The said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the User under subparagraph (1) hereof.

	Minimum Limits
Commercial Public Liability Insurance:	
Death, bodily injury and	
Property damage liability:	
combined single limit	
per occurrence:	$50,000,000.00
Commercial Automobile Liability Insurance:	
Death, bodily injury and	
Property damage liability:	
combined single limit	
per accident:	$10,000,000.00

(c) Notwithstanding the foregoing, it is specifically understood and agreed that the Port Authority shall have the right upon notice to the User given from time to time and at any time to require the User to increase any or all of the foregoing limits in amounts that the Port Authority may reasonably require, and the User shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority.

(d) The aforesaid insurance shall be written by companies approved by the Port Authority, the Port Authority covenanting and agreeing not to withhold its approval unreasonably.

(e) Each policy of insurance required by this Section 14 shall contain a provision that the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers,

agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(f) As to the insurance required by this Section 14, a certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority within ten (10) days after the execution of this Agreement and each policy, certificate or binder delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may be not canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Port Authority. Any renewal policy shall be delivered to the Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term of this Agreement. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the User shall promptly obtain a new and satisfactory policy on replacement. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority.

Section 15. Various Obligations of the User

(a) The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space or the Airport. The User shall take all reasonable measures:

(1) to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

(2) to keep the sound level of its operations within acceptable limits as determined by the Port Authority.

(b) The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon reasonable objection from the Port Authority concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If the Port Authority shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Manager of the Airport.

(c) It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User shall conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by

such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User shall employ the maximum reasonable amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event the Port Authority determines that the User has not curbed the prop or jet blast interference, as set forth above, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference, subject, however, to the prior written approval of the Port Authority as to type, manner and method of construction.

(d) The User shall daily remove from the Space by means of facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Airport shall be used for such removal unless with the Port Authority's prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space, except pursuant to an approved discharge permit issued by Federal, state, county or local government.

(e) It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable Federal, State and Municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

(f) The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance with the provisions of this Agreement relating to construction by the User, make any and all structural or non-structural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any

part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to the Port Authority that part of all premiums paid by the Port Authority which shall have been charged because of such violation or failure by the User.

(g) In connection with the conduct of User's business the User shall:

(1) use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

(2) not divert or cause to be diverted, any business from the Airport, provided, however, that the Port Authority acknowledges that the User operates facilities other than the Space and that it may determine, in its reasonable business judgment, to conduct any of its business at such other facilities;

(3) maintain in accordance with accepted accounting practice during the term hereof the User's records and books of account recording all transactions at, through or in any wise connected with the Airport which records and books of account shall be kept at all times at the User's place of business at the Airport; and

(4) permit in ordinary business hours during the term hereof and for one (1) year thereafter the examination and audit, on a non disclosure basis, by the officers, employees or representatives of the Port Authority of such records and books of account and also any records and books of account of any company owned or controlled by the User if said company performs services similar to those performed by the User anywhere at the Airport.

(h) In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under this Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. The Port Authority hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Port Authority. The User shall submit

for the Port Authority's approval a Construction Application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

(i) The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering Construction Work and notwithstanding the incorporation therein of the Port Authority's recommendations or requirements and notwithstanding that the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to the Port Authority in entering into this Agreement with the User.

(j) The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Port Authority shall relieve the User of such responsibility.

(k) The following terms shall have the following respective meanings as used herein:

(1) "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or (v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

(2) "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statutes, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all Governmental Agencies, and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various Governmental Agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

(3) "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

(4) "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

(l) The User, prior to the execution of this Agreement, has thoroughly examined the Space and determined it to be suitable for the User's operations hereunder and the User restates and continues said determination in connection with its continued occupancy hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Space whether existed prior to, on or after the date of its original occupancy of the Space, including, without limitation, all Environmental Requirements and Environmental Damages, as herein defined, and all soil remediation to the extent required under Environmental Requirements, including but not limited to, remediation which may be required as a result of discovery of any contaminants while performing test borings or in the performance of Construction Work, and to indemnify and hold harmless the Port Authority with respect to third party claims in accordance with Section 14 of this Agreement. Notwithstanding the foregoing,

the User shall be responsible for the removal of and remediation of Hazardous Substances placed, or permitted or caused to be placed, on, in or under the Space by the User or by its employees, agents, contractors, or others using or occupying the Space under this Agreement.

Section 16. Prohibited Acts

(a) The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to employees or the public, except that the User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following:

(1) Hot and cold packaged foods;

(2) Hot and cold beverages;

(3) Candy and chewing gum;

(4) Tobacco and tobacco products;

(5) Newspapers and periodicals; and

(6) Telephone services (pay stations)

(All of the foregoing being hereinafter collectively called "vending machines").

(b) If the User, installs or causes to be installed, vending machines on the Space for the limited sale of merchandise or services permitted hereunder, the User shall have the right to retain the revenues derived therefrom, provided, however, that the User shall itself, and shall also require its contractors to, indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands (to include reasonable attorney and other professional fees) of third persons, including employees, officers and agents of the Port Authority and the Port Authority arising or alleged to arise out of the installation, operation or maintenance of the User's vending machines (or consumables obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the User's vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this Agreement.

(c) The limited right to install, operate and maintain vending machines granted to User herein may be terminated by the Port Authority at any time during the term of this Agreement upon ninety (90) days' notice to the User and the Port Authority, at any time thereafter, may substitute for the User's vending machines other machines selling similar merchandise or services operated by the Port Authority or by its permittee or concessionaire and thereupon User shall remove its machines.

(d) Upon installation by the Port Authority or by its permittee or concessionaire of vending machines in substitution of the User's vending machines, all revenues derived therefrom shall be retained by the Port Authority.

(e) Upon rendering of notice to the User of termination of the right to operate vending machines, the Port Authority may elect to permit the User's vending machines to remain, but in such case, the User shall pay or cause to be paid to the Port Authority each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of the Port Authority then operating machines at the Airport for sale to the general public of similar merchandise or rendering of similar services.

(f) The termination by the Port Authority of the limited right of the User to install vending machines at the Space shall be non-discriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by the Port Authority the User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

(g) The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

(h) The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

(i) The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

(j) The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

(k) The User shall not do or permit to be done any act or thing upon the Space which:

(1) will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

(2) in the opinion of the Port Authority, may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

(3) will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

(l) Except persons who have been granted valid permits or permission from the Port Authority, the User shall not permit, foster or allow on the Space any persons not related to the User who are:

(1) doing maintenance work on aircraft not owned or operated solely by said persons, except for warranty or specialty work, or

(2) giving flight instruction of any sort unless such persons are members of the User's flight instruction staff, or

(3) conducting air taxi, aircraft charter or aircraft leasing of any sort.

Section 17. Rules and Regulations

The User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such Rules and Regulations of the Airport as are now in effect or as may be promulgated from time to time for the government and conduct of operations of the Airport for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then the Port Authority will make a copy thereof available to the User at the office of the Manager of Teterboro Airport.

Section 18. Signs

(a) Except with the prior written approval of the Port Authority, the User shall not erect, maintain or display any advertising, signs or similar devices at or on the Space.

(b) Upon demand by the Port Authority, the User shall remove, obliterate or paint out any and all advertising, signs and similar devices placed by the User on the Space or elsewhere

on the Airport without the prior approval of the Port Authority. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, the Port Authority may perform the necessary work and the User shall pay the costs thereof to the Port Authority on demand.

Section 19. Assignment

(a) The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of the Port Authority. The Port Authority may grant or withhold such consent solely in its discretion for any reason.

(b) If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by anyone other than the User, the Port Authority may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by said assignee, sub-user or other user and no such payment shall be deemed a waiver by the Port Authority of the covenants or agreements contained in this Section nor of acceptance by the Port Authority of any assignee, claimant or occupant, nor as a release of the User by the Port Authority from the further performance by the User of the agreements contained herein, including but not limited to, the payment of fees.

Section 20. Condemnation

(a) The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority, or its subsidiaries and affiliates for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between the Port Authority and the User that the Port Authority shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

(b) In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be canceled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired. The Port Authority shall provide the User such advance notice as practicable.

(c) In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rule, regulation, requirement, order or

direction, the Port Authority may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to deliver possession of all or such portion of Space so required upon the effective date of such termination. No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this paragraph shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority for damages, consequential or otherwise.

Section 21. Non-Discrimination

(a) Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land (1) that no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination 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, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

(b) The User assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

(c) The User shall include the provisions of the above paragraphs in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting the Port Authority a right to take such action as the United States may direct to enforce such covenant.

(d) The User's non-compliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance; or in the event such non-compliance shall continue for a period of twenty (20) days after receipt of written notice from the Port Authority, the Port Authority shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(e) The User shall indemnify and hold harmless the Port Authority (to include reasonable attorney's and other professional fees) from any claims and demands of third persons including the United States of America resulting from the User's non-compliance with any of the provisions of this Section and the User shall reimburse the Port Authority for any loss or expense incurred by reason of such non-compliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this Agreement.

(f) Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

(g) Minority Business Enterprises

In accordance with the construction required in Section 5 of the Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

Section 22. Right to Recapture Portions of the User's Ramp Space

(a) The User acknowledges that the Airport serves the needs of the public and that the Public Aircraft Facilities should be utilized to the fullest extent possible with airport users afforded fair and reasonable access. The User also acknowledges that the following paragraphs provide that if the User does not utilize its facilities to the level set forth in stated performance criteria, such underutilized facilities may be either recaptured by the Port Authority or required to be offered by the User to another user in accordance with the provisions of the following paragraphs.

(b) It is hereby agreed that, commencing on January 1, 2004, which will be known as the "Start Date," and for each and every calendar year thereafter, the Port Authority may ascertain the User's percentage share (hereinafter referred to as the "User's Current Fuel Share") of the total aircraft fuel gallons sold (hereinafter referred to as "Total Current Fuel Dispensed") at the Airport for the preceding calendar year. The fuel dispensed by the User for the year preceding the Start Date and the year preceding each and every calendar year thereafter during which such calculation is made shall be known as the "User's Current Fuel Dispensed." The User's Current Fuel Share shall be calculated by dividing the User's Current Fuel Dispensed by the Total Current Fuel Dispensed preceding the year during which such calculation is made. The User's Current Fuel Share for the calendar year 1998 shall hereinafter be defined as "the Base Year's Fuel Share" and is shown below:

Teterboro Airport User	Fuel Share in 1998
Exemption (2.a.)	

(c) As of the Start Date and as of January 1st of each succeeding calendar year, in the event that the User's Current Fuel Share for the respective preceding calendar year is determined to be at least Exemption (2.a.) less than the User's Base Year Fuel Share, the Port Authority shall have the right, but not the obligation, upon two (2) month's written notice to the User, to require the User to make, and the User hereby agrees to make, ramp space (hereinafter called "Accommodation Space") available to other users, sub-users or the Port Authority in useable increments as directed by the Port Authority in the amount and in the manner and to the extent set forth below:

Percentage of User's Current Fuel Share Divided by User's Base Year Fuel Share	Ramp Space to be Made Available

(d) In the event the User is so notified by the Port Authority it shall either (a) enter into a sub-use and occupancy agreement with another user for a term of at least one (1) year or (b) enter into a surrender agreement as directed by the Port Authority. Any such sub-use and occupancy agreement shall be subject to the prior and continuing approval of the Port Authority and the execution by and among the User, the sub-user, the Port Authority, and the Port Authority of a Consent Agreement in form satisfactory to the Port Authority. Moreover, and without limiting the foregoing, the User shall provide any and all information to the Port Authority as may be requested by the Port Authority from time to time as to all aspects of its accommodation of such sub-user hereunder. Nothing contained herein shall in any way affect the discretion of the Port Authority or the Port Authority in granting or withholding its consent to a sub-use and occupancy agreement.

(e) The failure of the Port Authority to exercise its right under this Section during any year in which it may have such a right shall not affect, waive, or limit its rights to exercise such right in any subsequent year during any period of under-utilization. In no event will the Accommodation Space exceed the percentages set forth above.

(f) The User shall make such ramp space available during the period set forth in the aforesaid notice. The Port Authority shall consider a request by the User to restore the Accommodation Space to the User when the User's Current Fuel Share shall have returned to within twelve and one half percent (12.5 %) or less of the User's Base Year Fuel Share, provided the Accommodation Space is not then covered by a sub-use or other agreement, or at such time as the Port Authority deems it is in the best interest of the Airport to restore the Accommodation Space to the User.

(g) The User agrees that all sub-use and occupancy agreements shall be at reasonable and at non-discriminatory rates, fees and charges and shall be based on the recovery by the User of a pro rata share of the User's costs of (1) operation and maintenance, (2) services provided, and (3) the User's fees and investment in the Accommodation Space.

(h) Notwithstanding anything set forth herein to the contrary, in the event the Port Authority authorizes the sale of fuel at the Airport by any entities in addition to those listed in Section 22(b) hereof, a new Base Year's Fuel Share shall be established for each user, and such new Base Year's Fuel Share shall be used for the calculation required in Section 22(c) hereof.

Section 23. Governmental Requirements

(a) The User shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

(b) The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation

hereunder or on the gross receipts or income to the User therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The User shall comply with the enactments, ordinances, resolutions and regulations of local governmental authorities and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation to the extent that the Port Authority finds it practicable to do so, except in cases where the Port Authority either notifies the User that it need not comply with or directs it not to comply with any such enactments, ordinances, resolutions or regulations. The User shall, for the Port Authority's information, deliver to the Port Authority promptly after receipt of any notice, warning, summons or other legal process for the enforcement of any of the foregoing, a true copy of the same. Any direction by the Port Authority to the User not to comply with any such enactment, ordinance, resolution or regulation shall be given only pursuant to a resolution duly adopted by the Board of Commissioners of the Port Authority or by an authorized Committee of its Board and if any such direction is given by the Port Authority to the User, the Port Authority, to the extent that it may lawfully do so, shall indemnify and hold the User harmless from and against all claims, acts, damages, liabilities, fines, penalties, costs and expenses suffered or incurred by the User as a result of non-compliance with such enactment, ordinance, resolution or regulation. Any notice received by the Port Authority shall be given to the User as soon as practicable.

(d) In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the User of a written direction from the Port Authority not to comply (and thereafter discontinued), such compliance shall not constitute a breach of this Agreement although the Port Authority thereafter directs the User not to comply. Nothing herein contained shall release or discharge the User from compliance with any other provision hereof respecting governmental requirements.

(e) The User shall have such time within which to comply with the aforesaid laws, ordinances, rules and regulations as the authorities enforcing the same shall allow.

(f) The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space and the Airport and the User shall, in accordance with and subject to the provisions of Section 6 hereof, make any and all structural and non-structural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future law, rules, regulations, requirement, order or direction.

(g) The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at

the Space. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

Section 24. Rights of Entry Reserved

(a) The Port Authority, by its officers, employees, agents, representatives and contractors and the Port Authority and its subsidiaries and affiliates by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority may be obligated or have the right to do under this Agreement, or otherwise. In the event of a question of a contractor's authority, the User shall contact the Port Authority.

(b) Without limiting the generality of the foregoing, the Port Authority by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Port Authority, be deemed necessary or advisable and, from time to time, to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction the Port Authority shall not unreasonably interfere with the use and occupancy of the Space by the User.

(c) The exercise of any or all of the foregoing rights by the Port Authority or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

(d) Nothing in this Section shall impose or shall be construed to impose upon the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

Section 25. Patents, Trademarks

The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in any way connected with this Agreement. The User agrees to indemnify and to save and hold the Port

Authority, its Commissioners, officers, employees, agents and representatives free and harmless of and from any and all loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

Section 26. Additional Fees and Charges

If the Port Authority is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 fees thereafter due hereunder, and each and every part of the same shall be and become additional fees, recoverable by the Port Authority in the same manner and with like remedies as if they were originally a part of the fees as set forth in the Section entitled "Fees to the Port Authority" hereof.

Section 27. Right of Re-Entry

The Port Authority shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by the Port Authority" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

Section 28. Surrender

The User covenants and agrees to yield and deliver peaceably to the Port Authority possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

Section 29. Termination by the Port Authority

(a) Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, the Port Authority may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

(1) The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

(2) By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

(3) A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within sixty (60) days after the filing thereof; or

(4) Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of the User under this Agreement shall be transferred to, pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

(5) The User shall, without the prior written approval of the Port Authority, become a successor or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

(6) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

(7) The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

(8) Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof, or if removal of the lien cannot be accomplished within such forty-five (45) day period, the User fails to take steps to challenge said lien within such forty-five (45) day period; or

(9) The User shall fail duly and punctually to pay the fees or to make any other payment required hereunder when due to the Port Authority and shall persist in its failure for a period of ten (10) days following the receipt of written notice of such default from the Port Authority; or

(10) The User shall fail to keep, perform and observe each and every promise 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 default thereunder from the Port Authority (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within thirty [30] days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

(11) There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and the Port Authority at the Airport, provided, however, if the User is in full compliance with all the terms and conditions of this Agreement, but no longer has or is about to lose any fuel agreement or permit it may then have with the Port Authority, the User shall be offered the opportunity to enter into whatever agreement the Port Authority deems necessary to enable the User to dispense or have dispensed aviation fuel at the Airport in connection with its operations hereunder.

(b) If any of the events enumerated in the above items of paragraph (a) hereof shall occur prior to the Effective Date of this Agreement, the Port Authority, upon the occurrence of any such event or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice, may cancel this Agreement, such cancellation to be effective upon the date

specified in such notice and the User's continuance in possession of the Space under the Other Use and Occupancy Agreements shall be governed by each such Use and Occupancy Agreement.

(c) No acceptance by the Port Authority of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of the Port Authority to terminate this Agreement.

(d) No waiver by the Port Authority of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by the Port Authority of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

(e) The rights of termination 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 the Port Authority would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by the Port Authority of any right of termination shall be without prejudice to any other such rights and remedies.

Section 30. Survival of the Obligations of the User

(a) In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by the Port Authority" hereof, or in the event that the Port Authority has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Port Authority to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. The Port Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

(b) The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's fee obligations, shall be the sum of the following:

The amount of the total of all installments of fees pursuant to the Section entitled "Fees to the Port Authority" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (lst) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in

effect on the basis of the total days in the month; and an amount equal to all reasonable expenses incurred by the Port Authority in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to reasonable attorney's fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

Section 31. Use Subsequent to Cancellation or Termination

(a) The Port Authority, upon termination or cancellation pursuant to the Section of this Agreement entitled "Termination by the Port Authority," or upon any re-entry, regaining or resumption of possession pursuant to the Section of this Agreement entitled "Right of Re-Entry," may occupy the Space or may enter into an agreement with another user and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Port Authority, at its own expense, shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

(b) In the event either of use by others or of any actual use and occupancy by the Port Authority, there shall be credited to the account of the User against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any user, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as the Port Authority may itself during such period actually use and occupy, less all reasonable expenses, costs and disbursements incurred or paid by the Port Authority in connection therewith.

(c) No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of the Port Authority hereunder.

Section 32. Services by User

(a) A principal purpose of the Port Authority in the making of this Agreement is to make available at the Airport the items and services that the User is permitted to sell and render hereunder. The User hereby warrants and agrees that it will conduct a first-class operation and

will furnish all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and facilities.

(b) The User shall:

(1) furnish good, prompt and efficient service adequate to meet all reasonable demands therefor at the Space;

(2) furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and

(3) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the User may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers or sub-users.

(4) As used in the above items, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

(c) The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Federal Airport Act of 1946 and pursuant to the Airport and Airway Development Act of 1970 (49 U.S.C. 1701), as the same have been amended and supplemented, and the Port Authority may in the future apply for and receive further such grants. The Port Authority may in the future undertake certain additional obligations respecting the operation of the Airport and the activities of contractors, users and permittees thereon. The performance by the User of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the Port Authority to enter into this Agreement and the User further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the User of its obligations under this Agreement, the User will promptly comply therewith, at the time or times when and to the extent that the Port Authority may direct.

Section 33. Remedies to be Non-Exclusive

Except where otherwise specifically provided, 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 either party at law or in equity.

Section 34. Limitation of Rights and Privileges Granted

No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

Section 35. Removal of Personal Property

(a) The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

(b) If the User shall fail to remove its property on or before the termination or expiration of the term, the Port Authority may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to the Port Authority, with any balance remaining to be paid to the User, but if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to the Port Authority upon demand.

Section 36. Brokerage

The User and the Port Authority each represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. Each party shall indemnify and save harmless the other party of and from any claim for commission or brokerage made by any and all persons, firms or corporations whatsoever for services rendered to such party, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees).

Section 37. Obstruction Lights

(a) The User shall furnish such obstruction lights as the Port Authority shall direct, of the type and design approved by the Port Authority, and shall install said lights in the locations on the Space designated by the Port Authority and shall maintain them in good operating condition at all times.

(b) The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of said lights, and shall operate the same in accordance with the directions of

the Port Authority. The Port Authority hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

Section 38. 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 mail or overnight courier. The User shall from time to time designate in writing an office within the Port of New York District and an officer or representative whose regular place of business is at such office upon whom notices and requests may be served. Until further notice, the Port Authority hereby designates its Executive Director, and the User designates Mrs. Florence Ritorto as their respective officers upon whom notices and requests may be served, and the Port Authority designates its office at 225 Park Avenue South, New York, New York 10003 and the User designates its office at 111 Industrial Avenue, Teterboro, New Jersey 07608, as their respective offices where notices and requests may be served. If mailed, the notices herein required to be served shall be deemed effective and served three (3) days after the date of the registered or certified mailing thereof or the date of receipt if by overnight courier.

Section 39. Construction and Application of Terms

The Section and subsection 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 of intent of any provision hereof.

Section 40. Non-Liability of Individuals

Neither the Commissioners of the Port Authority, its subsidiaries and affiliates, nor the Directors of the User, nor any officers, shareholders, agents or employees of either, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

Section 41. Affirmative Action

The User assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person on the grounds of race, creed, color, national origin, or sex shall be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganizations provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurance from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

Section 42. Late Charges

If the User should fail to pay any amount required to be paid by the User under this Agreement when due to the Port Authority, including without limitation any payment of fees or any payment of utility or other charges or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (herein below described) during the entirety of which such amounts remain unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority of payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Each late charge shall be and become additional fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees payable hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including without limitation the Port Authority's rights set forth in Section 29 of this Agreement or (ii) any obligations of the User under this Agreement. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum such late charge payable under this Agreement shall be payable instead at such legal maximum.

Section 43. Books and Records

The User shall keep in an office or offices in the Port of New York District, appropriate books and records showing (i) the date and hour of each take-off or departure from the Airport of

each aircraft operated by it and the date and hour of the landing by such aircraft next preceding each take-off or departure, (ii) all matters which it is required to certify to the Port Authority pursuant to this Agreement and (iii) any other matter concerning the User's operations at the Airport with respect to which the Port Authority may reasonably need information to fulfill its obligations or exercise its rights under this Agreement whether or not of the type enumerated above in this Section and whether or not an express obligation to keep books and records with regard thereto is expressly set forth elsewhere in this Agreement. The User shall not be obligated to preserve any such records for more than twelve (12) months unless they are material to litigation initiated within that time, in which event they shall be preserved until the final determination of the controversy. The Port Authority shall have the right to inspect such books and records during regular business hours.

Section 44. Force Majeure

(a) Neither the Port Authority nor the User shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortages of material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, tides, riots, rebellion, sabotage or any other circumstances for which it is not responsible and which are nor within its control; provided, however, that this provision shall not apply to failures by the User to pay the fees or other charges specified hereunder, and shall not apply to any other charges or money payments; and, provided, further, that this provision shall not prevent the Port Authority from exercising its rights of termination hereunder, and shall not prevent the User from exercising its right to an abatement of fees hereunder.

(b) No abatement, diminution or reduction of the fees or other charges payable by the User shall be claimed or allowed to the User for any inconvenience, interruption, cessation or loss of business or other loss caused, directly or indirectly, by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or of the state, county or city governments, or of any other municipal, governmental, or lawful authority other than the Port Authority whatsoever, or by priorities, rationing or curtailment of labor or materials, or by war or any matter or thing resulting therefrom or by any other cause or causes beyond the control of the Port Authority, nor shall this Agreement be affected be any such causes, except as otherwise herein specifically provided.

Section 45. Place of Payments

All payments required of the User by this Agreement shall be made to the Port Authority, P.0. Box 17309, Newark, New Jersey 07194, or at such other office or location as may be substituted therefor by notice to the User.

Section 46. Waiver of Redemption

The User hereby waives any and all rights to recover or regain possession of the Space and all rights of redemption, granted by or under any present or future law in the event it is evicted or dispossessed for any cause, or in the event the Port Authority obtains possession of the Space in any lawful manner.

Section 47. Acceptance of Surrender of Agreement

No agreement of surrender or to accept a surrender shall be valid unless and until the same shall have been reduced to writing and signed by the duly authorized representatives of the Port Authority and of the User. Except as expressly provided in this Section, neither the doing of, nor any omission to do, any act or thing, by any of the officers, agents or employees of the Port Authority, shall be deemed an acceptance of a surrender of the use and occupancy of the Space or of this Agreement.

Section 48. Entire Agreement

This Agreement consists of the following: Sections 1 through 48 inclusive and Exhibit A. The foregoing constitutes the entire agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the User. The User agrees that no representations or warranties shall be binding upon the Port Authority 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.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

(Seal)

ATTEST:

Secretary

FIRST AVIATION SERVICES, INC.

By: Florence Petrito

Title: President

(Corporate Seal)

APPROVED
FORM | TERMS

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

USE AND OCCUPANCY AGREEMENT
(9/08/03)

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 17th day of September, 2003, before me, the subscriber, a notary public of New York, personally appeared FRANCIS A. DiMOLA the Assistant Director Aviation Dept of THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Peggy M. Spinelli
(notarial seal and stamp)

PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2003

STATE OF NEW JERSEY)
)ss.:
COUNTY OF BERGEN)

On this 16 day of SEPTEMBER, 2003, before me, the subscriber, a NOTARY PUBLIC OF NEW JERSEY, personally appeared FLORENCE RITORTO, the President of FIRST AVIATION SERVICES, INC. who I am satisfied is the person who has signed the within instrument; and I having first made known to ~~him~~ HER the contents thereof, ~~he~~ SHE did acknowledge that ~~he~~ SHE signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Anthony Tarabocchia
(notarial seal and stamp)

ANTHONY TARABOCCHIA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan 6, 2005

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Port Authority Agreement No. TA-304
Supplement No. 2

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, dated as of June 1, 2004, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **GENERAL AVIATION AIRCRAFT SERVICE, INC.**, a corporation organized under the laws of the State of New Jersey (hereinafter called the "User");

WITNESSETH, that:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of December 1, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-304 and made effective as of January 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement is hereinafter referred to as the "Agreement"); and

WHEREAS, in addition to the Space as defined in the Agreement, the User desires to use and occupy additional areas at the Airport as hereinafter described, as well as perform certain construction work at the said additional space as hereinafter described; and

WHEREAS, the parties desire to amend the Agreement in certain other respects as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of the dates set forth below, as follows:

1. Effective as of June 1, 2004, Section 8.5 shall be deemed deleted and the following shall be deemed inserted in lieu thereof:

"8.5 Payments made hereunder shall be sent to the following address: The Port Authority of New York and New Jersey, P. O. Box 95000-1517, Philadelphia, Pennsylvania 19195-1517; or made via the following wire transfer instructions: Bank: Commerce Bank; Bank ABA Number: 026013673; Account Number: Exemption (1/4) ; or to such other address as may hereafter be substituted therefor by the Port Authority from time to time, by notice to the User.

2. Effective as of October 13, 2005, the following shall be deemed added to the end of Section 16.7.4 of the Agreement:

"In the event that upon conducting an examination and audit as described in this paragraph the Port Authority determines that unpaid amounts are due to the Port Authority by the User, the User shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the User under this Agreement or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including, without limitation, the Port Authority's rights to revoke this Agreement or (ii) any obligations of the User under this Agreement."

3. (a) Effective as of April 15, 2007, the area shown in stippling on the sketch attached hereto, hereby made a part hereof and marked "Exhibit B" shall be added to the Space under the Agreement (such additional space hereinafter sometimes referred to as "Additional Space-A").

(b) Effective as of the Additional Space-B Effective Date, as such term is hereinafter defined, the area shown in diagonal cross-hatching on Exhibit B shall be added to the Space under the Agreement (such additional space hereinafter sometimes referred to as "Additional Space-B") (Additional Space-A and Additional Space-B hereinafter collectively referred to as the "Additional Space").

(c) The parties hereto acknowledge that the Additional Space constitutes non-residential real property.

(d) As used herein, "Additional Space-B Effective Date" shall mean the date upon which the Port Authority shall deliver to the User notice that Additional Space-B is ready for use and occupancy by the User.

4. The User shall use the Additional Space in accordance with the provisions of Section 4 of the Agreement and for no other purpose or purposes whatsoever.

5. The User, prior to the execution of this Supplemental Agreement, has thoroughly examined the Additional Space and determined it to be suitable for the User's operations hereunder and the User restates and continues said determination in connection with its continued occupancy hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Additional Space whether existed prior to, on or after the date of its original occupancy of the Additional Space, including, without limitation, all Environmental Requirements and Environmental Damages, as such terms are defined in the Agreement, and all soil remediation to the extent required under Environmental Requirements, and to indemnify and hold harmless the Port Authority with respect to third party claims in accordance with Section 15 of the Agreement. Notwithstanding the foregoing, the User shall be responsible for the removal of and remediation of Hazardous Substances placed, or permitted or caused to be placed on, in or under the Additional Space by the User or by its employees, agents, contractors, or others using or occupying the Additional Space under the Agreement or this Supplemental Agreement.

6. The User acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of the Additional Space for the operations permitted thereon by the Agreement, as herein amended. Without limiting any obligation of the User to commence operations under the Agreement, as herein amended, at the time and in the manner stated elsewhere in this Supplemental Agreement, the User agrees that no portion of the Additional Space will be used initially or at any time during the effective period of the permission granted under the Agreement, as herein amended, which is in a condition unsafe or improper for the conduct of the User's operations therein under the Agreement, as herein amended, so that there is possibility of injury or damage to life or property, and the User further agrees that before any use of the Additional Space, it will immediately correct any such unsafe or improper condition. Without limiting the generality of any of the provisions of the Agreement, as herein amended, or this Supplemental Agreement, the Port Authority shall not be liable to the User for any claims for loss, theft or damage involving any property stored or placed in the Additional Space.

7. (a) (i) In addition to all other fees and charges provided for under the Agreement, as herein amended, from and after April 15, 2007, the User shall pay to the Port Authority a fee for the use and occupancy of Additional Space-A in the amount of Exemption (2.a.) on April 15, 2007 and a monthly fee, payable in advance on May 1, 2007 and on the first day of each and every calendar month thereafter during the term of the Agreement, in equal installments of Exemption (2.a.)

(ii) Effective April 15, 2008, and annually thereafter, the User shall pay to the Port Authority a monthly fee for Additional Space-A equal to the greater of either the prior year's fee multiplied by a fraction, the numerator of which shall be the CPI as published for the month of March of the year prior to the affected year and the denominator of which shall be the CPI published for the month of March two (2) years prior to the affected year or the prior year's fee. In computing the monthly fee payable for Additional Space-A in no event shall the monthly fee for Additional Space-A be less than the prior year's fee or increased by an amount greater than

(b) (i) In addition to the monthly fee for Additional Space-A set forth above, from and after the Additional Space-B Effective Date, the User shall pay to the Port Authority a monthly fee for the use and occupancy of Additional Space-B in the amount of

Exemption (2.a.) payable in advance on the Additional Space-B Effective Date and on the first day of each and every calendar month thereafter during the term of the Agreement. If the Additional Space-B Effective Date shall occur on a date other than the first day of a month, the monthly fee due to the Port Authority for Additional Space-B for the month in which the Additional Space-B Effective Date shall occur shall be prorated on the basis of the actual number of days from the Additional Space-B Effective Date to the end of such month.

(ii) Effective on the first anniversary of the Additional Space-B Effective Date, and annually thereafter, the User shall pay to the Port Authority a monthly fee for Additional Space-B equal to the greater of either the prior year's fee multiplied by a fraction, the numerator of which shall be the CPI as published for the month preceding the month in which the Additional Space-B Effective Date shall occur and the denominator of which shall be the CPI published for the month in which the Additional Space-B Effective Date shall occur two (2) years prior to the affected year or the prior year's fee. In computing the monthly fee payable for Additional Space-B in no event shall the monthly fee for Additional Space-B be less than the prior year's fee or increased by an amount greater than

(c) (i) The Port Authority reserves the right to establish a new monthly fee for the Additional Space effective January 1, 2010 and January 1, 2020 in accordance with the provisions of paragraphs 7.6 and 7.9 of the Agreement.

8. (a) The Port Authority and the User agree that as soon as practicable from the date of execution and delivery by the Port Authority of this Supplemental Agreement to the User, the User shall, in accordance with Section 5 of the Agreement, submit plans and specifications for the demolition of the facility currently on the Space as shown as Hangar 14 on Exhibit A annexed to the Agreement and for the preparation and paving of such area suitable for aircraft parking (hereinafter referred to as the "Additional Construction Work"). Upon approval by the Port Authority of said plans and specifications, the User shall proceed expeditiously and with all reasonable diligence to perform, at its own cost and expense, the Additional Construction Work and to complete the said Additional Construction Work within two hundred seventy (270) days from the date of execution and delivery by the Port Authority of this Supplemental Agreement to the User.

(b) The provisions of Section 5 of the Agreement shall govern the User's performance and completion of the Additional Construction Work. Wheresoever the term "Construction Work" shall appear in said Section 5, it shall also mean and include the term "Additional Construction Work" as defined herein.

9. (a) Upon the execution of this Supplemental Agreement by the User and delivery thereof to the Port Authority, the User shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the User, all of the terms, provisions, covenants and conditions of the Agreement and this Supplemental Agreement on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable

in the Port of New York District in the amount of Two Hundred Seventy-five Thousand Dollars and No Cents ($275,000.00). The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the term of the Agreement and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the User agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the term of the Agreement, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of the Agreement on the part of the User. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the User, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the User under the terms of the Agreement, and all remedies under the Agreement and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(b) For the purposes of this paragraph, the User hereby certifies that its federal tax identification number is Exemption (1/4)

(c) The User acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon fifteen (15) days' notice to the User, to adjust the amount of the letter of credit as set forth above in subparagraph (a). Not later than the effective date set forth in said notice by the Port Authority the User shall furnish an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the letter of credit, and such adjusted (or replaced) letter of credit shall thereafter constitute the letter of credit required under this paragraph.

10. Except as otherwise provided herein, all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

11. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

12, This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the Port Authority and the User have executed these presents as of the date first hereinabove set forth.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____
Secretary

By _____

Name _____
(Please Print Clearly)

David Kagan
Assistant Director
Business, Properties & Airport Development

(Title) _____
(Seal)

ATTEST:

GENERAL AVIATION AIRCRAFT SERVICE, INC.

By C S Forester
Secretary

By _____

Name Kenneth C. Forester
(Please Print Clearly)

(Title) CEO ~~President~~ KCF
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
	JJB

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

For the Port Authority

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 23 day of July in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Peggy M. Spinelli
(notary seal and stamp)

PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2009

For the User

STATE OF New Jersey)
)ss.:
COUNTY OF Bergen)

On the 25th day of MAY in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared Kenneth C. Forrester

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notary seal and stamp)

ROBERT DOAK
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Mar. 22, 2010

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-304
Supplement No. 1

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated as of December 27, 2001 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and GENERAL AVIATION AIRCRAFT SERVICE, INC., a corporation organized under the laws of the State of New Jersey (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. (hereinafter called "Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-304 and made effective as of January 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as "the Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of the Termination Date, as hereinafter defined, and such termination also effected the termination of the Agreement; and

WHEREAS, effective from and after the Termination Date the Port Authority will be the operator of the Airport and now desires, together with the User, to provide for the continuation of the Agreement for the term set forth therein and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of November 30, 2000, as follows:

1. The parties hereby agree that the Port Authority shall notify the User of the effective date of the termination of the Basic Agreement, with such date set forth in said notice being herein referred to as the "Termination Date." From and after the Termination Date, the term of the Agreement shall continue thereafter for the term set forth therein with the Port Authority as the Airport Operator thereunder and with the Port Authority succeeding to all the rights and obligations of Johnson Controls under the Agreement from and after the Termination Date. The obligations and liabilities of Johnson Controls to the User arising under the Agreement prior to the Termination Date shall be and remain the obligations and liabilities of Johnson Controls and the Port Authority shall have no responsibility therefor.

2. As between the Port Authority and the User, this substitution of the Port Authority shall not in any way whatsoever affect or impair the liability of Johnson Controls to the User or to the Port Authority to perform all the terms, provisions and conditions of the Agreement on the part of Johnson Controls to be performed, for the period from the effective date of the Agreement to and including the Termination Date and the obligation to comply with all requirements of the Port Authority and appropriate federal, state and local governmental agencies arising from any environmental condition of the Space.

3. From and after the Termination Date, the Port Authority shall assume all the rights, obligations and duties of Johnson Controls under the Agreement as well as the performance of, and does hereby agree to perform, all the terms, provisions

and conditions of the Agreement on the part of the Airport Operator thereunder to be performed. The execution of this instrument by the Port Authority does not constitute a representation by it that Johnson Controls has performed or fulfilled every obligation required by the Agreement; as to such matters the User agrees to look solely to Johnson Controls.

4. No provision of the Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Agreement covering actions which shall or may be undertaken by the User or the Airport Operator, including but not limited to, construction on the Space covered by the Agreement, be deemed to imply or infer that Port Authority consent or approval thereto has been or shall be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to matters and provisions in the Agreement which are not specifically referred to herein.

5. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

7. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in

writing duly executed on behalf of both the Port Authority and the User.

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

(Seal)

ATTEST:

Secretary

GENERAL AVIATION AIRCRAFT SERVICE, INC.

By: Kenneth C. Inesta

Title: Pres.

(Corporate Seal)

APPROVED:
FORM | TERMS

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 12th day of DECEMBER, ~~2001~~ 2002, before me, the subscriber, a notary public of New York, personally appeared FRANCIS A. DIMOLA the Assistant Director, Aviation Dept. of **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Peggy M. Spinelli
(notarial seal and stamp)

PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2003

STATE OF New Jersey)
) ss.
COUNTY OF Bergen)

On this 21st day of JUNE, ~~2001~~ 2002, before me, the subscriber, a Notary Public, personally appeared KENNETH C. FORESTER the PRESIDENT of **GENERAL AVIATION AIRCRAFT SERVICE, INC.**, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Giovanna Garofalo
GIOVANNA GAROFALO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb 2, 2005

(notarial seal and stamp)

AVIATION DEPT.
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USE AND OCCUPANCY AGREEMENT

TA-304

JOHNSON CONTROLS WORLD SERVICES INC.

AND

GENERAL AVIATION AIRCRAFT SERVICE, INC.

TETERBORO AIRPORT

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Teterboro Airport
Agreement TA-304

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, dated this First day of January, 2000 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls" or the "Airport Operator"), a Florida corporation, and GENERAL AVIATION AIRCRAFT SERVICE, INC. (hereinafter called the "User"), a New Jersey corporation.

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called the "Port Authority") is the owner of Teterboro Airport (the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967, as may have been or may hereafter be extended or amended, hereinafter called (the "Basic Agreement"); and

WHEREAS, pursuant to and in accordance with the terms of the Basic Agreement, the Airport Operator and the User and its predecessors in interest, have entered into the following Use and Occupancy Agreements, with the consent of the Port Authority, for the use of certain Space at Teterboro Airport:

TA-051 dated October 23, 1974 Hangar 5;

AT-125 dated November 9, 1955 Hangar 14;

WHEREAS, the Port Authority, the Airport Operator and the User entered into Consent Agreements of various dates (hereinafter called the "Use and Occupancy Consent Agreements") consenting to each of the above listed Use and Occupancy Agreements, wherein the Port Authority gave its consent to the Use and Occupancy Agreements; and

WHEREAS, the Airport Operator and the User desire to replace the above referenced Use and Occupancy Agreements with a new, consolidated Use and Occupancy Agreement TA-304 (the "Agreement") as hereinafter described; and

WHEREAS, the User desires to construct and Johnson Controls desires to permit

the User to construct hangar facilities at the Space provided for in the Agreement and in consideration of said construction extend the term of the Agreement,

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of December 30, 1999 (the "Effective Date" of this Supplement) unless otherwise stated, as follows:

1. Term

1.1 The Term of this Agreement shall commence on the 1st day of January, 2000 (hereinafter called the "Effective Date"), and unless sooner terminated in accordance with the terms of this Agreement or as provided for in the Consent Agreement, shall terminate on the day before the Twenty (20) year Anniversary of the Completion Date, as defined in subsection 5.7.15 of this Agreement, of the construction described in Section 5.1 of this Agreement.

1.2 The parties acknowledge that the Consent Agreement granting the Port Authority's consent to this Agreement and the matters herein set forth shall provide for the termination of this Agreement upon the termination of the Basic Agreement, but with the terms, rights and obligations of this agreement being assumed by the Port Authority itself or an airport operator designated by the Port Authority.

2. Termination of Prior Agreements

2.1 Letters of Termination shall be issued on each of the above listed Use and Occupancy Agreements, with the effective date of termination to be coincidental with the Effective Date of the Agreement. All provisions of such agreements, and exhibits attached thereto shall be of no further force or effect subsequent to the Effective Date of the Agreement.

3. Space

3.1 On and after the Effective Date of the Agreement, the Space under the Agreement shall be the area shown as Area 1 on Exhibit A-1, attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the remainder of the term of this Agreement (hereinafter collectively referred to as the "Space").

3.2 In the event that Taxiway P at the Airport is relocated, then, upon notice by Johnson Controls to the User that said Taxiway has been decommissioned, the area set forth as Area 2 on Exhibit A shall be added

to and become part of the Space as herein defined. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on said area.

3.3 When the Airport Maintenance Facility is relocated, then, upon notice by Johnson Controls to the User that said are is available for use and occupancy by the User, the area set forth as Area 3 on Exhibit A shall be added to and become part of the Space as herein defined. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on said area.

4. Use and Occupancy

4.1 The User shall use and occupy the Space as set forth on Exhibit A and Area 2 on Exhibit A and Area 3 on Exhibit A when they become part of the Space in accordance with subsection 3.2 and 3.3 above, for the following purposes only and for no other purpose whatsoever:

4.1.1 For the storage, maintenance, servicing and repair of aircraft, aircraft assemblies, aircraft accessories and aircraft radio and electronic equipment and any component parts thereof;

4.1.2 For the sale of aircraft assemblies, accessories, aircraft radio and electronic equipment and any component parts thereof;

4.1.3 For the leasing and chartering of general aviation aircraft;

4.1.4 For the parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User; it being understood that the parking of vehicles on areas of the Space shall be subject to the prior and continuing approval of the Airport Operator;

4.1.5 For the parking of aircraft;

4.1.6 For business and operations offices and terminals in connection with the purposes authorized hereunder;

4.1.7 For the sale of aviation fuel and aviation lubricants and for delivery of such fuel and lubricants to and into aircraft, all in accordance with provisions of other agreements entered into or to be entered into between the Airport Operator and the User specifically regulating such sales and deliveries and providing for the payment of fees therefor.

4.2 Notwithstanding the right granted to User to conduct pilot training hereunder, the Airport Operator hereby reserves the right to restrict or terminate touch-and-go flight operations and to restrict the time primary flight training operations may be conducted at the Airport when, in its sole judgment, such action is deemed necessary for Airport safety.

4.3 All flight operations conducted at the Airport by the User shall be subject to the Schedule of Charges pertaining thereto in addition to all other fees payable by the User hereunder.

4.4 The uses granted the User in subsection 4.1 above shall not include the right to sell aircraft and utilize the Space for activities associated with the sale of aircraft.

5. Construction by the User

5.1 The parties hereby agree that within six (6) months of the date of execution by the Port Authority of the Consent Agreement granting the Port Authority's consent to this Agreement, the User shall , in accordance with subsection 5.3 of the Agreement, submit plans and specifications for the demolition of the facility currently on the Space as shown on Exhibit A known as Hangar 5 and the construction of a replacement facility consisting of a minimum of 40,000 square feet of aircraft hangar space together with approximately 2,000 square feet of adjoining office and shop space and not less than 15,000 square feet of a passenger terminal (hereinafter referred to as the "Construction Work") with a minimum investment of Five Million Dollars ($5,000,000.00). Upon approval by the Port Authority of said plans and specifications and the availability of Area 3 of Exhibit A to the user the User agrees to promptly commence the construction work as provided for in this Section 5 of the Agreement and to complete construction within one (1) year following Port Authority approval of construction plans and specifications or the availability to the User of Area 3 of Exhibit 1, whichever is the later. The User shall not be held in default under this subsection in the event construction cannot be completed within the said time limit due to acts of God. Should the User not complete the improvement as specified within this subsection within the time specified, the land rent for the Space as shown as Area 1 on Exhibit A shall be increased by fifty percent (50%) until such improvements are completed.

5.1.1 The User shall not use or permit the use of the construction work for the purpose set forth in this Agreement until such certificate is received from the Airport Operator. The date of delivery of the certificate by the Airport Operator shall constitute the Completion Date for the purposes of the Agreement.

5.2 Prior to the commencement of construction of the facility set forth in subsection 5.1.2 above, or any part thereof, User shall submit to the Airport Operator a construction application and complete plans and specifications of such proposed construction.

5.3 The plans and specifications shall be submitted by the Airport Operator to the Port Authority for approval and the Airport Operator or the Port Authority may refuse to grant approval if, in their opinion, the proposed facilities as laid out and indicated by the User on such plans, or if constructed according to such plans and specifications, the facilities:

5.3.1 will be structurally unsound or unsafe or hazardous for human occupation or improper for the use and occupancy for which it is designed;

5.3.2 will not comply with all the requirements of this Agreement;

5.3.3 will not comply with the Airport Operator or the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

5.3.4 will not comply with the standards set by the Airport Operator or the Port Authority with respect to utility or rentability;

5.3.5 will be so located that there will not be sufficient clearance in respect to existing or planned projecting aprons, runways, or taxiways adjacent thereto;

5.3.6 is designed for use for purposes other than those for which User is permitted to use the Space under this Agreement;

5.3.7 will be in violation of any local code, OSHA-70, or any other law, ordnance or regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation;

5.3.8 will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

5.3.9 will not provide adequate circulation arteries for vehicular and pedestrian traffic and fire-fighting equipment;

5.3.10 will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

5.4 Upon approval of such plans and specifications by the Airport Operator and the Port Authority, the User shall proceed expeditiously and with all reasonable diligence to construct, at its own expense and cost, the facilities

in accordance with such approved plans and specifications.

5.5 The User or User's construction contractor shall furnish The Airport Operator performance and payment bonds in a sum equal to the estimated cost of construction, in a form and with sureties satisfactory to the Airport Operator, for the faithful performance by User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of tradespersons, workers and subcontractors. User shall deliver such bonds to the Airport Operator prior to commencement of construction or within thirty (30) days after the award by User of construction contract or contracts, whichever occurs first.

5.6 Upon completion of any work to be performed by User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

5.7 All construction work shall be done in accordance with the following terms and conditions:

5.7.1 The User hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of loss or damage to all property of the Airport Operator and of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the construction work and the property of the Airport Operator or of the Port Authority without cost or expense to the Airport Operator. The User shall itself and shall also require its contractors to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Airport Operator and its subsidiaries and affiliates) arising or alleged to arise out of the performance of the construction work and for all expenses, (whether or not such claims, demands, causes of action, liabilities etc., are made or asserted before or after termination or expiration of this Agreement) incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, (to include reasonable attorney's and other professional fees) direct or consequential, whether they arise out of or from the acts or omissions of the User, of any contractors of the User, of the Airport Operator or of third persons, or from acts of God or of the public enemy, or otherwise (including claims of the Port Authority) against the Airport Operator pursuant to the Basic Agreement whereby the Airport Operator has agreed to indemnify the Port Authority against claims) excepting only claims and demands which result

from negligent acts done by the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees subsequent to the commencement of the construction work.

5.7.2 Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to the Airport Operator for its approval. The Airport Operator shall have the right to disapprove any architect who may be reasonably unacceptable to it, and to advise User in writing of the Airport Operator's reason for such disapproval. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by the Airport Operator and the Port Authority prior to the commencement of the construction work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The User shall redo, replace or reconstruct at its own cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of the Airport Operator made in accordance with this Agreement, so long as the Airport Operator has advised User if work was not done in accordance with the plans and specifications.

5.7.3 Prior to entering into a contract for any part of the construction work, the User shall submit to the Airport Operator for its approval the names of the contractors to whom the User proposes to award said contracts. The Airport Operator shall have the right to disapprove any contractor who may be unacceptable to it for reasonable cause and to advise User in writing of the Airport Operator's reasons for such disapproval. The User shall include in all such contracts such provisions and conditions as may be required by the Airport Operator, including without limitation thereto, the provision set forth in Exhibit B attached hereto and hereby made a part hereof.

5.7.4 The User shall furnish or require its architect to furnish a resident engineer during the construction period as the Airport Operator may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by the Airport Operator from time to time.

5.7.5 The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same having been approved by the Airport Operator and the Port Authority and notwithstanding the incorporation therein of the Airport Operator or Port Authority recommendations or requirements.

Notwithstanding the requirements for approval by the Airport Operator of the contracts to be entered into by the User on the incorporation therein of the Airport Operator requirements or recommendations, and notwithstanding any rights the Airport Operator may have reserved to itself hereunder, the Airport Operator shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges the Port Authority and the Airport Operator, its subsidiaries and affiliates, their Commissioners, Directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any construction work pursuant to the contracts between the User and its contractors (to include reasonable attorney's and other professional fees). Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of the Airport Operator and the Port Authority as well as the User.

5.7.6 The Airport Operator shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work, but the taking of samples and testing shall be conducted so as to minimize interference with the construction work, if such minimization of impact can be accomplished without diminishing the effectiveness or accuracy of the samples and or tests.

5.7.7 The User agrees that it shall deliver to the Airport Operator "as built" drawings (capable of being reproduced) of the construction work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications to be made without the Airport Operator's consent.)

5.7.8 The User shall, if requested by the Airport Operator, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the construction work, including but not limited to the fencing of the Space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as the Airport Operator may direct.

5.7.9 The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, tradespersons and workers, and all claims lawfully made against it by other third persons arising out of or in

connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, tradespersons, workman and/or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep the Airport Operator fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful performance of and also for the payment of all lawful claims of subcontractors, tradespersons and workers arising out of the performance of said construction contract.

5.7.10 The User shall procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the User herein which shall be in addition to all policies of insurance otherwise required under this Agreement or the User may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name the Airport Operator and the Port Authority as additional insured and be in not less than the following amounts:

(i) Bodily Injury Liability:

For injury to or wrongful death to one person... $3,000,000

For injury or wrongful death to more than
one person for any one occurrence $5,000,000

Aggregate Products Completed Operations $5,000,000

(ii)Property Damage Liability:

For all damage arising out of injury to or
destruction of property in any one occurrence ... $5,000,000

Aggregate Products Completed Operations $5,000,000

Aggregate Operations $5,000,000

Aggregate Productive $5,000,000

Aggregate Contractual $5,000,000

The insurance required hereunder shall be maintained in effect during the performance of the construction work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Airport Operator at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Airport Operator and the Port Authority. The aforesaid insurance shall be written by a company or companies licensed to conduct business in the State of New Jersey and, approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall become unsatisfactory to the Airport Operator or the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator or the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator and the Port Authority agreeing not to act unreasonably hereunder.

5.7.11 The User shall prior to the commencement of the construction work, and at all times during the construction work, submit or cause to be submitted to the Airport Operator all engineering studies with respect to the construction work and samples of construction materials as may be reasonably required at any time and from time to time by the Airport Operator.

5.7.12 The User shall procure and maintain or cause to be procured and maintained Builder's Risk Completed Value Insurance covering the construction work during the performance thereof including material delivered to the construction site but not attached to the realty in an amount and form satisfactory to the Airport Operator. Such insurance shall name the Airport Operator, the Port Authority, the User and its contractors and subcontractors as additional insured and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to the Airport Operator and the Port Authority. The policies or certificates representing this insurance shall be delivered by the User to the Airport

Operator prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority and the Airport Operator fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification of the insurance evidenced by said policy or certificate. The insurance shall be written by companies licensed to conduct business in the State of New Jersey, and approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably and if the Airport Operator disapproves of any insurance company, it shall advise User in writing of the reasons for such disapproval. If at any time any of the insurance policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator agreeing not to act unreasonably hereunder.

5.7.13 Nothing contained herein shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor, or any other person engaged by the User, of any of its contractors in the performance of any part of the construction work, any right of action or claim against the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees or the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work.

5.7.14 Nothing contained herein shall create or be deemed to create any relationship between the Airport Operator and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work and neither the Airport Operator nor the Port Authority shall be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

5.7.15 When the construction work is substantially completed and is ready for use by the User, the User shall advise the Airport Operator to such effect and shall deliver to the Airport Operator a certificate executed by an authorized officer of the User certifying that such construction work has been constructed in all material respects in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders, provided that the User shall correct, modify, or redo any item that the Port Authority requires to be corrected, modified or

redone. Thereafter, such construction work will be inspected by the Airport Operator and if the same has been completed as specified by the User, a certificate to such effect shall be delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User, excepting any liability due to the negligence of the Airport Operator. The User shall not use or permit the use of the construction work for the purposes set forth in this Agreement until such certificate is received from the Airport Operator. The date of delivery of the certificate by the Airport Operator shall constitute the Completion Date for the purposes of this Agreement.

5.7.16 The construction work shall be conducted in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from or arising out of or resulting from the operations of the User under this Section. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the construction work hereunder such necessary or appropriate systems to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User and shall be part of the construction work hereunder.

5.7.16.1 Notwithstanding the provisions of the foregoing paragraph and in addition thereto, the Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of subsection 5.7.16.

5.8 The User hereby acknowledges that the Airport Operator has constructed security fencing to secure and prevent inadvertent entry onto the aeronautical areas of the Airport. The User hereby agrees, during all phases of construction work and at all time during the term of this Agreement, to design and construct, at its sole cost and expense, such further fencing as may be necessary to maintain said security fencing.

5.9 All locations, the manner, type and method of construction and the size of any of the provisions of subsections 5.7.16 and 5.8 shall be determined by the Airport Operator. The User shall submit for the Airport Operator's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. It is expressly agreed that the design and appearance of the construction

required by subsections 5.7.16 and 5.8 shall be consistent with the overall design and construction of User's facilities. All other provisions of this Section with respect to the construction work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this paragraph and upon completion of each portion of such work it shall be and become a part of the construction work.

6. Other Construction by the User

6.1 Except as otherwise expressly provided herein. the User shall not erect any structures, make any improvements or do any construction work on the Space, or install any fixtures (other than fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of the Airport Operator through the medium of a construction or alteration application (which application will be approved by the Airport Operator as soon as practicable) and in the event any construction, improvement, alteration, modification. addition, repair or replacement is made without such approval, then upon reasonable notice to do so, the User will remove the same or at the option of the Airport Operator, cause the same to be changed to the satisfaction of the airport Operator. In case of any failure on the part of the User to comply with such notice, the airport Operator may effect the removal or change and User shall pay the cost thereof to the Airport Operator.

7. Fees to the Airport Operator

7.1 Exhibit B, attached hereto and made a part hereof, defines the Basic Fee structure applicable to this Agreement.

7.2 Effective January 1, 2000 the User shall pay to Johnson Controls a total monthly fee for building space and land area determined as follows: a total base fee of shall first be multiplied by a fraction, the numerator of which shall be the Consumer Price Index (CPI), as hereinafter defined, published for the month of December 1999 and the denominator of which shall be the CPI published for the month of December 1998 and the User shall pay the product thereof on January 1, 2000 and on the first day of each and every month thereafter. In computing the total monthly fee payable January 1, 2000 in no event shall the monthly fee be less than

7.2.1 Upon notice by the User to the Airport Operator and the Port Authority of the date that it has vacated the existing structure known as Hangar 5 and is commencing the demolition of said structure. the total monthly fee stated

above shall be abated from and after said date by the then current building rental fee for Hangar 5.

7.2.2 In the event that the construction set forth in subsection 5.1 above is not completed in the time frame set forth therein, the User agrees to pay to Johnson Controls a surcharge equal to Exemption (2.a.), as adjusted for the CPI, representing one half of the monthly land use fee for each and every month, or fraction thereof, that the completion of construction extends beyond the twelve (12) month time frame. This surcharge shall be in addition to all other fees and charges set forth in this Section.

7.3 When Area 2 as shown on Exhibit A is available to the User and becomes part of the Space, effective on the date of notice to such effect and continuing until the twentieth anniversary of the completion of improvements to Area 2, the User shall pay to Johnson Controls an additional monthly land use fee of Exemption (2.a.), as adjusted by the then-current CPI adjustment factor from the December 1998 base year.

7.4 When Area 3 as shown on Exhibit A is available to the User and becomes part of the Space, effective on the date of notice to such effect and continuing until the twentieth anniversary of the completion of improvement to Area 2, the User shall pay to Johnson Controls an additional monthly land use fee of Exempton (2.a.) as adjusted by the then-current CPI adjustment factor from the December 1998 base year.

7.5 Effective January 1, 2001 and annually thereafter the User shall pay to Johnson Controls a total monthly fee for building and land for Area 1 and 2, if then part of the Space, as shown on Exhibit A, or Area 1, 2, 3, if then part of the Space, equal to the greater of either the prior year's fee multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year prior to the affected year and the denominator of which shall be the CPI published for the month of December of two years prior to the affected year or the prior year's fee. In computing the total monthly fee payable in no event shall the monthly fee be less than the prior year's fee or increased by an amount greater than

Exemption (2.a.)

7.6 Johnson Controls and/or the Port Authority reserves the right, at their option, to perform a real estate appraisal of the User's Space in the year 2009. In the event that such an appraisal is performed, from and after January 1, 2010 the monthly fee payable by the User shall be the greater of either (i) one twelfth of the appraised land rate for Area 1 and 2, if then part of the Space, as shown on Exhibit A, and Area 1, 2, 3, if then part of

the Space or (ii) the December 2009 total monthly fee payable multiplied by a fraction the numerator of which shall be the CPI as published for the month of December 2009 and the denominator of which shall be the CPI published for the month of December 2008. In the event that the fee calculated in accordance with (ii) above is or higher than that calculated in accordance with (i) above, then the monthly fee payable effective January 1, 2010 would be the greater of (a) the fee payable January 2000 adjusted annually by 1/2 of the change in the CPI or (b) the rate calculated per (i) above.

7.7.1 In the event that a real estate appraisal of the User's Space is not performed in the year 2009, effective January 1, 2010 the User shall pay to Johnson Controls a total monthly fee for land for Area 1 and 2, if then part of the Space, as shown on Exhibit A, and Area 1, 2, 3, if then part of the Space, , equal to the greater of either (i) the fee payable December 1, 2009 multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December 2009 and the denominator of which shall be the CPI published for the month of December 2008 or (ii) the rate payable December 1, 2009. In computing the total monthly fee payable in no event shall the monthly fee be less than the prior year's fee or increased by an amount greater than six percent (6%).

7.8 Effective January 1, 2011 and annually thereafter the User shall pay to Johnson Controls a total monthly fee for land for the Space equal to the greater of (i) the prior year's fee multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year prior to the affected year and the denominator of which shall be the CPI published for the month of December of two years prior to the affected year, or (ii) the rate payable December of the prior year. In computing the total monthly fee payable in no event shall the monthly fee be less than the prior year's fee or increased by an amount greater than six percent (6%).

7.9 In the event that the term of the Agreement is extended beyond the twenty (20) year anniversary of the completion of the construction provided for in subsection 5.1 of the Agreement due to the later completion of the construction provided for in subsection 5.2 above, the User shall, from the day after the twentieth (20th) year anniversary of the Completion Date of the construction provided for in subsection 5.1 of the Agreement until the expiration of the term of the Agreement, pay to Johnson Controls a monthly building rental fee developed from the appraised building rate derived from a real estate appraisal performed of the facility, with the appraiser to be selected by the Port Authority. If an appraisal is not conducted the building rental fee will be determined using the prevailing rate for comparable space at the Airport or the existing rate increased by the CPI, whichever is higher.

7.9.1 Effective on the January 1st following the twentieth (20th) year anniversary of the Completion Date described in subsection 5.1 of the Agreement and annually thereafter, the User shall pay to Johnson Controls the monthly building rental fee stated above, multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year immediately preceding January 1 of the fee increase and the denominator of which shall be the CPI published for the month of December two years preceding. In computing the total monthly fee payable in no event shall the monthly fee be less than the year preceding.

7.10 In the event that the term of the Agreement is extended beyond the twenty (20) year anniversary of the completion of the construction provided for in subsection 5.2 of the Agreement due to the later completion of the construction provided for in subsection 3.2 above, the User shall, from the day after the twentieth (20th) year anniversary of the Completion Date of the construction provided for in subsection 5.2 of the Agreement until the expiration of the term of the Agreement, pay to Johnson Controls a monthly building rental fee based upon the appraised building rate derived from a real estate appraisal performed of the facility, with the appraiser to be selected by the Port Authority. If an appraisal is not conducted the building rental fee will be determined using the prevailing rate for comparable space at the Airport or the existing rate increased by the CPI, whichever is higher.

7.10.1 Effective on the January 1st following the twentieth (20th) year anniversary of the Completion Date described in subsection 5.2 of the Agreement and annually thereafter, the User shall pay to Johnson Controls the monthly building rental fee stated above, multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year immediately preceding January 1 of the fee increase and the denominator of which shall be the CPI published for the month of December two years preceding. In computing the total monthly fee payable in no event shall the monthly fee be less than the year preceding.

7.11 The term "CPI" as used herein shall be the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all Items, Selected Larger Cities, for the New York - Northeastern New Jersey area as published by the United States Department of Labor, Bureau of Labor Statistics, using the reference base of 1983 = 100. In the event the reference base is changed for the purpose of publishing the CPI, the new reference base shall be converted to the reference base of 1983 = 100 in accordance with the method prescribed by the Bureau of Labor Statistics.

7.12 In addition to all other fees set forth in this Section, the User shall pay to

the Airport Operator a gross receipts fee of Five Percent (5%) of the gross receipts (as hereinafter defined) of the User arising during each annual period in excess of Fourteen Million Dollars ($14,000,000.00) (hereinafter called the "annual exemption amount").

7.12.1 The term gross receipts as used herein shall mean all monies derived by User at the Space as such defined hereunder, provided, however, there shall be excluded from gross receipts for purposes of such fee:

7.12.1.1 stated by and paid by customer of User and directly remitted by User to the taxing or tax collecting authority, and

7.12.1.2 all monies paid or payable to User for the sale of aviation fuel and lubricants.

7.12.2 During any annual period of the term of the Agreement if the fees pursuant to this Section are escalated the exemption amount stipulated in subsection 7.12 hereof shall be increased by an amount equal to twenty (20) times the amount by which the basic fee or other such fee was escalated. If the escalation of such fee shall become effective other than at the end of an annual period under the Agreement, the increase in the annual exemption amount shall be increased pro rata.

8. Time of Payment and Computation of Amounts

8.1 User shall pay to the Airport Operator the monthly payments of the fee specified in the Section entitled "Fees to the Airport Operator" hereof in advance on the first (1st) day of each and every month, without tender of an invoice by the Airport Operator, until the termination of this Agreement, provided however, if this Agreement is terminated other than the last day of the month the last payment shall be the then effective monthly fee prorated in the same proportion the number of days the Agreement was effective in the last month bears to the actual number of days in said month.

8.2 For each annual period the User shall pay the gross receipts percentage fee as follows: on the twentieth (20th) day of the first (1st) month following the Effective Date and on the twentieth (20th) day of each and every month thereafter including the month following the end of the annual period, the User shall render to the Airport Operator a statement certified by User's principal financial officer showing its gross receipts for the preceding calendar month and its cumulative gross receipts from the date of commencement of the annual period for which the report is made, through the last day of the preceding calendar month; whenever any such statement shall show that the cumulative gross receipts for the annual period are in excess of the annual exemption amount, the User shall pay to

the Airport Operator at the time of rendering the statement an amount equal to (2.a.) of such excess and shall on the twentieth (20th) day of each month thereafter during the annual period and the month next succeeding that annual period, pay to the Airport Operator an amount equal to (2.a.) of the gross receipts of each subsequent month during the annual period. At any time that the annual exemption amount is decreased by abatement so that there is an excess of gross receipts as to which such percentage fee has not been paid the same shall be payable to the Airport Operator forthwith.

8.3 Upon any termination of the Agreement, even if stated to have the same effect as expiration, but in no event if termination of the Agreement is due to termination of the Basic Agreement, the User shall, within twenty (20) days of the effective date of such termination. make a payment of such percentage fees computed as follows: (1) the User shall within twenty (20) days after the effective date of termination render to the Airport Operator a statement of gross receipts certified by User's principal financial officer for the annual period in which the effective date of termination falls; and, (2) the payment when due on account of all such percentage fees for the annual period in which the effective date of termination falls shall be the excess for such percentage fees computed as follows, over the total of such percentage fee payments previously made for such annual period: Five Percent (5%) of the gross receipts of the User for such annual period which are in excess of the annual exemption amount, said annual exemption amount being multiplied by a fraction, the numerator of which shall be the number of days from the commencement of the annual period to the effective date of termination, and the denominator of which shall be three hundred sixty-five (365).

8.4 Nothing contained in the foregoing shall affect the survival of the obligation of the User as set forth in the Sections of this Agreement covering the survival of the User's obligations.

8.5 The fees specified herein shall be payable at the Office of the Manager of Teterboro Airport, 399 Industrial Avenue, Teterboro, New Jersey 07608, or such other location as may from time to time be substituted therefor.

9. Construction Payments

9.1 In the event that the User seeks Port Authority financing for construction of any of the hangars or other improvements the following will apply.

9.2 (a) The following terms as used in this Agreement shall have the respective meanings given below:

(1) "Construction Commencement Date" shall mean the first date any contractor of the User enters upon any portion of the Space to perform any portion of the Construction Work.

(2) "Construction Costs" shall mean the following costs actually paid by the User to the extent that the inclusion of the same is permitted by sound accounting practices consistently applied;

(i)amounts actually paid to independent contractors for work actually performed and labor actually furnished and materials actually delivered in connection with the performance of the Construction Work; and

(ii)amounts actually paid in connection with the Construction Work for engineering, architectural, professional and consulting services, construction management and supervision of construction provided, however, payments under this paragraph (a) (3) (ii) shall not exceed (2.a.) of the amounts paid under paragraph (a) (3) (i);

provided and to the extent that such work is performed by the User in accordance with all the terms and provisions of (i) this Agreement and (ii) the final Construction Application (s) (including the final plans and specifications) as approved by the Port Authority pursuant to Section 3.3 of the Agreement. Notwithstanding the foregoing, the Construction Costs shall not include:

(i) the costs of Construction Work which although performed pursuant to an approved plan or specification is not incorporated in the final plans and specifications as approved by the Port Authority or the cost of altering such Construction Work; or

(ii) any amounts paid for or in connection with any trade fixtures or other personal property of the User.

(3) "Construction Payment" shall mean each payment made by the Port Authority to the User for Construction Costs.

(4) "Construction Payment Amount" shall mean the aggregate amount of all Construction Payments made by the Port Authority to the User at any time during the term of this Agreement pursuant to paragraph (b) of this Paragraph 15 of Supplement No. 4 to the Agreement together with the Accrued Amount accumulated thereon.

(5) "Construction Payment Date" shall mean the date upon which each Construction Payment is made pursuant to the Paragraph.

(6) "Final Date" shall mean the last day of the twelfth month following the month in which the certificate of the User is delivered to the Port Authority pursuant to Section 3.6.14 of the Agreement.

(b) The Port Authority shall reimburse the User for Construction Costs, subject to and in accordance with the terms and provisions hereinafter set forth.

(1) On the twentieth day of the calendar month following the month in which the Construction Commencement Date occurs, and on the twentieth day of each calendar month thereafter up to and including the calendar month following the Final Date, the User shall deliver to the Port Authority a certificate which shall be signed by a responsible fiscal officer of the User, sworn to before a notary public, and shall:

(i) certify the amounts of actual payments made by the User and the amounts actually due and payable from the User to its independent contractors for work actually performed and labor and materials actually furnished for the Construction Work;

(ii) certify the amounts of actual payments made by the User and the amounts due and payable from the User in connection with the Construction Work for engineering, architectural, professional, consulting services, construction management and supervision of construction;

(iii) certify all due and payable amounts included by the User in previous certificates against which a Construction Payment has been made by the Port Authority to the User and which have been paid by the User since the submission of each such previous certificate, and shall have attached there to or included therein such verification as shall be required by the Port Authority, that such amounts have been paid;

(iv) certify the total cumulative payments made by the User from the commencement of the Construction Work to the date of each certificate;

(v) contain a representation by the User that the User will apply the Construction Payment only against expenses actually incurred as Construction Costs and for no other purpose whatsoever;

(vi) certify that the amounts, payments and expenses therein set forth constitute Construction Costs;

(vii) certify that the work for which payment is requested has been accomplished, that the amounts requested have been paid or are due and payable to the User's contractors, and, subject to the concurrence of the Port Authority, that such work is in place and has a value of not less than the amount requested to be paid;

(viii) certify that each portion of the Construction Work covered by such certificate has been performed in accordance with the terms of this Agreement;

(ix) have attached thereto reproduction copies or duplicate originals of the invoices of such independent contractors and other persons (whether such invoices are paid or unpaid) and for such invoices which have been paid, an acknowledgement by such independent contractors and other persons of the receipt by them of such amounts and payments; and

(x) contain such further information and documentation with respect to the User's costs as the Port Authority may from time to time require, which information, documentation and certification shall be given on such forms as may be adopted by the Port Authority.

(2) In addition to the foregoing, the User shall furnish to the Port Authority information concerning Construction Costs and timing of the performance of the Construction Work as may be requested by the Port Authority from time to time and at any time, including but not limited to, the following:

(i) The User's original detailed Construction Costs projections, accompanied by a certification signed by an independent engineering consultant or independent licensed architect, to the effect that the Construction Costs projections submitted by the User are accurate, and that the same represent reasonable prices for the work in question.

(ii) Reports of the full-time resident engineer or licensed architect and reports of the User's chief architect, which reports or log must contain reports as to activity conducted in connection with the Construction Work for each and every day that such activity occurred from the commencement of the work to the date of submission;

(iii) A certification signed by the User's architect or architects certifying the value of work in place, both on and off the site; and

(iv) Accurate, readable and complete copies of all change

orders, extra work authorizations, design change authorizations and purchase orders in connection with the Construction Work.

(3) The User shall mark as "final" its final certificate covering the Construction Work, which certificate, with respect to amounts withheld by the User which have been deducted from a Construction Payment and which have subsequently been paid by the User, shall have attached thereto or included thereon such verification as shall be required by the Port Authority that such withheld and deducted amounts have been paid by the User and to the extent such withheld and deducted amounts have been so paid, such withheld and deducted amounts shall be included in the amount of the final Construction Payment. After submitting such final certificate the User shall submit no further certificate hereunder.

(c) Subject to the provisions of subparagraphs (c) (1) through (c) (4) hereof, within thirty (30) days after the delivery of duly submitted certificates by the User satisfying in full the requirements set forth of this Paragraph, the Port Authority shall pay to the User the amounts paid by the User as certified in such certificates, to the extent that such amounts or any portion thereof have not theretofore been included in any Construction Payment.

(1) In the event this Agreement is not in full force and effect, or the User shall be under a notice of termination of the use of the Space under this Agreement, or in default under any term or provision hereof, the Port Authority shall have the right, in its discretion, to withhold the payment of any Construction Payment to the User, provided, further, no payment or withholding of a Construction Payment shall be or be deemed to be a waiver of any rights of the Port Authority with respect to the termination of the use of the Space under this Agreement, or to a default by the User under any term or provision therefore, or to the withholding or payment of future Construction Payments, or with respect to any determination as to the usability of any item of work.

(2) It is hereby understood and agreed that nothing in this Section shall be or be deemed to be for the benefit of any contractor of the User.

(3) It is further understood that at the election of the Port Authority no payment will be made if the Port Authority's inspection or audit does not substantiate the contents of any such certificate and until such matters have been resolved to the satisfaction of the Port Authority, but the Port Authority shall have no obligation to conduct any such inspection or audit.

(4) No Construction Payment shall be made by the Port Authority to the User until all due and payable amounts included on all previously submitted certificates have been paid by the User and the payment thereof verified to the satisfaction of the Port Authority (unless such amounts are being withheld by the User and the amount so withheld shall have been deducted from the amount of a Construction Payment).

(d) If for any reason the construction of the Construction Work or any portion thereof is not performed in accordance with the terms and provisions of (i) this Agreement, and (ii) the Construction Application(s) (including the final plans and specifications) as finally approved by the Port Authority, it is understood and agreed that the Port Authority shall not be obligated to make any Construction Payments nor shall the Construction Payment Amount include any amount for such work or any costs in connection with the removal, restoration, modification, correction or change required to cause such work to comply with such terms and provisions, and in the event that the Port Authority shall have made a Construction Payment for such work, the Port Authority shall have the right to withhold and credit future Construction Payments against any such amount or upon demand of the Port Authority, the User shall pay to the Port Authority the amount of any such Construction Payment or portion thereof covering such work.

(e) The entire obligation of the Port Authority under this Agreement for Construction Costs shall be limited in amount to a total sum of Five Million Dollars and No Cents ($5,000,000.00), and limited in time to Construction Costs adequately documented and covered by certificates of the User submitted in accordance with subparagraph (b) of this Paragraph no later than the Final Date.

(f) The User shall promptly submit to the Port Authority further information, including but not limited to its estimate of the amounts and times of the various payments it will be making for Construction Costs as the Port Authority may from time to time, and at any time, request, and shall be available itself or cause its architect or engineer to be available for consultation in connection with payment certificates submitted pursuant to subparagraph (b) of this Paragraph.

(g) Without limiting any other provision of this Agreement, the Port Authority shall have the right at any time and from time to time by its agents, employees and representatives to audit and inspect during regular business hours the books, records and other data of the User relating to the cost of the Construction Work, it being understood that the Port Authority shall not be bound by any prior audit conducted by it. The User agrees to keep such books, records and other data within the Port of New York District.

The User shall maintain such books, records and other data for five (5) years after the User has delivered the certificate marked "final" called for under subparagraph (b) above.

(h) If the User has included in any portion of the cost of the Construction work any item as having been incurred, but which in the opinion of the Port Authority was not so incurred, or which in the opinion of the Port Authority was not so incurred is not an item properly chargeable to such element of cost under sound accounting practice, or does not represent an appropriate division of the costs of a particular contract which are required to be designated according to time of performance or delivery, and the parties have been unable to resolve their differences within 90 days after the Port Authority gave its notice objecting to the same, the Port Authority's decision as to the nature of the items in question shall be final.

(i) Any payment by the Port Authority which may exceed the limitation set forth in subparagraph (a) (3) (ii) shall be promptly refunded to the Port Authority upon demand. Further, in connection with the limitation set forth in subparagraph (a) (3) (ii), of this Paragraph, it is agreed that such limitation shall not be applied for the purpose of calculating the amount of a Construction Payment until the User has submitted the final certificate as hereinbefore provided, at which time such fifteen percent limitation shall be applied).

10. Additional Rental

10.1 These paragraphs related to Additional Rental are only used when the User accepts Port Authority advances for construction payments.

10.1.1 The following terms as used in this Agreement shall have the respective meanings given below:

(1) "Monthly Additional Rental Commencement Date" shall mean the earlier occurring of (i) January 1, 2002 or (ii) the first day of the month following the month during which the Completion Date, as defined as the date a certificate of occupancy has been issued occurs.

(2) "Monthly Additional Rental Factor" shall mean the factor or factors derived in accordance herewith from time to time by the application of the following formula:

= Additional Rental Factor

Where n (a power) equals the number of calendar months (expressed in whole numbers) from the Monthly Additional Rental Commencement Date to the expiration date of the Agreement.

(3) The term "Accrued Amount" shall mean the monthly amount, calculated on the last day of each calendar month, equal to the product obtained by multiplying 0.004375 and the amount of the Construction Investment Amount (including any previously calculated Accrued Amount) during said month, for each month during the period commencing on the first Construction Advance Date and ending on the day preceding the Monthly Additional Rental Commencement Date.

(4) The term "the Reimbursement Amount" shall mean the Construction Advance Amount and the sum of the Accrued Amount determined for the day preceding the Monthly Additional Rental Commencement Date.

(5) The "Monthly Additional Rental Period" shall mean the period commencing on the Monthly Additional Rental Commencement Date and ending on the expiration date of the Agreement.

10.1.2 The User shall pay to the Port Authority a Monthly Additional Rental as follows:

(1) Commencing on the Monthly Additional Rental Commencement Date, the User shall pay to the Port Authority a Monthly Additional Rental which shall be an amount determined for and payable on the first day of each and every calendar month occurring during the Monthly Additional Rental Period equal to the product obtained by multiplying the Reimbursement Amount by the Monthly Additional Rental Factor.

(2) (i) In the event the Monthly Additional Rental Commencement Date shall precede the Final Date and the Port Authority shall make a Construction Advance or Construction Advances to the User on or after the Monthly Additional Rental Commencement Date (each such payment being a part of the Construction Advance Amount and being herein called a "Subsequent Construction Advance"), then, with respect to each such Subsequent Construction Advance, a Monthly Additional Rental Factor

shall be calculated using the formula set forth in item (2) of subparagraph (a) hereof where n (a power) shall equal the number of calendar months (expressed in whole numbers) from the date of each such Subsequent Construction Advance if such date be the first day of a calendar month, or if not then the first day of the following calendar month, to the expiration date of the Agreement.

(ii) As a part of the payment of Monthly Additional Rental due as provided in this subparagraph (b) and in addition to the foregoing, the User shall pay to the Port Authority on the first day of each and every calendar month during the Monthly Additionally Rental Period subsequent to the payment of each Subsequent Construction Advance, an amount equal to the product obtained by multiplying (A) the amount of each Subsequent Construction Advance and (B) the Monthly Additional Rental Factor applicable to said Subsequent Construction Advance; such amount to be payable as a part of the Monthly Additional Rental payments to be made hereunder and to be deemed a part thereof for all purposes of the Agreement.

(iii) As a part of the payment of Monthly Additional Rental due as provided in this subparagraph (b) and in addition to the foregoing, the User shall pay to the Port Authority an amount equal to the product obtained by multiplying (A) the amount of each Subsequent Construction Advance made on other than the last day of a month, and (B) the number of days in the period from the date of such Subsequent Construction Advance is made to and including the last day of the calendar month in which such Subsequent Construction Advance is made; and (C) the quotient derived from dividing 0.006875 by 30; such amount to be payable as part of the Monthly Additional Rental payment due on the first day of the month following the month in which such Subsequent Construction Advance is made.

10.1.3 In the event that a Port Authority audit shall disclose that the User has expended Construction Costs which total less than the total of all Construction Advances made to the User hereunder up to the time of such audit then, upon demand of the Port Authority, the User shall immediately pay to the Port Authority an amount equal to the difference between the amounts expended by the User as disclosed by the Port Authority audit and the aforesaid amount of the total of all Construction Advances made to the User and effective from and after such date of payment the Construction Advance Amount shall be reduced by the amount of such payment and the Monthly Additional Rental payable by the User adjusted appropriately hereunder.

11. Care, Maintenance and Repair

11.1 The User shall at its own expense at all times keep the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public, in a clean and orderly condition and appearance.

11.2 The User shall, at its own expense, repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

11.3 User shall perform all snow removal from the Space in a manner prescribed by an annual snow removal plan which shall be submitted to the User each year, by the Airport Manager, prior to start of the snow season.

11.3.1 In the event the User fails to adhere to said plan, the Airport Operator may, at its option, without notice to the User commence corrective action and charge the cost thereof to the User. The amount of such charge to constitute an item of a additional fee.

11.4 Except for reasonable wear which does not adversely affect the weathertight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof, the User at its own expense shall take good care of the Space, including without limitation paved and unpaved areas, fences, skylights, steelwork, walls, partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, lights, sewerage, drainage, water supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures.

11.5 The User shall perform all structural and nonstructural maintenance, repairs, replacements and painting at the Space, including walls, ceilings, windows, doors, floors, partitions, glass, electrical, plumbing and heater equipment and fixtures, air conditioning and ventilation equipment that service the Space, regardless of the cause of condition requiring the same, except for reasonable wear which does not adversely affect the weathertight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof.

11.6 In the event the User fails to commence to so repair, replace, rebuild or paint as required above within a period of ten (10) days after notice from the Airport Operator so to do, or fails diligently to continue to complete the repair, rebuilding, replacement, or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, the Airport Operator 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

12. Services to the User

12.1 The Airport Operator shall supply connections for water, sewerage, electricity, and gas to the Space, if applicable.

12.2 The User shall promptly pay all domestic water, electric, gas and other utility bills covering consumption by the User in the Space. In the event that any such bill or bills remains unpaid for a period of thirty (30) days after the same becomes due and payable, or in the event that any such bill remains unpaid at the expiration or earlier termination of this Agreement, the Airport Operator may pay the same and any interest or penalties thereon, and the total payment or payments at any time so made shall constitute an item of additional fee, payable to the Airport Operator upon demand..

12.3 The User agrees to heat the enclosed portion of the Space to a sufficient temperature so that plumbing, fire protection and sprinkler systems, will not be damaged by the cold.

12.4 In the event that the Borough of Teterboro, or the State of New Jersey or any other municipal subdivision, or corporation now furnishing, with or without charge therefor, any services which are beneficial to the User in its use or occupancy of the Space shall hereafter impose charges or increase existing charges for such services, the User agrees to pay the Airport Operators as an item of additional fee hereunder such of the charges or the increase in charges as may be imposed or assessed against the Airport Operator in respect of the Space of the User or its use or occupancy thereof.

12.5 The Airport Operator shall charge the User on an equitable basis for the following services:

12.5.1 Sewer usage, taking into account total usage of others on the same sewer system; and

12.5.2 Standby water charges for fire protection system, taking into account total usage of others on the same systems, if applicable; and

13. Insurance

13.1 During the term of this Agreement, the User shall, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings,

structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said ; insurance by the rating organization having jurisdiction.

13.2 For the Space known as Hangar 5, 14 and any new hangar which may be build on the Space, during the term of this Agreement, the Airport Operator shall, for the account of and expense of the User, provide, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the said Hangar facilities against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction.

13.3 The aforesaid insurance coverages and renewals thereof shall insure the Port Authority and the Airport Operator as their interests may appear and shall provide that the loss, if any, shall be adjusted with the Airport Operator and the Port Authority and shall be payable to the Port Authority or the Airport Operator as their interests may appear.

13.4 At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to the Airport Operator and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority and the Airport Operator twenty (20) days advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to the Airport Operator at least twenty (20) days before the expiration of the insurance

which such policies are to renew.

13.5 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify the Airport Operator of such casualty and shall thereafter furnish to the Airport Operator such information and data as shall enable the parties to adjust the loss.

13.6 To the extent that any loss is recouped by actual payment to the Port Authority or the Airport Operator, of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by the Airport Operator to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include as itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair , maintenance or rebuilding obligation under the Agreement. If the proceeds of any such insurance paid to the Airport Operator exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by the Airport Operator.

13.7 If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space. If the User does not so properly proceed then the Airport Operator may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement

13.8 The User, for its own protection, may separately insure at its own expense such fixtures, equipment or other personal property at the Space as its interests may appear.

13.9 If there is damage or destruction to the property covered under this section which occurs within the last three years of the term of the Agreement, the User may elect (in its sole discretion) not to repair, replace, or rebuild such damaged or destroyed property, in which case such obligations shall be discharged (provided the insurance applicable thereto has been maintained in full force and effect) and the entire proceeds of insurance applicable thereto shall be retained by the Airport Operator.

14. Ingress and Egress

14.1. The User, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport as may from time to time be designated by the Airport Operator for the use of the public.

14.2 The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

14.3 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Airport Operator may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User.

14.4 The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; the Airport Operator, its subsidiaries and affiliates, their Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

15. Indemnity, Liability Insurance

15.1 The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives; and, except for the gross negligence of the Airport Operator, the Airport Operator, its subsidiaries and affiliates, their Directors, officers, employees and agents (to include reasonable attorney's and other professional fees) from and against all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damage arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on

the Space or out of the acts or omissions of others on the Space with the consent of the User whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or against termination or expiration of this Agreement.

15.2 In addition to the obligations set forth in the subsection immediately above, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

15.2.1 Combined single limit of $75,000,000 for bodily injury and property damage.

15.2.2 In addition to the obligations set forth in the above subsections, the User in its own name as assured shall maintain personal property insurance covering loss or damage to its property on or at the Space. Such policy shall be in an amount to cover maximum exposure at any time.

15.2.3 The User in its own name as assured shall maintain and pay the premium for a policy of hangar-keeper's legal liability insurance covering loss or damage to aircraft or aircraft parts belonging to others and which are on the Space in the custody of the User for storage, parking, repair, servicing or safekeeping. Such policy shall be in an amount sufficient to cover maximum exposure at any time, but in no event less than $50,000,000 per loss.

15.3 The Airport Operator and the Port Authority shall be named as an additional insured in any policy of insurance required above.

15.4 As to any insurance required by the provisions of this Agreement to be obtained by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders, together with evidence of the payment of the premium thereon, shall be delivered to the Airport Operator within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to the Airport Operator. A renewal policy shall be delivered to the Airport Operator at least twenty (20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if

any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement.

16. Various Obligations of the User

16.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space on the Airport. The User shall take all reasonable measures:

16.1.1 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

16.1.2 to keep the sound level of its operations within acceptable limits as determined by the Airport Operator.

16.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon reasonable objection from the Airport Operator concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If the Airport Operator shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Manager of the Airport.

16.3 It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User will employ the maximum reasonable amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event the Airport Operator determines that the User has not curbed the prop or jet blast interference, as set forth above, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference subject, however, to the prior written approval of the Airport Operator as to type, manner and method of construction.

16.4 The User shall daily remove from the Space by means of facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of the Airport Operator. No facilities of the Airport shall be used for such removal unless with the Airport Operator' prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space, unless such disposal is pursuant to an approved discharge permit issued by Federal, state, county or local government.

16.5 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable Federal, State and Municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

16.6 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to the Airport Operator that part of all premiums paid by the Airport Operator which shall have been charged because of such violation or

failure by the User.

16.7 In connection with the conduct of User's business the User shall:

16.7.1 use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

16.7.2 not to divert, or cause or allow to be diverted, any business from the Airport;

16.7.3 maintain in accordance with accepted accounting practice during the term hereof User's records and books of account recording all transactions at, through or in anywise connected with the Airport which records and books of account shall be kept at all times at the User's place of business at the Airport;

16.7.4 permit in ordinary business hours during the term hereof and for one (1) year thereafter the examination and audit, on a non disclosure basis, by the officers, employees or representatives of the Airport Operator of such records and books of account and also any records and books of account of any company owned or controlled by the User if said Company performs services similar to those performed by the User anywhere at the Airport.

16.8 In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by the Airport Operator or the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under this Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. The Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Airport Operator. The User shall submit for the Airport Operator approval a

Construction Application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

16.8.1 The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that the Airport Operator or the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of the Airport Operator' or the Port Authority's recommendations or requirements and notwithstanding that the Airport Operator and the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or the Airport Operator or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to the Airport Operator in entering into this Agreement with the User.

16.9 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Airport Operator shall relieve the User of such responsibility. Both User and the Airport Operator shall use their best efforts to notify the other party of any rules, regulations, orders, of which they may become aware.

16.10 The following terms shall have the following respective meanings as used herein:

16.10.1 "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or (v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

16.10.2 "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statues, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all Governmental Agencies, and all applicable judicial, administrative, and

regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various Governmental Agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

16.10.3 "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

16.10.4 "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

16.11 The User agrees to assume all responsibility for all damages, costs, and expenses of any kind incurred by the Airport Operator or Port Authority caused by the negligent or willful actions of the User, its employees or contractors on the Space or which occur directly as a result of any leak, spill or other discharge of aviation petroleum hydrocarbons or Hazardous Substance(s) which is regulated by any federal, state or local governmental authority from tanks and lines owned or controlled by the

User, on the Space and which was caused by the negligent or willful actions of the User, its employees, or contractors, and provided such leak, spill or discharge occurs during the period the User occupied the Space and owned or controlled any tanks and lines on the Space. It is expressly agreed that the foregoing shall not be applicable to any loss, claim, damage or liability arising from any contractual obligations of any third party which the Airport Operator or the Port Authority may assume, shall not be applicable to any damages or losses arising from loss of profits or business opportunity, or any other special or consequential damages, nor shall it be applicable to any attorneys' fees or any fine or penalties levied upon the Airport Operator or the Port Authority. Further, the foregoing shall be applicable only to leaks, spills or discharges which result in a level of contamination exceeding standards required by applicable authorities as of the date of the commencement of this Use and Occupancy Agreement No. TA-304 and shall inure only to the Airport Operator or the Port Authority and not to any assigns or successors or to any other person or entity.

17. Prohibited Acts

17.1 The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to employees or the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following:

17.1.1 Hot and cold packaged foods;

17.1.2 Hot and cold beverages;

17.1.3 Candy and chewing gum;

17.1.4 Tobacco and tobacco products;

17.1.5 Newspapers and periodicals;

17.1.6 Telephone services (pay stations) (hereinafter called "vending machines").

17.2 If User, installs or causes to be installed, vending machines on the Space for the limited sale of merchandise or services permitted hereunder, User shall have the right to retain the revenues derived therefrom, provided, however, that:

17.2.1 The User shall itself, and shall also require its contractors,. to indemnify

and hold harmless the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands of third persons, including employees, (to include reasonable attorney and other professional fees) officers and agents of the Airport Operator and the Port Authority arising or alleged to arise out of the installation, operation or maintenance of the User's vending machines (or consumable obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the User's vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this Agreement.

17.3 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by the Airport Operator at any time during the term of this Agreement upon ninety (90) days' notice to the User and the Airport Operator, at any time thereafter, may substitute for the User's vending machines other machines selling similar merchandise or services operated by the Airport Operator or by its permittee or concessionaire and thereupon User shall remove its machines.

17.4 Upon installation by the Airport Operator or by its permittee or concessionaire of vending machines in substitution of User's vending machines, all revenues derived therefrom shall be retained by the Airport Operator.

17.5 Upon rendering of notice to User of termination of the right to operate vending machines, the Airport Operator may elect to permit User's vending machines to remain, but in such case, User shall pay or cause to be paid to the Airport Operator each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of the Airport Operator then operating machines at the Airport for sale to the general public of similar merchandise or rendering of similar services.

17.6 The termination by the Airport Operator of the limited right of User to install vending machines at the Space shall be nondiscriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by the Airport Operator User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

17.7 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area

damaged by overloading.

17.8 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

17.9 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

17.10 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

17.11 The User shall not do or permit to be done any act or thing upon the Space which:

17.11.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

17.11.2 which, in the opinion of the Airport Operator, may constitute an extrahazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

17.11.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

17.12 Except persons who have been granted valid permits and/or permission from the Airport Operator, User shall not permit, foster or allow on the Space any persons not related to the User who are:

17.12.1 doing maintenance work on aircraft not owned or operated solely by said persons,

17.12.2 giving flight instruction of any sort unless such persons are members of User's flight instruction staff, or

17.12.3 conducting air taxi, aircraft charter or aircraft leasing of any sort.

18. Rules and Regulations

18.1 User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such Rules and Regulations of the Airport as are now in effect or as may

be promulgated from time to time for the government and conduct of operations of the Airport for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then the Airport Operator will make a copy thereof available to the User at the office of the Manager of Teterboro Airport.

19. Signs

19.1 Except with the prior written approval of the Airport Operator, the User shall not erect, maintain or display any advertising, signs or similar devices at or on the Space.

19.2 Upon demand by the Airport Operator, the User shall remove, obliterate or paint out any and all advertising, signs and similar devices placed by the User on the Space or elsewhere on the Airport without the prior approval of the Airport Operator. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, the Airport Operator may perform the necessary work and the User shall pay the costs thereof to the Airport Operator on demand.

20. Assignment

20.1 The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of the Airport Operator. The Airport Operator may grant or withhold such consent solely in its discretion for any reason..

20.2 If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by anyone other than the User, the Airport Operator may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by said assignees, sub-user or other user and no such payment shall be deemed a waiver by the Airport Operator of the covenants or agreements contained in this Section nor of acceptance by the Airport Operator of any assignee, claimant or occupant, nor as a release of the User by the Airport Operator from the further performance by the User of the agreements contained herein including but not limited to the payment of fees.

20.3 In the event that the User enters into a sub-use agreement, with the consent of the Airport Operator for the use and occupancy of the entire Space,

User agrees to pay to the Airport Operator an amount equal to forty-five percent (45%) of any fees paid by the sub-user to the User in excess of the fees due to the Airport Operator under Section 7 of the Agreement, after deduction of a monthly administrative fee of ten percent (10%)of the excess fee or Two Hundred and Fifty Dollars ($250.00), whichever is lower.

21. Condemnation

21.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or the Airport Operator, or its subsidiaries and affiliates for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between the Airport Operator and the User that the Airport Operator shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

21.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be cancelled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired. The Airport Operator shall provide User such advance notice as practicable.

21.3 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rules, regulation, requirement, order or direction, the Airport Operator may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to deliver possession of all or such portion of Space so required upon the effective date of such termination.

21.3.1 No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or the Airport Operator or its subsidiaries and affiliates for damages, consequential or otherwise.

22. Non-Discrimination

22.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (l) no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination 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, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between the Airport Operator and the United States Government or otherwise.

22.2 The User assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

22.3 The User shall include the provisions of the above subsections in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting the Airport Operator a right to take such action as the United States may direct to enforce such covenant.

22.4 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above nondiscrimination provisions, the Airport Operator may take any appropriate action to enforce compliance; or in the

event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from the Airport Operator, the Airport Operator shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Airport Operator may take such action as the United States may direct.

22.5 The User shall indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates and the Port Authority (to include reasonable attorney's and other professional fees) from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse the Airport Operator and the Port Authority for any loss or expense incurred by reason of such noncompliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this Agreement.

22.6 Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

23. Minority Business Enterprises

23.1 In accordance with the construction required in Section 5 of the Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

24. Right to Recapture Portions of User's Ramp Space

24.1 The User acknowledges that the Airport serves the needs of the public and that the Public Aircraft Facilities should be utilized to the fullest extent possible with airport users afforded fair and reasonable access. The User also acknowledges that the following subsections provide that if the User does not utilize its facilities to the level set forth in stated performance criteria such underutilized facilities may be either recaptured by the Port Authority or required to be offered by the User to another user in accordance with the following:

24.2 It is hereby agreed that, commencing on January 1, 2001, which will be known as the "Start Date", and for each and every calendar year thereafter, the Port Authority may ascertain the User's percentage share (hereinafter referred to as the "User's Current Fuel Share") of the total aircraft fuel gallons sold (hereinafter referred to as "Total Current Fuel Dispensed") at the Airport for the preceding calendar year. The fuel dispensed by the User for the year preceding the Start Date and the year preceding each and every calendar year thereafter during which such calculation is made shall be known as the "User's Current Fuel Dispensed". The User's Current Fuel Share shall be calculated by dividing the User's Current Fuel Dispensed by the Total Current Fuel Dispensed preceding the year during which such calculation is made. The User's Current Fuel Share for the calendar year 1998 shall hereinafter be defined as "the Base Year's Fuel Share" and is shown below:

Teterboro Airport User	Fuel Share in 1998

24.3 As of the Start Date and as of January 1st of each succeeding calendar year, in the event that the User's Current Fuel Share for the respective preceding calendar year is determined to be at Exemption (2.a.) less than the User's Base Year Fuel Share, the Port Authority shall have the right but not the obligation, upon two (2) month's written notice to the User, to require the User and the User hereby agrees to make ramp space (hereinafter called "Accommodation Space") available to other users, sub-users or the Port Authority in useable increments as directed by the Port Authority in the amount and in the manner and to the extent set forth below:

Percentage of User's Current Fuel Share Divided by User's Base Year Fuel Share	Ramp Space to be Made Available
Exemption (2.a.)	

24.4 In the event the User is so notified by the Port Authority it shall either (a) enter into a sub-use and occupancy agreement with another user as determined by the Port Authority or (b) enter into a surrender agreement

as directed by the Port Authority. Any such sub-use and occupancy agreement shall be subject to the prior and continuing approval of the Port Authority and the execution by and among the User, the Sub-user, the Airport Operator, and the Port Authority of a Consent Agreement in form satisfactory to the Port Authority. Moreover, and without limiting the foregoing, the User shall provide any and all information to the Airport Operator as may be requested by the Airport Operator from time to time as to all aspects of its accommodation of Sub-user hereunder. Nothing contained herein shall in any way affect the discretion of the Airport Operator or the Port Authority in granting or withholding its consent to a sub-use and occupancy agreement.

24.5 The failure of the Port Authority to exercise its right under this Section during any year in which it may have such a right shall not affect, waive, or limit its rights to exercise such right in any subsequent year during any period of underutilization. In no event will the Accommodation Space exceed the percentages set forth above.

24.6 The User shall make such ramp space available during the period set forth in the aforesaid notice. The Port Authority shall consider a request by the User to restore the Accommodation Space to the User when the User's Current Fuel Share shall have returned to within Exemption (2.a.) or less of the User's Base Year Fuel Share, provided the Accommodation Space is not then covered by a sub-use or other agreement or at such time as the Port Authority deems it is in the best interest of the Airport to restore the Accommodation Space to the User

24.7 The User agrees that all handling, sublease, sub-use and occupancy agreements shall be at reasonable and at non-discriminatory rates, fees and charges and shall be based on the recovery by the User of a pro rata share of the User's costs of (1) operation and maintenance, (2) services provided, and (3) the User's fees and investment in the Accommodation Space.

25. Governmental Requirements

25.1 The User shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

25.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

25.3 The Airport Operator has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction of the Airport and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Airport Operator. Unless otherwise directed in writing by the Airport Operator because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to, in fact cover, the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to the Airport Operator but prior to the receipt by the User of a written direction from the Airport Operator, such compliance shall not constitute a breach of this Agreement, although the Airport Operator thereafter notifies the User to refrain from such compliance.

25.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space. Any notice received by the Airport Operator shall be related to User as soon as practicable.

25.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

26. Rights of Entry Reserved

26.1 The Port Authority, by its officers, employees, agents, representatives and contractors and the Airport Operator and its subsidiaries and affiliates by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or the Airport Operator may be obligated or have the right to do under this Agreement, or otherwise. In the event of a question of a contractors authority, the User shall contact the Airport Operator.

26.2 Without limiting the generality of the foregoing, the Airport Operator and

its subsidiaries and affiliates, by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Airport Operator, be deemed necessary or advisable and, from time to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction the Airport Operator shall not unreasonably interfere with the use and occupancy of the Space by the User.

26.3 The exercise of any or all of the foregoing rights by the Port Authority, the Airport Operator or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

26.4 Nothing in this Section shall impose or shall be construed to impose upon the Airport Operator or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

27. Basic Agreement

27.1 In the event the Basic Agreement is terminated, revoked, cancelled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement and such termination, revocation, cancellation or expiration of the Basic Agreement shall not be deemed a breach of this Agreement.

28. Patents, Trademarks

28.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to indemnify and to save and hold the Port Authority, the Airport Operator, its subsidiaries and affiliates, their Commissioners, Directors, officers, employees, agents and representatives

free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

29. Additional Fees and Charges

29.1 If the Airport Operator is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 fees thereafter due hereunder, and each and every part of the same shall be and become additional fees, recoverable by the Airport Operator in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to the Airport Operator" hereof.

30. Right of Re-Entry

30.1 The Airport Operator shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

31. Surrender

31.1 The User covenants and agrees to yield and deliver peaceably to the Airport Operator possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

32. Termination by the Airport Operator

32.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, the Airport Operator may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

32.1.1 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

32.1.2 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

32.1.3 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

32.1.4 Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of User under this Agreement shall be transferred to, passed to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

32.1.5 The User, if a corporation, shall, without the prior written approval of the Airport Operator, become a successor or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution, except as it applies to affiliated and subsidiary companies; or

32.1.6 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

32.1.7 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

32.1.8 Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof; or

32.1.9 The User shall fail duly and punctually to pay the fees or to make any other payment required hereunder when due to the Airport Operator and shall persist in its failure for a period of ten (10) days following the receipt of written notice of such default from the Airport Operator; or

32.1.10 The User shall fail to keep, perform and observe each and every material promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within twenty (20) days after receipt of notice of default thereunder from the Airport Operator (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

32.1.11 There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and the Airport Operator at the Airport.

32.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the User shall not be entitled to enter into possession of the Space, and the Airport Operator upon the occurrence of any such event, or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel this Agreement, such cancellation to be effective upon the date specified in such notice.

32.3 No acceptance by the Airport Operator of fees. charges. or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of the Airport Operator to terminate this Agreement.

32.4 No waiver by the Airport Operator of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be

performed, kept or observed by the User shall be or be construed to be a waiver by the Airport Operator of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

32.5 The rights of termination 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 the Airport Operator would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by the Airport Operator of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User," the sole right of the Airport Operator shall be a right of termination.

33. Survival of the Obligations of the User

33.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, or in the event that the Airport Operator has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Airport Operator to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. The Airport Operator may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

33.2 The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's Fee obligations, shall be the sum of the following:

33.2.1 The amount of the total of all installments of fees pursuant to the Section entitled "Fees to The Airport Operator" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (lst) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in

the month; and an amount equal to all reasonable expenses incurred by the Airport Operator in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to reasonable attorney's fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

34. Use Subsequent to Cancellation or Termination

34.1 The Airport Operator, upon termination or cancellation pursuant to the Section entitled "Termination by the Airport Operator" of this Agreement, or upon any re-entry, regaining or resumption of possession pursuant to the Section entitled "Right of Re-Entry" of this Agreement, may occupy the Space or may enter into an agreement with another User and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be part only of the Space or of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Airport Operator, at its own expense, shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

34.2 In the event either of use by others or of any actual use and occupancy by the Airport Operator, there shall be credited to the account of the User against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any User, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as the Airport Operator may itself during such period actually use and occupy, less all reasonable expenses, costs and disbursements incurred or paid by the Airport Operator in connection therewith.

34.3 No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of the Airport Operator hereunder. The Airport Operator will use its best efforts to minimize damages to User under this Section commensurate with its obligations under the Basic Agreement.

35. Services by User

35.1 A principal purpose of the Airport Operator in the making of this Agreement is to make available at the Airport the items and/or services which the User is permitted to sell and/or render hereunder. The User hereby warrants and agrees that it will conduct a first-class operation and will furnish all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and facilities.

35.2 The User shall:

35.2.1 furnish good, prompt and efficient service adequate to meet all reasonable demands therefor at the Space;

35.2.2 furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and

35.2.3 charge fair, reasonable and nondiscriminatory prices for each unit of sale or service, provided that the User may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

35.2.4 As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

35.3 The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Federal Airport Act of 1946 and pursuant to the Airport and Airway Development Act of 1970 (49 U.S.C. 1701), as the same have been amended and supplemented, and the Port Authority may in the future apply for and receive further such grants. The Airport Operator under its Operating Agreement with the Port Authority for Teterboro Airport, dated September 19, 1967, has assumed certain obligations of the Port Authority under the Grant Agreement and in connection therewith, the Port Authority and the Airport Operator may in the future undertake certain additional obligations respecting the operation of the Airport and the activities of contractors, lessees and permittees thereon. The performance by the User of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the Airport Operator to enter into this Agreement and the User further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority and/or the Airport Operator in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the User of its obligations under this Agreement, the User will promptly comply

therewith, at the time or times when and to the extent that the Airport Operator may direct.

36. Remedies to be Non-Exclusive

36.1 Except where otherwise specifically provided, 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 either party at law or in equity.

37. Limitation of Rights and Privileges Granted

37.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

38. Removal of Personal Property

38.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

38.2 If the User shall fail to remove its property on or before the termination or expiration of the term, the Airport Operator may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to the Airport Operator, with any balance remaining to be paid to the User, but if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to the Airport Operator upon demand.

39. Brokerage

38.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Airport Operator its subsidiaries and affiliates of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the User, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees.

40. Obstruction Lights

40.1 The User shall furnish such obstruction lights as the Airport Operator shall direct, of the type and design approved by the Airport Operator, and shall install said lights in the locations on the Space designated by the Airport Operator and shall maintain them in good operating condition at all times.

40.2 The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of said lights, and shall operate the same in accordance with the directions of the Airport Operator. The Airport Operator hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

41. Notices

41.1 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 mail.

Notices to the Airport Operator shall be directed to:

Vice President
Johnson Controls World Services Inc.
7315 N. Atlantic Avenue
Cape Canaveral, FL 32920

With copy to:

Airport Manager
399 Industrial Avenue
Teterboro Airport, New Jersey 07608

Notices to User shall be directed to:

General Aviation Aircraft Service, Inc.
485 Industrial Avenue
Teterboro, New Jersey 07608

42. Construction and Application of Terms

42.1 The Section and subsection 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 of intent of any provision hereof.

43. Non-Liability of Individuals

43.1 Neither the Directors of the Airport Operator, its subsidiaries and affiliates, or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

44. Abatement

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

45. Port Authority Consent

45.1 This Agreement shall become effective upon the execution hereof by all parties hereto and the execution of a Consent Agreement between and among the Port Authority, the Airport Operator, and the User.

46. Entire Agreement

46.1 This Agreement consists of the following: Sections 1 through 46 inclusive, Exhibit A, and Exhibit B.

The foregoing constitutes the entire agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by the Airport Operator and the User. The User agrees that no representations or warranties shall be binding upon the Airport Operator 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.

JOHNSON CONTROLS WORLD SERVICES INC.

ATTEST:

Michelle Degamer

By: [illegible]

Title: Legal Secretary

Title: Vice President (Acting)

GENERAL AVIATION AIRCRAFT SERVICE, INC.
(User)

ATTEST:

William [illegible]

By: Kenneth C. [illegible]

Title: Custom Service Mgr

Title: Pres.

Summit Bank
152 Boulevard
Hasbrouck Heights, NJ 07604

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD)

On this 10th day of April, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders , the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

STATE OF FLORIDA NOTARY PUBLIC
MICHELLE M. TREPANIER
My Comm Exp. 12/17/2003
No. CC 873037
N Personally Known [ ] Other I.D.

Michelle Trepanier
(notarial seal and stamp)

STATE OF New Jersey)
) ss.
COUNTY OF Bergen)

On this 8th day of APRIL 2000, before me, the subscriber, a Notary Public personally appeared Kenneth C. Forster the _____ President of General Aviation Aircraft Service, I who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

Giovanna Garofalo
GIOVANNA GAROFALO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb 2, 2005

EXHIBIT B

2000 RATES *

Exemption (2.a.)

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 14th day of July, 2000, before me, the subscriber, a notary public of New York, personally appeared Francis A. DiMola the Asst Dir Aviation of the Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

LINDA C. HANDEL
Notary Public, State of New York
No. 01HA6035589
Qualified in New York County
Commission Expires January 3, 2002

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD)

On this 10th day of April, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders , the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

STATE OF FLORIDA NOTARY PUBLIC
MICHELLE M. TREPANIER
My Comm Exp. 12/17/2003
No. CC 873037
[X] Personally Known [ ] Other I.D.

(notarial seal and stamp)

STATE OF New Jersey)
) ss.
COUNTY OF Bergen)

On this 8th day of APRIL 2000, before me, the subscriber, a Notary Public personally appeared Kenneth C. Forester the _____ President of General Aviation Aircraft Service, I. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

GIOVANNA GAROFALO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb 2, 2005

Teterboro Airport
Use & Occupancy Agreement
TA-304

CONSENT AGREEMENT

THIS AGREEMENT, dated as of January 1, 2000 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (herein after called "The Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "the Airport Operator") and GENERAL AVIATION AIRCRAFT SERVICE, INC. (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator and the User and its predecessors in interest, have entered into the following Use and Occupancy Agreements, with the consent of the Port Authority:

TA-051 dated October 23, 1974 Hangar 5;

AT-125 dated November 9, 1955 Hangar 14;

WHEREAS, the Port Authority, the Airport Operator and the User entered into Consent Agreements of various dates (hereinafter called "the Use and Occupancy Consent Agreements") consenting to each of the above listed Use and Occupancy Agreements, wherein the Port Authority gave its consent to the Use and Occupancy Agreements; and

WHEREAS, the Airport Operator and the User desire to replace the above referenced Use and Occupancy Agreements with a new, consolidated Use and Occupancy Agreement TA-304 as attached hereto, made a part hereof and hereafter called "the Agreement", subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority.

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements contained, the Port Authority, the Airport Operator and the User hereby agree effective as of the effective date of the Supplement as follows:

1. On the terms and condition hereinafter set forth, the Port Authority consents to the Agreement.

(a) If the Main Agreement shall terminate (whether through the expiration of its term or by earlier termination as provided in the Main Agreement) before the expiration date of TA-304, TA-304 shall terminate as hereinafter provided and, if the User is in occupancy and using the Space, the Port Authority or a successor airport operator selected by the Port Authority shall enter into a use and occupancy agreement with the User covering the use and occupancy of the Space, with the term thereof commencing as of the expiration or earlier termination of TA-304, the permitted uses of the Space, the fees and charges thereunder being set forth in TA-304, and on substantially the same remaining terms and conditions as set forth in TA-304 and such additional terms as may be necessary or appropriate.

(b) Any successor airport operator that may be selected by the Port Authority shall be required to assume all Port Authority obligations hereunder and under any successor use and occupancy agreement and relieve the Port Authority of same.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by TA-304 if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. TA-304 is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of TA-304 shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of TA-304, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the

consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of TA-304 to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

4. No provision of TA-304 including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of TA-304 covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the Space covered by TA-304, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Main Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in TA-304 which are not specifically referred to herein.

5. The User, in its operations under or in connection with TA-304 and in its occupancy of the Space covered by TA-304, shall be subject to the applicable terms, provisions, covenants and conditions of the Main Agreement. Without in any way affecting the obligations of the Airport Operator under the Main Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Main Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Main Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

6. TA-304 shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

7. If the Airport Operator shall at any time be in default of its obligations under the Main Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy,

arrangement or reorganization of the Airport Operator which under the terms of the Main Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Main Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Main Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Main Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

8. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or TA-304 or of any rights under either of them, whether in whole or in part.

9. In the event of any default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days (or such longer period as is required in the reasonable opinion of the Port Authority, to correct such default, provided the User promptly commences and diligently continues to effectuate a cure) after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Main Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Main Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate TA-304.

10. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the Space covered by TA-304 or elsewhere on the Airport with the consent of the User.

11. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

Daniel D. Bergstein

Title: Secretary
The Port Authority of NY & NJ

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

JOHNSON CONTROLS WORLD SERVICES INC.

ATTEST:

Title: Asst Asst

Title: Vice President (Acting)

GENERAL AVIATION AIRCRAFT SERVICE, INC.
(User)

ATTEST:

Title: Customer Service Rep

Title: Pres.

Summit Bank
152 Boulevard
Hasbrouck Heights, NJ 07604

APPROVED:
FORM | TERMS

THIS AGREEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED
BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER AND THE SUBUSER BY AN
AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Use And Occupancy Agreement No. TA-303
Teterboro Airport

CONSENT TO SUBUSE AGREEMENT

THIS CONSENT AGREEMENT, made as of June 23, 2005, by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT - NEW JERSEY INC. (hereinafter called the "User"), and THE AIR GROUP, INC. (hereinafter called the "Subuser"), a corporation of the State of California, with its principal offices located at 7426 Hayvenhurst Avenue, Van Nuys, California 91406.

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement bearing file No. TA-204 and dated September 19, 1967 between Pan American World Airways, Inc. ("Pan American") and the Port Authority (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and dated October 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space, as defined therein, at Teterboro Airport (which Use and Occupancy Agreement is hereinafter called the "Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of November 30, 2000; and

WHEREAS, effective from and after December 1, 2000 the Port Authority has been the operator of the Airport and, together with the User, has provided for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement; and

WHEREAS, the User and the Subuser have requested the consent of the Port Authority to a proposed Hangar Sub-Use Agreement (a copy of which is attached hereto, hereby made a part hereof, and hereinafter called the "Subuse Agreement") between the User and the Subuser covering the use and occupancy of a portion of the Space (said portion of the Space being hereinafter called the

"Subuse Space"), effective as of June 23, 2005;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the User and the Subuser hereby agree, effective as of June 23, 2005, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Subuse Agreement.

2. Notwithstanding any provision of the Subuse Agreement to the contrary, both this Consent Agreement and the Subuse Agreement shall terminate, without notice to the User or the Subuser on the day preceding the date of expiration or earlier termination of the Subuse Agreement, or such earlier date for the expiration or termination of the Subuse Agreement as the User and the Subuser may agree upon. The Subuser shall quit the Subuse Space and remove its property for which it is responsible therefrom on or before termination of the Subuse Agreement.

3. If the User shall at any time be in default under the Agreement, the Subuser shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the User. No such payment shall relieve the User from any obligation under the Agreement or under this Consent Agreement, but all such payments shall be credited against the obligations of the User or of the Subuser, as the Port Authority may determine for each payment or part thereof.

4. (a) Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights and privileges granted to the User under the Agreement, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the User under the Agreement. The Subuse Agreement is an agreement between the User and the Subuser with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the User that the provisions of the Subuse Agreement shall apply and pertain as between the User and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Agreement shall, in all respects, be controlling, effective and determinative. It is the intention of the Port Authority hereunder merely to permit the exercise of the User's rights and privileges thereunder by the Subuser (to the extent permitted by the Agreement and this Consent Agreement). The specific mention of or reference to the Port Authority in any part of the Subuse Agreement, including without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall hereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the Subuse Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Agreement shall in

all respects be controlling, effective and determinative.

(b) No provisions of the Subuse Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules and regulations, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Subuse Agreement covering action which may be undertaken by the User, be deemed to imply or infer that Port Authority consent or approval thereto has or will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this Consent to specific matters and provisions as contained in the Subuse Agreement shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to granting or withholding approvals or consents as to other matters and provisions in the Subuse Agreement which are not specifically referred to herein.

(c) With respect to this Consent Agreement, the User and the Subuser understand and agree that although the User is permitted under the Agreement to perform services and functions for itself the User may not and is expressly prohibited from performing any services or functions at the Airport for the Subuser (even though the User may perform the same for itself pursuant to the Agreement) which are performed by organizations at the Airport authorized by permit from the Port Authority to perform such services or functions, unless the User is specifically authorized by permit to perform such services or functions for other users or operators at the Airport and the space under the Agreement and in such event said services and functions shall be performed pursuant thereto. The User, however, may make the necessary arrangements with the authorized organizations performing such services or functions at the Airport to have such services or functions performed for the Subuser by such organizations or the Subuser may perform such services and functions itself.

5. The Subuser, in its operations under and in connection with the Subuse Agreement and its use and occupancy of the Subuse Space, agrees to assume, observe, be bound by and comply with all the terms, provisions and conditions of the Agreement to the extent that such obligations relate to the portion of the Space covered by the Subuse Agreement.

6. Without in any wise affecting the obligations of the User under the Agreement and under this Consent Agreement and notwithstanding the terms and provisions of the Subuse Agreement (but without limiting the rights and duties of the User and the Subuser as between themselves), the parties agree as follows:

(a) With respect to the Subuse Space, the Subuser shall make repairs and replacements as if it were the User under the Agreement. In addition, the Subuser shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority, its Commissioners, officers, employees and repre-sentatives for its and their costs and expenses including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death, for personal injuries and for property damages, arising out of a breach or default of any term or provision of this Consent Agreement by the Subuser or out of its operations under the Subuse Agreement or at the Subuse Space, or out of the use of the Subuse Space by the Subuser or

by others with its consent, or out of any other acts or omissions of the Subuser, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Subuser at the Subuse Space or out of any other acts or omissions of the Subuser, its officers and employees at the Airport. However, all acts and omissions of the Subuser shall be deemed to be acts and omissions of the User under the Agreement and the User shall also be severally responsible therefor, including but not limited to, the obligations of indemnification, repair and replacement.

(b) If so directed, the Subuser shall at its own expense defend any suit based upon any such claim or demand (even if such claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority.

(c) Each policy and each certificate with respect to the insurance naming the Port Authority as an additional insured under Section 15 of the Subuse Agreement shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The parties acknowledge that the Port Authority and the User entered into a Use and Occupancy Agreement and not a Master Lease and that the Subuse Agreement is not a Sublease and, therefore, the terminology describing the parties and their agreements set forth in this Consent Agreement shall prevail over the terminology used in the Agreement.

7. This Consent Agreement may be revoked at any time by the Port Authority without cause on thirty (30) days' notice to the User and the Subuser and no such revocation shall be deemed to affect the Agreement or the continuance thereof, but the Subuse Agreement shall be deemed terminated thereby.

8. The granting of this Consent Agreement by the Port Authority shall not be deemed to operate as a waiver of the rights of the Port Authority, or as a consent to any subsequent subuse agreement (by the User or by the Subuser) or to any assignment of the Agreement or to any assignment of the Subuse Agreement or of any rights under any of the foregoing, whether in whole or in part.

9. Reference herein to the "User" or the "Subuser" shall mean and include the User and the Subuser, respectively, and their respective officers, agents, employees and also others at the Space under the Agreement or the Airport with the consent of either the User or the Subuser.

by others with its consent, or out of any other acts or omissions of the Subuser, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Subuser at the Subuse Space or out of any other acts or omissions of the Subuser, its officers and employees at the Airport. However, all acts and omissions of the Subuser shall be deemed to be acts and omissions of the User under the Agreement and the User shall also be severally responsible therefor, including but not limited to, the obligations of indemnification, repair and replacement.

(b) If so directed, the Subuser shall at its own expense defend any suit based upon any such claim or demand (even if such claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority.

(c) Each policy and each certificate with respect to the insurance naming the Port Authority as an additional insured under Section 15 of the Subuse Agreement shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The parties acknowledge that the Port Authority and the User entered into a Use and Occupancy Agreement and not a Master Lease and that the Subuse Agreement is not a Sublease and, therefore, the terminology describing the parties and their agreements set forth in this Consent Agreement shall prevail over the terminology used in the Agreement.

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9. Reference herein to the "User" or the "Subuser" shall mean and include the User and the Subuser, respectively, and their respective officers, agents, employees and also others at the Space under the Agreement or the Airport with the consent of either the User or the Subuser.

unpaid amount for each late charge period herein below described during the entirety of which such amounts remain unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Consent Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Paragraph, with respect to such unpaid amount. Nothing in this Paragraph is intended to, or shall be deemed to affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Consent Agreement, including without limitation, the Port Authority's rights set forth in Paragraph 7 hereof or (ii) any obligations of the User or the Subuser under this Consent Agreement. In the event that any late charge imposed pursuant to this Paragraph shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Consent Agreement shall be payable instead at such legal maximum.

16. Except where expressly required or permitted herein to be oral, all notices, directions, 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 registered or certified mail. Said designated officer or representative of the Port Authority, the User and the Subuser, and their respective offices shall be as set forth in the Agreement and Subuse Agreement. If mailed, the notices herein required to be served shall be deemed effective and served as of the date of the registered or certified mailing thereof.

unpaid amount for each late charge period herein below described during the entirety of which such amounts remain unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Consent Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Paragraph, with respect to such unpaid amount. Nothing in this Paragraph is intended to, or shall be deemed to affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Consent Agreement, including without limitation, the Port Authority's rights set forth in Paragraph 7 hereof or (ii) any obligations of the User or the Subuser under this Consent Agreement. In the event that any late charge imposed pursuant to this Paragraph shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Consent Agreement shall be payable instead at such legal maximum.

16. Except where expressly required or permitted herein to be oral, all notices, directions, 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 registered or certified mail. Said designated officer or representative of the Port Authority, the User and the Subuser, and their respective offices shall be as set forth in the Agreement and Subuse Agreement. If mailed, the notices herein required to be served shall be deemed effective and served as of the date of the registered or certified mailing thereof.

17. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the User or to the Subuser under any term or provision of this Consent or because of its execution or because of any breach or alleged breach thereof.

IN WITNESS WHEREOF, the Port Authority, the User and the Subuser have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) Assistant Director, Aviation Department

(Seal)

ATTEST:

Secretary

JOSEPH I. GOLDSTEIN

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

By

JOHN G. FARMER

(Title) Vice President - Operations

(Corporate Seal)

ATTEST:

Secretary

THE AIR GROUP, INC.

By

(Title) President

(Seal)

APPROVED
FORM | TERMS

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

For the Port Authority of NY & NJ

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 20th day of March in the year ~~2005~~ 2006, before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(~~s~~) whose name(~~s~~) is (~~are~~) subscribed to the within instrument and acknowledged to me that he/s~~he/th~~ey executed the same in his/~~her/the~~ir capacity(~~ies~~), and that by his/~~her/their~~ signature(~~s~~) on the instrument, the individual(s), or the person upon behalf of which the individual(~~s~~) acted, executed the instrument.

Marie M Shrufs
(notarial seal and stamp)

Richmond
1/6/2010

For Signature Flight Support – New Jersey Inc.

STATE OF FLORIDA)
) **ss.**
COUNTY OF ORANGE)

On the 20th day of October in the year 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared John G. Farmer, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Marilyn Castro-Garcia
(notarial seal and stamp)

MARILYN CASTRO-GARCIA
Comm# DD0371951
Expires 11/15/2008
Bonded thru (800)432-4254
Florida Notary Assn., Inc

For The Air Group, Inc.

STATE OF California)
) **ss.**
COUNTY OF Los Angeles)

On the 21 day of October in the year 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared JON ROBERT Winthrop , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Jodie B. Fidel
(notarial seal and stamp)

JODIE B. FIDEL
Commission # 1338271
Notary Public - California
Los Angeles County
My Comm. Expires Jan 10, 2006

SUB-USE AGREEMENT

by and between

SIGNATURE FLIGHT SUPPORT CORPORATION

and

THE AIR GROUP, INC.

covering real property located at

Teterboro Airport
Teterboro, New Jersey

effective

June 23, 2005

HANGAR SUB-USE AGREEMENT

THIS SUB-USE AGREEMENT ("Sub-Use Agreement" or "Agreement") is entered into this 23rd day of June, 2005 by and between SIGNATURE FLIGHT SUPPORT CORPORATION, a Delaware corporation, f/k/a Signature Flight Support – New Jersey Inc., with its principal offices located at 201 South Orange Avenue, Suite 1100, Orlando, Florida 32801 ("Signature") and The Air Group inc., a California corporation, with its principal offices located at 7426 Hayvenhurst Ave., Van Nuys, California 91406 ("Air Group" or "Sub-User"). For purposes of this Agreement, Signature and Air Group may from time to time be referred to individually as a "Party", and collectively as the "Parties."

RECITALS

WHEREAS, by Use and Occupancy Agreement, TA 303 ("Master Use Agreement"), Johnson Controls World Services Inc. and Signature Flight Support New Jersey Inc. dated October 1, 2000, the Port Authority of New York and New Jersey ("Authority") granted the right to use and occupy certain real property to Signature for a term approximating twenty (20) years in duration, at Teterboro Airport, Teterboro New Jersey ("Airport"), said Master Use Agreement and any amendment(s) being incorporated by reference as Exhibit "A"; and

WHEREAS, Air Group desires to use and occupy a portion of the real property occupied by Signature as described in the Master Use Agreement ("Premises") and as depicted in Exhibit "B", and

WHEREAS, consistent with the terms and conditions set forth herein, Air Group further desires Signature to construct new aircraft storage hangar facility improvements on certain property which will be more precisely to be defined on that certain final land survey certified to Signature to be attached as Exhibit B-1; and

WHEREAS, Air Group acknowledges its intent to utilize the Premises for aircraft storage along with its office space and adjacent parking for administration of its aircraft storage operations ("Approved Uses"); and

WHEREAS, Signature agrees to grant to Air Group the right to use and occupy the Premises and Air Group agrees to occupy the Premises from Signature consistent with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth, the Parties hereby agree as follows:

1. Premises. For purposes of this Agreement, the Premises are more specifically described as set forth below and identified on Exhibit "B":

A). One thirty thousand (30,000) square foot hangar to be used as an aircraft Storage Facility ("E3H Hangar").

B). Office space attached to the E3H Hangar for sales staff, shop and storage in the aggregate amount of not less than ninety-two hundred (9,200) square feet.

C). Aircraft ramp parking space of approximately thirty thousand (30,000) square feet immediately in front of the airside of the E3H Hangar.

D), One thirty thousand (30,000) square foot hangar to be used as an aircraft Storage Facility (E4H Hangar)

E). Office space attached to the E4H Hangar for sales staff, shop and storage in the aggregate amount of not less than eighty-four hundred (8,400) square feet.

F) Aircraft ramp parking space of approximately thirty thousand (30,000) square feet immediately in front of the airside of the E4H Hangar.

G). Vehicle parking space, adjacent to the E3 and E4H Hangars, consisting of sixty (60) dedicated parking spaces for Air Group employees, customers and invitees ("Vehicle Parking Spaces").

Hangar E3H and Hangar E4H may hereinafter be referred to from time to time as "Hangars", "Hangar Facility", "Hangar Facilities" or "Basic Hangar Improvements".

In addition, Air Group will have the common use of ramp located between the edge of Sub-User's ramp adjacent to the Hangars and Taxiway Q ("Adjacent Ramp").

Air Group acknowledges the Vehicle Parking Space is located in a non-segregated, public-accessible area not subject to Signature's or the Airport's perpetual surveillance and monitoring. Neither Signature nor the Authority is liable to Air Group or any third party claiming through Air Group for loss, theft, or damage to any vehicle or its contents.

Signature retains all rights, title, and interest in and to the Premises and any Air Group improvements at all times during and after expiration of this Agreement.

2. Subordination and Incorporation of Master Use Agreement Lease. This Agreement is at all times conditioned upon Signature's continuing authority to operate at the Airport and shall at all times be subject to the terms and conditions of the Master Use Agreement as attached hereto in Exhibit "A." All terms, provisions, covenants, and conditions contained in the Master Use Agreement are hereby made a part of this Agreement except as herein otherwise expressly provided. Air Group shall not violate any of the terms of the Master Use Agreement and shall comply with such terms as applicable to a Sub-User. In the event of any conflict or inconsistency between the terms and conditions of this Agreement and those of the Master Use Agreement, those terms and conditions, which are the most restrictive on Sub-User shall control. In the event of an early termination by the Airport of the Master Use Agreement, and the Airport reimburses Signature for such termination specifically for the loss of the Premises, Signature agrees that it will reimburse Air Group for the loss of its investment in the Premises, providing such reimbursement does not diminish Signature's recovery for its losses. SIGNATURE covenants not to take any affirmative action to terminate or cause a termination of the Master Use Agreement during the term of this Sub-Use Agreement.

3. Term.

Unless the Master Use Agreement is terminated early in accordance with its terms, this Agreement shall be for a term commencing on the date of execution of this Agreement by the last of either Signature or Air Group ("Effective Date") and expiring September 30, 2020.

Under no circumstances will the Sub-Use Agreement extend beyond the termination of the Master Use Agreement. In the event the Master Use Agreement covering the Facility Improvements or Signature's right to conduct business is terminated, canceled or for any reason abated, Signature shall have no further obligations to Air Group except as otherwise provided in the Sub-Use Agreement. The term of the Sub-Use Agreement shall run concurrently with the Master Use Agreement and not extend beyond September 30, 2020.

4. Fees.

a. Basic Fees. The Agreement shall be interpreted and enforced as a triple net Lease.

The Air Group shall pay Signature Basic Fees for the Premises:

1) Exemption (2.a.) per month for the office, shop and terminal space. Notwithstanding the foregoing, the Basic Fee for Hangar E4H office and shop space shall be Exemption (2.a.)

2) Exemption (2.a.) for hangar space.

In addition, The Air Group shall pay all other charges, sums, fees, taxes, and increases that Signature is obligated to pay under the Master Use Agreement for ground rent, facility improvements, and any other improvements and the activities conducted thereon, subject to an annual CPI adjustment, or other adjustments, as provided under the Master Use Agreement.

The Air Group shall be responsible for all non-FBO services that the Air Group requires performed on the Premises such as, without limitation, landscaping, janitorial, facility maintenance, security, snow removal, etc., providing it obtains a release for the benefit of Signature from those providing such services.

If, at any time, during the term of the Sub-Use Agreement, the Authority, or any other local, State or Federal agency having jurisdiction over the Airport and Signature's interest in the Facility Improvements increases the prevailing fees, Air Group's Basic Fees shall increase by a corresponding and proportionate amount effective on the date of such increase.

b. Commencement of Fees. Upon the earlier to occur of the issuance of a Certificate of Occupancy (whether final or temporary) or Air Group's occupancy of any of the Premises, Air Group shall begin payment of all fees herein to Signature. If such occurs other than on the first day of a month, Air Group shall pay a prorated amount and thereafter, payment shall be due on the first day of each month thereafter, including all applicable and then prevailing Authority imposed concession fees and state and federal taxes. Fees are payable in advance without setoff, demand or deduction, except as provided in this Agreement.

Notwithstanding any abatement of fees payable by Signature under the Master Use Agreement, Air Group shall continuously pay Signature during the Term any and all fees, including without limitation, Basic Rental as set for the Master Use Agreement. To the extent such fees are based on square footage Basic Rental shall be based on the product of the total

square footage of Air Group's buildings, aircraft ramp (both dedicated and common use), vehicle parking space and other space used by Air Group times the rates per square foot described herein.

c. Adjustment Due to Survey. The parties agree that the Final Survey Certified to Signature and Air Group shall be completed as soon as possible after the Effective Date. The square footage determined by that Survey shall constitute the accurate square footage for purposes of assessing fees. This assessment shall be calculated using the Per Square Footage Per Annum ("PSFPA") cost, as it relates to the square footage of the Premises. If the Survey reveals a difference in the square footage of the Premises, all fees paid on the basis of square footage as previously paid shall be adjusted, either up or down, as determined by the Survey's final determination of square footage. Any overpayment shall be credited to Air Group on future payments, and any underpayment shall be paid by Air Group on the next payment due after the Final Survey has been issued.

d. Supplemental Fees - "Supplemental Fees" are defined as any and all additional sums due and owing to Signature as a result of Air Group's occupancy including, but not limited to, any alterations of prevailing land rents or concessions fees, utilities, and taxes. Air Group shall remit such Supplemental Fees in full as part of the Aggregate Charges.

e. Utilities – Air Group shall install and provide for its own use of utilities, specifically electricity, natural gas, telephone and telecommunications, water, garbage removal, for Air Group's approved uses. If such utilities cannot be separately metered or billed, Air Group shall pay its proportionate share based on a ratio of Premises to Signature's property as granted under the Master Use Agreement. Air Group is solely and directly responsible to pay any and all charges for such utilities. If Air Group requires additional utilities; Air Group is solely responsible to arrange for them, coordinate their installation with Signature's requirements, and pay for such costs, including any impact fees.

f. Taxes - Air Group shall be responsible for the pro-rata payment of any and all applicable taxes or assessments as determined by the ratio of total square feet of the Premises divided by the total square feet of Signature's property granted under the Master Use Agreement, including, but not limited to, all sales and use taxes, real estate tax, *ad valorem* tax, possessory interest tax, and assessments. Additionally, Air Group agrees to pay all such taxes and assessments, which are assessed against Signature for personal property in the care, custody and control of Air Group located in, on or about the Premises. Signature agrees to furnish Air Group promptly with all official tax bills, statements, invoices, and assessments against Premises consistent with Signature's receipt of the same.

g. Aggregate Fees - Basic Fees and Supplemental Fees constitute "Aggregate Fees." Air Group agrees to pay Aggregate Fees on the first of each month. Signature shall assess a late fee of one and one-half percent (1.5%) of any amount unpaid within ten (10) calendar days from its due date. Signature does not waive any rights under this Agreement by assessing or receiving late charges.

h. Pro-Rata Fee Payments - Air Group's Aggregate Fees shall be prorated for any partial months during the Term.

i. Security Deposit – Within fifteen (15) days of the earlier to occur of the issuance of a Certificate of Occupancy (whether final or temporary) or Air Group's occupancy of any of the Premises, Air Group shall deposit with Signature a sum equal to one (1) months Basic Fee

as calculated per paragraph 4.a of this Agreement as a Security Deposit to be held for the faithful performance by Air Group of its obligations hereunder. Without limiting the generality of the foregoing, the Security Deposit may be applied against any indebtedness due hereunder or for the payment of any sums advanced or incurred by Signature in performing any of the obligations of Air Group which the latter has failed to perform in a timely manner. Signature need not hold the Security Deposit in escrow or in a separate account. Air Group shall not be entitled to any interest of those sums. If any portion of the Security Deposit is used, Air Group shall immediately replace that portion of the Security Deposit which has been utilized by Signature.

5. Use. Air Group agrees to utilize the Premises for Approved Uses and shall not permit the operation of any business substantially similar to any of Signature's authorized general or commercial aviation operations at the Airport pursuant to the Master Use Agreement. Air Group expressly warrants and represents without limitation that it shall not at any time during the term of this Agreement undertake itself or cause to be undertaken through others, including, but not limited to, its employees, agents, subcontractors, or invitees, any services permitted Signature under the Master Use Agreement including, but not limited to, the following:

a. Sale and into-plane delivery of aviation fuel; or

b. Airline or general aviation repair services (except for those repairs rendered to the Air Group's aircraft, or Air Group's managed aircraft) and performed by the Air Group's full-time maintenance personnel; or

c. Operation of a flight school; or

d. Retail or wholesale distribution of goods (e.g. catering, limos, etc.) Notwithstanding the foregoing, Air Group may provide catering or limo service for its aircraft or Air Group's managed aircraft.. Under no circumstances shall Air Group or Air Group's managed aircraft be allowed to provide the retail or wholesale distribution of fuel to any third party, including without limitation to Air Group or any of Air Group's managed aircraft); or

e. Storage, sale or distribution of aviation fuel; or

f. Any other activity deemed disruptive or adverse to Signature's interests (e.g. security violations arising from hosting of functions in the Hangars, which spill out onto ramp areas, etc.) Notwithstanding the foregoing, Sub-User may from time to time host functions in its Hangars, provided Signature is notified in advance.

Air Group shall be permitted, subject to Signature and Airport approval, to conduct the sale of new and used aircraft.

Signature may, subject to Air Group's consent, grant use permits to other parties to use the Hangars, at such times as the Air Group does not have any aircraft occupying the Hangars. The Parties agree to share any revenue form such use on a 50/50 basis. All such permits shall be upon terms and conditions acceptable to Signature and the Air Group and Authority, which permit shall require any such user to fully indemnify and hold the Air Group harmless from any and all liability, claim, damages, and judgments arising from such use.

Providing Air Group is in full compliance with this Agreement, Signature agrees to give Air Group first priority for additional hangar space for Air Group's managed aircraft. Such space would be on a temporary use basis to cover Air Group's overflow requirements. This provision shall apply solely to a priority over Signature transient aircraft. Air Group shall give Signature a minimum of 24 hours prior written notice.

Annually, commencing one year after the Effective Date of this Agreement, Air Group's chief financial officer shall provide Signature with a statement under oath that all services and/or products provided to Air Group's managed aircraft are in fact aircraft managed by Air Group. Air Group managed aircraft shall be defined as those aircraft under an "arms-length" negotiated written contract with Air Group. Signature reserves the right to audit Air Group's records to insure compliance with this provision.

6. Third Party Aircraft Maintenance. Air Group's regular full-time employees may perform all Aircraft maintenance and repair on Air Group's aircraft, or Air Group's customer's aircraft, providing, however, appropriate environmental equipment is utilized, such as an oil water separator within the Premises. Original Equipment Manufacturer ("OEM") or other Vendors may enter premises only after it has:

a. Executed the Vendor Release, a copy of which is attached as Exhibit "C";
b. Provided a Certificate of Insurance for the requisite insurance coverage and;
c. Signature has authorized its entry in writing.

Air Group shall bear any and all costs associated with ensuring such supplemental personnel or third party providers fully comply with any and all prevailing Airport and Transportation Safety Administration ("TSA") regulations, including, but not limited to, security and identification.

7. Termination of Master Use Agreement. In the event the Master Use Agreement is terminated or abated, such termination or abatement shall operate as cancellation or abatement of this Agreement and Air Group shall look to Signature's successor-in-interest or to the Authority for relief or continuance of its rights as established in this Agreement.

In such event, Air Group shall have the right to remove all of its fixtures, equipment, personal property and other property from the Premises deemed to be removable, or non-improvement, alterations provided Air Group shall repair any damage to the Premises as a result of such removal.

8. Destruction or Condemnation of Premises. If any significant portion of the Premises after Air Group's occupancy is destroyed by fire or other casualty, Air Group shall have the option upon written notice to Signature to terminate its obligations under this Agreement provided such destruction or casualty does not arise either directly or indirectly from Air Group's acts or omissions.

If all or part of the Premises is taken or condemned by any authority for any public use or purpose, which renders the Premises untenantable or unusable, this Agreement shall terminate as of the date title vests in such authority, and the Aggregate Fees shall be apportioned as of such date.

9. Maintenance of Premises.

a. Air Group is solely responsible for all maintenance and repair to the Premises, including, but not limited to, all interior maintenance and repair such as HVAC systems trash removal, painting, cleaning and glass replacement, and structural repairs.

b. Air Group warrants and represents that it shall not otherwise perform or conduct any operation which in any way adversely impacts the integrity of any portion of the Premises or which accelerates its ordinary deterioration. Any repair, restoration, or rehabilitation required, and undertaken to the Premises as a result of Air Group's actions shall be Air Group's sole responsibility and shall be completed in a timely and proper manner at Air Group's cost and expense.

10. Non-Exclusive Easements. Signature grants to Air Group a non-exclusive easement to transition Air Group's aircraft to and from the Hangars to an Airport taxiway and to provide ingress and egress to and from the Premises for vehicles, including, all vehicles and other equipment required by Air Group's employees, vendors, contractors and authorized subcontractors. All such vehicles and vehicle operators shall fully comply with prevailing Signature and Authority rules and regulations regarding Airport and Aircraft Operations Area (AOA) access. Air Group shall be liable for the acts or omissions of its officers, directors, employees, agents, servants, vendors, contractors, subcontractors, and invitees (collectively, "Sub-User's or Air Group's Related Parties") without limitation.

11. Indemnification.

a. Air Group's Indemnification - Air Group agrees to indemnify, defend, and forever hold harmless Signature, the Authority and their respective officers, directors, employees, agents, servants, contractors, subcontractors, vendors, invitees, from and against any and all claims, liabilities, losses, demands, fines, suits, penalties, actions, judgments or other expenses, including, but not limited to, Federal Aviation Administration ("FAA") and TSA fines or assessments, reasonable attorneys' fees and costs (collectively, "Damages") incurred by Signature or the Authority as a result of personal injury, death (including wrongful death), or property damages to the extent such Damages arise from Air Group's use or occupancy of the Premises or from any negligent acts or omissions of Air Group, or Air Group's Related Parties; provided, however, that this indemnity does not apply to such Damages caused by Signature's gross negligence or that of its officers, directors, employees, agents, servants, contractors, subcontractors, vendors, invitees. Such indemnification is subject to Paragraph 14 Disclaimer of Liability.

b. Signature's Indemnification - Signature agrees to indemnify, defend, and forever hold harmless Sub-User, and Sub-User's Related Parties from and against any and all claims, liabilities, losses, demands, fines, suits, penalties, actions, judgments or other expenses, including, but not limited to, reasonable attorneys' fees and costs (collectively, "Damages") incurred by Air Group as a result of personal injury, death (including wrongful death) or property damages to the extent such Damages arise on or about the Premises from Signature's gross negligence or willful misconduct or that of its officers, directors, employees, agents, contractors, subcontractors, vendors, and invitees; provided, however, that this indemnity does not apply to such Damages caused by Air Group's negligence or that of its officers, directors, employees, agents, servants, contractors, subcontractors, vendors, and invitees. Such indemnification is subject to Paragraph 14 Disclaimer of Liability.

c. Exclusion and Duration - These provisions expressly exclude all Environmental Damages which are specifically covered under paragraph 13. The provisions of paragraph 11 a & b shall survive the termination or expiration of this Agreement and shall not be construed to negate or abridge any other indemnity obligation, which would exist at common law or under this Agreement and are not limited by any provision of insurance.

12. Security. Air Group shall comply at its own expense with all applicable security requirements, including, but not limited to, those of Federal Aviation Regulations ("FAR"), and the TSA, the Airport Security Program, as amended from time to time. Air Group shall take all action necessary or as directed by Authority to ensure that Air Group's Related Parties comply with such requirements. If Signature or Authority incur any fines as a result of Air Group's or Air Group's Related Parties acts or omissions, Air Group agrees to pay all such fines and penalties in accordance with its indemnification obligation set forth above and to cure any security deficiency immediately. Signature and the Authority reserve the right to take whatever action necessary to cure any security deficiency if Air Group fails to remedy the security deficiency promptly and to be reimbursed any and all costs and expenses associated with such action.

13. Environmental Removal and Disposal.

a. Compliance with Environmental Regulation - Sub-User is solely responsible for the proper removal and disposal of all hazardous substances, hazardous wastes and petroleum products as defined and regulated under applicable local, state, or federal law (collectively, "Regulated Substances"), which currently exists on the Premises, which Air Group generates, or which are generated by Sub-User's Related Parties on or from the Premises. Such removal and disposal shall include, but not be limited to, proper documentation of such Regulated Substances under its assigned Environmental Protection Agency ("EPA") Identification Number in Air Group's name. Air Group agrees to provide Signature with the required EPA identification number, and copies of any and all documentation in Air Group's name. Air Group shall comply with Signature Tenant requirements attached as Exhibit "E", and any and all applicable local, state and federal law and any and all Airport requirements in such removal and disposal. Additionally, Air Group is solely responsible for any and all environmental contamination, which impacts the Premises or any portion of Signature's property under the Master Use Agreement as a result of Air Group's or Air Group's Related Parties in their storage or handling of any Regulated Substances on, in or at the Premises. Air Group shall remediate such contamination to the extent required by the Authority, or any government agency exercising jurisdiction over the contamination. Air Group warrants that all Regulated Substances related to its operations during the Term of this Agreement, including, but not limited to, such operations of Sub-User's Related Parties will be removed from the Premises at the end of the Term, and further warrants that any and all proper remediation or disposal of Regulated Substances has occurred, is properly documented, and no further action is required.

b. Environmental Audits - Air Group acknowledges that Signature may enter the Premises from time to time to conduct environmental audits. If such environmental audit reveals the presence of contaminants in excess of acceptable levels under applicable law as a result of Air Group's use of the Premises, Signature shall serve written notice to Air Group to correct the conditions within seven (7) days. Air Group shall act diligently to remove any and all such contaminants and to take all such prompt action necessary to satisfy Signature and any authorities having jurisdiction over the Premises such that proper remediation has

occurred as described above. If Air Group fails to act within the seven (7) day period; Signature may act to correct the conditions and shall be entitled to reimbursement for any and all costs directly or indirectly associated with such corrective action.

c. Post-Termination Environmental Assessment – Ninety (90) days prior to the termination of this Agreement, Air Group shall undertake or cause to be undertaken, at its sole cost and expense, a Phase I, or if necessary, a Phase II environmental audit (or then prevailing similar testing) as provided in Paragraph 17d. A copy of that audit shall be provided to Signature.

d. Indemnification by Air Group - Air Group shall indemnify, defend, and forever hold harmless Signature, the Authority and their respective officers, directors, employees, agents, servants, contractors, subcontractors and invitees from and against any and all environmental claims, liabilities, damages, fines, penalties, losses or impairments, including, but not limited to, any penalty or fine imposed by any governmental agency and the expense of cleaning up or disposing of any Regulated Substances, as well as any and all reasonable attorneys' fees (collectively, "Environmental Damages") resulting from the Air Group's use and occupancy or any negligent act or omission of Air Group or Air Group's Related Parties. Provided Air Group has obtained a baseline environmental assessment as provided under subparagraph 1d, Air Group shall not responsible for any retroactive Environmental Damages including, without limitation, any environmental conditions, which existed prior to Air Group's occupancy of the Premises.

e. Indemnification by Signature. Signature shall indemnify, defend and forever hold harmless Air Group, from and against any and all Environmental Damages arising from the gross negligence or willful misconduct of Signature or Signature's officers, directors, employees, agents, servants, contractors, subcontractors, or invitees prior to the occupancy of the Premises by Air Group.

The foregoing indemnities survive termination or expiration of this Agreement.

14. <u>DISCLAIMER OF LIABILITY.</u> NOTWITHSTANDING ANY INDEMNITY SET FORTH IN THIS AGREEMENT, THE PARTIES HEREBY AGREE THAT UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE, DIMINUTION OR LOSS OF VALUE, LOSS OF USE, LOSS OF ANTICIPATED PROFITS OR THE COST ASSOCIATED WITH SUBSTITUTE OR REPLACEMENT AIRCRAFT.

15. <u>Insurance</u>.

a. Air Group shall maintain the following insurance coverage for the Premises including, but not limited to, all improvements from financially solvent insurance carriers reasonably acceptable to Signature and the Authority in amounts set forth in Exhibit "D" attached hereto and incorporated herein:

Workers' Compensation Insurance - per statutory coverage as prescribed by the state of New Jersey;

Employer's Liability Insurance;

Commercial General Liability Insurance;

All-Risk Property Insurance - Coverage commensurate with the value of the Premises contents, including, but not limited to, all furnishings and equipment (excluding the Aircraft), as well as, all Premises improvements underwritten and constructed by Air Group against fire (fire legal liability) and any other loss or damage for the full replacement value of all Air Group property contained therein. Coverage shall, at a minimum, insure against any and all other perils included within the classification of "all risk" coverage under insurance industry practice, together with insurance against vandalism, malicious mischief, wind, smoke, riot, civil commotion, sprinkler leakage or other sprinkler damage;

Comprehensive Automobile Liability Insurance;

Pollution/Environmental Liability Insurance.

b. Air Group shall procure insurance from one or more insurance companies licensed to do business in the state of New Jersey and as approved by Signature. Each policy shall be primary and non-contributing with any insurance maintained by Signature and shall expressly waive subrogation against Signature. Each policy shall name Signature, its parent, subsidiary, related and affiliated companies and the Authority as additional insureds. Air Group shall furnish duly executed certificates of all required insurance and additional insured endorsements, together with satisfactory evidence of the premium payment as of the Effective Date of this Agreement. Each policy shall provide at least thirty (30) days advance written notice to Signature of any material changes, cancellation, non-renewal or changes adverse to the interests of Signature. Air Group shall provide certificates of insurance upon each renewal no less than thirty (30) days prior to coverage expiration.

Send to: **Signature Insurance Department, PO Box 9085, Mission Viejo, CA 92690-9085**

Signature's acceptance of such certificates is not to be construed as any waiver of Signature's rights to the insurance required under this Agreement. Further, if Signature fails for any reason to receive certificates or other evidence of insurance from Air Group, such failure shall not be deemed a waiver of required coverage. Signature retains the right to terminate this Agreement if Air Group fails to provide adequate and proper evidence of required insurance.

c. AIR GROUP ACKNOWLEDGES THAT ITS POTENTIAL LIABILITY IS NOT LIMITED TO THE AMOUNT OF ANY LIABILITY INSURANCE COVERAGE OR TO INSURANCE POLICY LIMITS REQUIRED IN THIS AGREEMENT.

d. Signature shall maintain at its own cost certain liability insurance, fire insurance with extended coverage and other insurance on its property as described in the Master Use Agreement with adequate coverage. Air Group shall not act or fail to act in any way that will a) invalidate or conflict with any insurance policies covering the Premises or any part thereof; or b) increase the rate of insurance on the Premises or any property located therein. If Signature's insurance premiums increase as a direct result of Air Group's conduct on the Premises, Air Group shall reimburse Signature such additional cost.

16. Compliance with Laws. Air Group shall comply, and Air Group's Related Parties shall comply, with all prevailing and applicable Authority, Federal, and state laws in which the premises resides and the reasonable rules and regulations of Signature.

17. Improvements ("Work")

a. Design of Facility Improvements:

A) Signature and Air Group agree to cooperate with each other in the design of the Hangars and associated structures described in Paragraph 1 of this Agreement ("Basic Hangar Improvements"). Air Group acknowledges that the Basic Hangar Improvements' design cannot be so customized to its own users that the Basic Hangar Improvements would not be useable by Signature for general office and hangar space in the event Air Group vacates the Basic Hangar Improvements.

B) Upon execution of this Agreement, Signature will retain an architectural firm to prepare a Schematic Design including drawings, and other documents illustrating the scale and relationships of the project components ("Concept Drawings"). During the preparation of the Concept Drawings, Air Group, the architectural firm, and Signature's Project Management firm will regularly meet to discuss and agree upon the primary design features of the Basic Hangar Improvements.

C) Commencing within a reasonable time after execution of this Agreement the architectural firm will deliver to Air Group and Signature Concept Drawings and an estimated, non-binding, preliminary cost estimate of the cost of the Basic Hangar Improvements based on current area, volume or other unit costs.

D) Air Group may add to or enhance ("Additional Hangar Improvements") the primary design features of the Basic Hangar Improvements by Change Order. All such Change Orders shall be at Air Group's sole cost and expense. Signature shall have the right to review and approve such additions or enhancements to the design features of the Basic Hangar Improvements.

E) After the Additional Hangar Improvements and Basic Hangar Improvements have been agreed upon, Signature will have an architectural firm complete Design Development and Construction Documents at the 50% and 100% stages of completion. Air Group shall review and approve the Drawings at the end of each design phase.

F) Air Group shall have fifteen (15) days from receipt of any documents, or design or construction drawings sent by Signature or its agents, to review, comment, and/or approve those documents and return them to Signature. Failure of Air Group to respond within the fifteen (15) days shall be deemed as consent by Air Group to those documents.

b. Construction:

Signature agrees to:

A) have the architectural firm bid the project to at least 3 general contractors;

B) have the selected general contractor prepare a Schedule of Values, including but not limited to "hard costs" and "soft costs" and obtain all permits;

C) require its contractors to construct the Hangar Facility to meet Authority's specifications within the parameters of the construction obligations outlined in Master Use Agreement; and

D) require its contractors to provide release of lien, and upon completion perform all punch list work as identified by the Air Group. All warranties, guarantees, manufacture's operational manuals provided to Signature, and project record documentation and other contract deliverables will be provided to Signature.

Signature shall require its contractors to utilize commercially diligent efforts to complete the construction of all Hangar Facilities. Construction is estimated to begin within ninety (90) days after issuance of all construction permits, and be completed within twelve (12) months, subject to force majeure.

c. Project Management Oversight:

Project management oversight shall be performed by Signature through its Project Management firm.

d. Environmental Assessments:

If Air Group seeks to conduct a pre-construction Phase 1 and Phase 2 environmental assessment of the Premises, it shall be at the sole cost of the Air Group. Any proposed environmental assessment shall be reviewed and approved by Signature in advance of any actual on site assessment. Such assessment shall be limited to the groundwater samples unrelated to the future use of the property as aircraft hangars. Signature shall have the right to supervise the assessment. Air Group agrees to provide Signature with copies of all assessments.

e. Billing and Payment:

Air Group shall pay all costs and expenses for improvements made in excess of the Basic Hangar Improvements ("Additional Hangar Improvements") as more particularly described in paragraph 17f. On a monthly basis, Signature will submit applications for payment to the Air Group reflecting all work completed as of that date for Additional Hangar Improvements, including without limitation, design, engineering, construction, etc. Air Group shall remit payment for such work direct to Signature within ten (10) days of receipt of an application for payment.

Prior to commencing any Work, Air Group shall provide Signature with an irrevocable letter of credit in the amount of the estimated costs of the Additional Hangar Improvements ("Letter of Credit") securing all obligations required of Air Group for the Additional Hangar Improvements under paragraph 17 of this Agreement. The Letter of Credit shall name Signature as the beneficiary and (subject to the renewal provisions herein required) shall expire no sooner than one year from the date of issuance. The Letter of Credit shall be issued by a

financial institution reasonably acceptable to Signature, and shall contain the following special provisions:

> This letter of credit shall not be presented for payment or paid unless accompanied by an affidavit signed by Signature, stating that (i) Air Group is in material default of paragraph 17 of that certain Sub Use Agreement between Signature and Air Group; (ii) Signature has delivered written notice to the Air Group describing the event or condition of default in reasonable detail; (iii) the applicable cure period has expired, and the Air Group has failed or refused to cure the default. In the alternative, Signature's affidavit may state that (i) the Sub Use Agreement is in full force and effect; (ii) the letter of credit will expire in less than ten (10) days; and (iii) Air Group has failed to renew or extend the letter of credit pursuant to the terms of paragraph 17e of the Sub Use Agreement.

At least thirty (30) days prior to the expiration of the Letter of Credit, Air Group shall replace the Letter of Credit with a letter of credit that satisfies all the conditions of paragraph 17e of this Sub Use Agreement. If Signature has not received the replacement Letter of Credit at least ten (10) days before the Letter of Credit expires, Signature may draw on the Letter of Credit. Air Group agrees to maintain the Letter of Credit in the full amount so long as any Work remains to be completed.

f. Costs of the Work:

Additional Hangar Improvements shall be constructed at the sole cost of Air Group, including without limitation engineering and architectural design work, permits, project management, construction costs, removal and disposal of any existing contaminated soil, and removal and disposal of contamination arising during the construction and other restoration costs related to the Additional Hangar Improvements.

g. Survey of Premises - Signature, at the sole cost and expense shall obtain within Sixty (60) days from the Effective Date a boundary survey of the Premises (the "Survey"). The Survey shall be certified to the Air Group, Signature, and the Authority. The Survey shall:

(A) Comply with all ALTA requirements.

(B) Be prepared in accordance with the minimum technical standards (including Surveyor's Certification) required in the jurisdiction.

(C) Set forth an accurate metes and bounds description of the Premises, the gross number of acres contained in the Premises.

(D) Locate all existing easements and rights of way, whether recorded or visible (setting forth the book and page number of the recorded instruments creating the easement).

(E) Show any encroachments onto the Premises from adjoining property and any encroachments onto the adjoining property.

(F) Show all existing improvements (such as buildings, power lines, fences, roads, driveways, railroads, underground utilities) and all rivers, creeks drainage ditches or other watercourses.

(G) Show all roads providing access to the Premises.

(H) Identify any flood zones as defined on Federal Flood Insurance rate Maps (F.I.R.M.) for the applicable jurisdiction of the Premises.

Upon completion of the Survey, it shall be attached to this Agreement as Exhibit B-1.

h. Signage - Air Group shall not place or permit to be placed on the Premises any signs or insignias without Signature's and the Airport's written consent, such consent not to be unreasonably withheld. Air Group may place appropriate interior and exterior signs to identify and direct other to its operations and locations.

i. As-Builts – Upon completion of the Work, As Built drawings certified by the architect to Signature and the Air Group shall be provided to Signature and the Air Group.

18. Brokers. The Parties acknowledge that no broker was in any way involved consummating this Agreement and that no conversations or prior negotiations were had with any broker. Signature agrees to defend, indemnify and hold Air Group and the Authority harmless against any claims for a brokerage commission(s) arising out of this Agreement any conversations or negotiations had by Signature with any broker. Air Group agrees to defend, indemnify and hold Signature and the Authority harmless against any claims by any broker for a brokerage commission(s) arising out of this Agreement and/or any conversations or negotiations had by Air Group with any broker.

19. Notice. Any notice or demand required under this Agreement may be by personal service, courier, United States mail, certified mail /postage prepaid, or facsimile transmittal. Notices served by mail are deemed properly delivered effective the third (3rd) business day and personal service, courier delivery, or facsimile transmittal are deemed served at the time and date of receipt confirmation provided that such notice is addressed to the Party as follows:

In the case of Signature: Signature Flight Support Corporation
Attention: Jackie Vibbert
c/o Teterboro Airport
401 Industrial Avenue
Teterboro, New Jersey 07608
Facsimile: 201 288-7409

and

Signature Flight Support Corporation
Attention: Contracts
201 South Orange Avenue, Suite 1100
Orlando, Florida 32801
Facsimile: (407) 648-7352

In the case of Air Group: The Air Group, Inc.
Attention: Mr. Jon R. Winthrop
Chairman and CEO
7426 Hayvenhurst Avenue
Van Nuys, CA 91406

20. Default and Remedies

a. **Default -** Without limitation, each of the following shall constitute a default under this Agreement ("Default"):

i. if Air Group fails to make any payment of Basic,, Supplemental Fees, or payments under 17e or 17f when due, or provide the Letter of Credit under 17e; or

ii. if Air Group shall fail to pay any other obligations (other than under Paragraph 20.a.i.) under this Agreement and such failure shall not have been remedied within ten (10) days following Signature's written demand; or

iii. if Air Group shall make a general assignment for the benefit of creditors or file a voluntary petition in bankruptcy or a petition or answer seeking its reor ganization or the readjustment of its indebtedness under the United States Bankruptcy Code (the "Code") or any other similar law or statute of the United States or of any State, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of the property of Air Group; or

iv. if by order or decree of a court of competent jurisdiction Air Group shall be adjudged bankrupt or an order shall be made approving a petition seeking its reorganization or the readjustment of its indebtedness under the Code or any law or statute of the United States or any State, territory or possession thereof; or

v. if by order or decree of any court of governmental authority having jurisdiction, a receiver, trustee or liquidator shall take possession or control of all or substantially all of Air Group's property for the benefit of creditors; or

vi. if Air Group ceases to actively use any of the Hangars (operate at least one (1) aircraft from each Hangar) for a period of thirty (30) consecutive days.

vii. if Air Group shall fail to perform any term of this Agreement.

b. **Default Notice and Remedies -** Signature shall serve written demand upon Air Group to cure the Default, except with regards to payment of any Basic Fees, Supplemental Fees or obligations under Paragraphs 17e and 17f, in which NO NOTICE shall be required. If Air Group fails to cure the Default (other than non payment of Basic Fees, Supplemental Fees, or obligations under Paragraph 17e or 17f) within thirty (30) days after receiving Signature's written demand to do so, or if such Default cannot by its nature be cured within thirty (30) days and Air Group fails to initiate steps immediately to cure the Default, then Air Group shall have failed to cure the Default and Signature may seek any and all appropriate remedies to recover its loss including, but not limited to, the following:

i. Signature may terminate this Agreement by giving Air Group written notice of termination and such termination shall be effective as of the date set forth in such notice. Air Group shall immediately vacate the Premises no later than forty-eight (48) hours after receiving Signature's written demand to surrender possession of the Premises;

ii. Signature may enter upon and take possession of the Premises and expel or remove Air Group and any other person who may be occupying the Premises in or on Air Group's behalf with or without terminating this Agreement;

iii. Signature may declare all Aggregate Rent and other sums due and unpaid and all future Aggregate Rent for the balance of the Term to be immediately due and payable;

iv. Signature may perform Air Group's obligations and Air Group shall reimburse Signature for any and all costs and expenses Signature incurs, including, but not limited to, reasonable attorney's fees plus a ten percent (10%) administrative fee;

v. Air Group hereby assigns to Signature any and all of its right, title, and interest in and to the Premises and all improvements provided, however, Signature will not be deemed to have assumed any of Air Group's liabilities with respect thereto;

vii. Signature may enter the Premises and proceed to sell all goods, chattels and personal property found to offset any portion of Aggregate Rent and outstanding additional payments. Such sale shall be conducted in a commercially reasonable manner. Air Group shall pay all costs and expenses incurred or chargeable to Signature as a result of such sale;

viii. Signature may, at Signature's sole option, alter or repair the Premises as necessary in order to relet the entire or any part or parts of it either in Signature's name or otherwise on terms at Signature's option which may be less than or greater than the balance of Air Group's Term. Such new agreement may be on terms and conditions in Signature's best interest entered into at Signature's sole discretion. Upon each such reletting all rents Signature receives shall be applied: first, to Air Group's indebtedness other than for Aggregate Fees; second, to Signature's costs to relet the Premises or any portion thereof, including, but not limited to, alterations, repairs, brokerage fees, attorneys' fees; third, to Aggregate Fees due and unpaid; and the residue, if any, shall be applied to pay future Aggregate Fees as it may become due and payable hereunder. If such payments received from such reletting during any month shall be less than those under this Agreement, Air Group shall pay any such deficiency to Signature monthly.

ix. With regard to failure to make any payment of Basic Fees or Supplemental Fees under this Agreement when due, Signature may terminate this Agreement immediately without notice.

No re-entry, alteration, repairs or reletting shall be construed as Signature's election to terminate this Agreement unless Signature has so indicated in the Default Notice. Air Group for Air Group and Air Group's successors and assigns hereby irrevocably constitutes and appoints Signature as its agent to collect the rents due and to become due under the Premises (or any parts thereof) without in any way affecting Air Group's obligation to pay any unpaid balance of Aggregate Rent due or to become due hereunder.

As to non payment of Basic Fees, Supplemental Fees or the obligations under Paragraphs 17e or 17f, Signature may immediately exercise any and all remedies under Paragraphs 20b i-viii.

c. Remedies Cumulative - Each party is entitled to all rights and remedies available to it at law or equity. Signature reserves its rights against Air Group as would be available to the Authority against Signature under the Master Use Agreement. Signature is further entitled to injunctive relief if Air Group breaches or threatens breach of this Agreement.

21. Independent Contractor. The relationship between the Parties shall be that of independent contractors for all purposes and in no event shall persons employed or retained by either Party, irrespective of the type of uniform worn, be held or construed to be employees or agents of the other. Air Group, therefore, is responsible to pay any and all local, state, and federal taxes associated with its employment of personnel. All persons' performance hereunder and the manner and details of performance thereof shall be under the exclusive control of the respective employing or subcontracting party, with such employing or subcontracting party possessing the sole right to direct such persons performance.

22. Force Majeure. Excepting the payment of Aggregate Rent and any other sums due hereunder by Air Group, neither Party shall be liable for its failure to perform under this Agreement or for any loss, injury, damage or delay of any nature whatsoever resulting therefrom caused by any act of God, act of terrorism, act of nature, fire, flood, wind storm, strike, labor dispute, riot, insurrection, war or any other cause beyond either Party's control, providing, however, should the force majeure continue for more than one hundred eighty (180) days, either party may terminate this Agreement upon ten (10) days written notice.

23. Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of New Jersey.

24. Waiver of Jury Trial and Attorney's Fees and Costs. The parties waive their right to trial by jury. The prevailing party in any litigation herein shall be entitled to recover reasonable attorney's fees and costs.

25. Non Assignment/Transfer by Air Group. The Air Group shall have no right to assign, enter into any sub sub-use agreement or otherwise transfer its interest in this Agreement without the express written consent of Signature and the Authority. which consent shall not be unreasonably withheld, conditioned or delayed. The foregoing shall not be construed requiring the consent of Signature or the Authority to the sale of any or all of the stock of The Air Group, and no such sale shall be deemed to be an assignment of this Agreement.

Signature Assignment/Transfer. Signature may sell, assign or transfer any of its interest in the Hangar Facility without the consent of Air Group, providing, however, Signature agrees to use commercially reasonable efforts to have any successor assume Signature's obligations under this Agreement, and further provided, that any Fuel Purchase arrangements under paragraph 28 shall terminate and be subject to a separately negotiated agreement between Signature and Air Group. Signature agrees to make a good faith effort to have any successor-in-interest to Signature to the Master Use Agreement assume this Agreement.

26. Incorporation of Sub Use Provisions in any sub sub-Use Agreements. Any sub sub-use agreements shall be subject to the terms and conditions of this Agreement and the Master Use Agreement. Air Group shall incorporate such terms and conditions of this Agreement and the Master Use Agreement into any sub sub-use Agreement. Such indemnities, waivers, insurance endorsements, and limitations of liability are deemed applicable and binding upon sub sub-User.

27. Concurrent Term of sub sub-use Agreements with Master Use Agreement. The term of any sub sub-use agreement entered into by Air Group shall at no time exceed the Term specified in this Agreement. In the event this Agreement is terminated for any reason prior to the expiration date of the Term or any subsequent extension or renewal thereto including, but not limited to, Air Group's uncured acts of default, then the termination of this Agreement shall also serve as the termination of any and all sub sub-use agreements entered into by Air Group, concurrent with the effective date of Agreement termination.

28. Fuel Purchases. Air Group (and any sub sub-users authorized to occupy the Hangar Facility, and any Air Group managed aircraft) agree to purchase a substantial quantity of aviation fuel from Signature in connection with the operation of the aircraft based at the Hangar Facility in exchange for use of Signature's amenities, as well as furnishing other basic services, including aircraft towing.

Air Group expects to purchase aviation fuel from Signature at the Airport in the approximately amount of one million five hundred thousand (1,500,000) gallons per year. In addition, Air Group expects to continue purchasing from Signature at its other locations, aviation fuel in the approximate amount presently purchased by Air Group. Based upon such estimated volume, Signature will grant to Air Group a discount from Signature's posted price solely at the Airport in the amount of $1.50 per gallon. Air Group's system-wide volume discount may be negotiated by the parties in good faith as Air Group's nationwide volumes increase.

The obligations set forth in this Paragraph 28 shall constitute an integral part of the basis of bargain and material consideration for Signature entering into this Agreement.

29. Aircraft Towing. Signature shall have the primary responsibility to tow Aircraft within the Sub User's Premises and to other points on the Signature's space at the Airport at Signature's then current towing rate. Such aircraft shall be limited to those of the Sub User, and Sub User's customers. Signature shall utilize and maintain sufficient and properly trained personnel and necessary towing equipment, including, but not limited to, chocks, tow bars and tugs, to perform all such required towing in a safe and efficient manner, consistent with the Aircraft manufacturers' and industry-accepted standards and guidelines. Signature shall position the Aircraft on the ramp as soon as possible after receiving Air Group's reasonable advance notice.

Air Group and any of its sub-users expressly agree not to undertake the towing/repositioning of the Aircraft, except in the event of an emergency. "Emergency" is defined as an unanticipated and sudden event in which the safety, security or integrity of an Aircraft or person is in imminent peril or jeopardy such as fire, explosion, or injury.

30. Amendment. No amendment, modification or alteration of the terms of this Agreement shall be binding unless it is in writing and executed by both Parties.

31. Time of Essence. Time is of the essence for the performance of each and every covenant and the satisfaction of each and every condition and obligation specified in this Agreement.

32. Entire Agreement. The Exhibits attached are fully incorporated into the terms and conditions of this Agreement. This Agreement constitutes the entire agreement and all prior correspondence, memoranda, negotiations, or understandings (written or oral) and are merged into and superseded by this Agreement, excepting the Parties' joint and several obligations under the Master Use Agreement. This Agreement shall be interpreted simply according to the plain meaning of its terms and not strictly for or against with Party regardless of which party drafted it.

33. Severability. If in arbitration or in court, any authority determines that one provision is illegal, unenforceable, or invalid in whole or in part for any reason, all valid and enforceable provisions remain unaffected.

34. Election of Remedies. The Parties' rights and remedies are cumulative and in addition to all other rights and remedies at law and equity. No action initiated by either Party shall be construed or interpreted as a sole election of remedies and will in no way diminish, restrict, prejudice or otherwise waive any other Signature right or remedy.

35. Authority Consent Required. Air Group acknowledges that, pursuant to the provisions of the Master Use Agreement, Signature is required to obtain Authority's written consent to this Agreement and the effectiveness of this Agreement is contingent upon that written consent. Upon execution of this Agreement, Signature will promptly seek Authority consent to this Agreement. Air Group agrees to fully and promptly cooperate in that effort.

36. Estoppel Certificates. Air Group shall, within fifteen (15) days after any written request from Signature, execute, acknowledge and deliver a statement (i) certifying that this Agreement is unmodified and in full force and effect or, if modified, stating the nature of such modification and certifying that this Agreement as so modified, is in full force and effect (or if this Agreement is claimed not to be in force and effect, specifying the ground therefore), and any dates to which any Aggregate Fees have been paid in advance, and the amount of any security deposit, (ii) acknowledging that no uncured defaults exist on Signature's part, to Air Group's knowledge, or, alternatively, specifying such defaults, if any are claimed, and (iii) certifying such other matters as Signature may reasonably request or as may be requested by Signature's current or prospective holders, insurance carriers, auditors, and prospective purchasers. Any such statement may be relied upon by any such parties. If Air Group shall fail to execute and return such statement within the time required herein, Air Group shall be deemed to have agreed with the matters set forth therein.

37. Memorandum of Agreement. Subject to Authority consent, if needed, either Party may request that the other join in executing a Memorandum of this Agreement, which may be recorded in the jurisdiction where the Premises are located.

38. Covenant of Quiet Enjoyment. Air Group shall peaceably and quietly hold and enjoy the Premises against Signature and all persons claiming by, through, or under Signature subject to this Agreement provided Air Group has fully performed all terms, covenants, agreements, and conditions of this Agreement.

EXECUTION PAGE FOLLOWS

IN WITNESS WHEREOF, the authorized representatives of Signature and Air Group have executed this Agreement effective as of the date and year first written above.

SIGNATURE FLIGHT SUPPORT CORPORATION

By: _____

Title: VP operation

Date: 6-24-05

THE AIR GROUP, INC.

By: _____

Title: Chm + CEO

Date: June 23, 2005

APPROVED AS TO FORM:

N.6 6/23/05

LEGAL DEPT.

CONSENT OF AIRPORT AUTHORITY

The Airport Authority of Teterboro, New Jersey, hereby consents to the terms and conditions of this Agreement.

ATTEST:

FOR AND ON BEHALF OF THE PORT AUTHORITY OF NEW YORK and NEW JERSEY

_____

_____

Title: _____

Date: _____

APPROVED AS TO FORM & LEGALITY:

_____
Legal Counsel

RECOMMENDED BY:

_____

THE STATE OF FLORIDA
COUNTY OF ORANGE

This instrument was acknowledged before me on _____ by _____, _____ _____of Signature Flight Support Corporation, a Delaware corporation, personally known to me, on behalf of said corporation.

NOTARY SEAL

_____
Notary Public, State of Florida

_____
Printed or Typed Name of Notary
My commission expires: _____

THE STATE OF CALIFORNIA
COUNTY OF _____

This instrument was acknowledged before me on _____ _____ By _____, _____, of The Air Group, Inc., a California corporation, personally known to me, on behalf of said corporation.

NOTARY SEAL

_____
Notary Public, State of _____

_____
Printed or Typed Name of Notary
My commission expires: _____

EXHIBIT "A"

MASTER USE AGREEMENT

ORIGINAL

USE AND OCCUPANCY AGREEMENT

TA-303

JOHNSON CONTROLS WORLD SERVICES INC.

AND

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

TETERBORO AIRPORT

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Exhibit A-1, A-2 and A-3

Exhibit B

Exhibit C

Teterboro Airport Agreement TA-303

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, dated this first day of October, 2000 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls" or the "Airport Operator"), a Florida corporation, and SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC. (hereinafter called the "User"), a New Jersey corporation.

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called the "Port Authority") is the owner of Teterboro Airport (the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967, as has been or may hereafter be extended or amended, hereinafter called the "Basic Agreement"; and

WHEREAS, pursuant to and in accordance with the terms of the Basic Agreement, the Airport Operator and the User and its predecessors in interest, have entered into the following Use and Occupancy Agreements, with the consent of the Port Authority, for the use of certain Space at Teterboro Airport:

TA-059 dated April 11, 1974:	Hangar 15;
TA-140 dated November 26, 1979:	Hangar 16;
TA-264 dated August 1, 1995:	Hangar 17 and Part of Building 70; and

WHEREAS, the Port Authority, the Airport Operator and the User entered into Consent Agreements of various dates (hereinafter called the "Use and Occupancy Consent Agreements") consenting to each of the above listed Use and Occupancy Agreements, wherein the Port Authority gave its consent to the Use and Occupancy Agreements; and

WHEREAS, the Airport Operator and the User, with the consent of the Port Authority, have entered into an Extension of Agreement for each of the above Use and Occupancy agreements, which, with certain changes, extends the term of each

of the Use and Occupancy Agreements to a date no later than December 30, 2000; and

WHEREAS, the Airport Operator and the User desire to replace the above referenced Use and Occupancy Agreements with a new, consolidated Use and Occupancy Agreement TA-303 (the "Agreement") as hereinafter described; and

WHEREAS, the User desires to construct and Johnson Controls desires to permit the User to construct hangar facilities and additional aircraft parking ramp facilities on the Space provided for in the Agreement, and in consideration of said construction extend the term of the Agreement,

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of August 1, 2000 (the "Effective Date" of this Agreement, unless otherwise stated, as follows:

1. Term

1.1 The Term of this Agreement shall commence on the First day of October, 2000 (hereinafter called the "Effective Date"), and unless sooner terminated in accordance with the terms of this Agreement or as provided for in the Use and Occupancy Consent Agreement, shall terminate on the day before the Twenty (20) year Anniversary of the Completion Date, as defined in subsection 5.9.15 of this Agreement, of the construction described in Section 5.1, Section 5.2 and Section 5.3 of this Agreement, but in no event shall the term extend beyond December 30, 2025. In the event that the construction of all four hangars as described in section 5 of this Agreement, have not been completed by December 30, 2005 or the Adjusted Construction Completion Date ("ACCD") whichever is the latter, the term shall expire on December 30, 2005, or the ACCD, whichever is the latter. The "Adjusted Construction Completion Date" ("ACCD") is defined as a date five years from the Consent to this U & O Agreement, plus allowable delay days. Allowable delay days, if any, will result from (a) the number of days beyond March 1, 2001 before the site of Building 70 is available for demolition work to begin; (b) delays beyond 90 days before an alteration application or a hangar construction application for Phase 1 construction work as identified in Section 5.1 of this Agreement receives Port Authority approval after it is submitted in good form for each hangars specified in Section 5.1, if such delayed approval delays the construction schedule; (c) delays beyond 180 days before an alteration application or a hangar construction application for Phase 2 or Phase 3 construction work as identified in Section 5.2 and 5.3 of this Agreement receives Port Authority approval after it is submitted in good form for each hangars specified in Section 52 and 5.3, if such delayed approval delays the construction schedule; and (c) days delay attributable to force majeure, as approved by the Port Authority.

1.2 The parties acknowledge that the Use and Occupancy Consent Agreement granting the Port Authority's consent to this Agreement and the matters herein set forth shall provide for the termination of this Agreement upon the termination of the Basic Agreement, but with the terms, rights and obligations of this agreement being assumed by the Port Authority itself or an airport operator designated by the Port Authority.

2. Termination of Prior Agreements

2.1 Letters of termination shall be issued on each of the above listed Use and Occupancy Agreements, with the effective date of termination to be coincidental with the Effective Date of the Agreement. All provisions of such agreements, and exhibits attached thereto shall be of no further force or effect subsequent to the Effective Date of the Agreement.

3. Space

3.1 On and after the Effective Date of the Agreement, the Space under the Agreement shall be the area shown as Area 1 on Exhibit A-1, Areas 1 and 2 on Exhibit A-2, and the area set forth in hatching on Exhibit A-3, attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the remainder of the term of this Agreement (hereinafter collectively referred to as the "Space")

3.2 Upon notification to the User by the Airport Operator or the Port Authority that Area 2 on Exhibit A-1 is available for development as the result of the relocation of Taxiway "P" or otherwise, this area shall become a part of the Space. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space. The Space shall become fee-bearing upon notification to the User of its availability.

3.3 Upon notification to the User by the Airport Operator or the Port Authority that Area 4 on Exhibit A-2 is available for development as the result of the relocation of Taxiway "Q" or otherwise, this area shall become a part of the Space. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space. The Space shall become fee-bearing upon notification to the User of its availability.

3.4 The parties hereby acknowledge that the area on the Airport known as Building 70, in which the User occupies Space, is currently also being

occupied by the Federal Aviation Administration ("FAA"). Upon notice to the User by the Airport Operator or the Port Authority that the FAA has established a firm date for vacating the space in Building 70 that they occupy and of the firm date that the building will be available for demolition, the User shall, within six (6) months of said notice, in accordance with Section 5 of the Agreement, submit plans and specifications for the demolition of Building 70 and the construction of the facilities described as Phase 2 construction in Section 5.2 of the Agreement. Upon approval of the User's demolition plan by the Port Authority, the area set forth as Area 3 on Exhibit A-2, shall be added to and become part of the Space as herein defined and shall become fee-bearing at that time.

3.4.1 The Port Authority shall reimburse the User for the cost of the demolition of Building 70 subject to (a) the delivery to the Port Authority a certificate which shall be signed by a responsible fiscal officer of the User, sworn to before a notary public, which shall certify the amounts of actual payments made by the User to its contractors for the work actually performed and labor and materials actually furnished for the demolition work and (b) a maximum reimbursement of Five Hundred Thousand Dollars ($500,000.00).

3.5 When Area 5 of Exhibit A-2 becomes available as a result of the relocation of the temporary Airport Maintenance Facility. Upon notification by the Airport Operator or the Port Authority, this shall become a part of the Space of this Agreement, and shall be fee-bearing upon notification.

4. <u>Use and Occupancy</u>

4.1 The User shall use and occupy the Space as set forth in Section 3 of this Agreement for the following purposes only and for no other purpose whatsoever:

4.1.1 For the storage, maintenance, servicing and repair of aircraft, aircraft assemblies, aircraft accessories and aircraft radio and electronic equipment and any component parts thereof;

4.1.2 For the sale of aircraft assemblies, accessories, aircraft radio and electronic equipment and any component parts thereof;

4.1.3 For the leasing and chartering of general aviation aircraft;

4.1.4 For the parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User; it being understood that the parking of vehicles on areas of the Space shall be subject to the prior and continuing approval of the

Airport Operator;

4.1.5 For the parking of aircraft;

4.1.6 For business and operations offices and terminals in connection with the purposes authorized hereunder;

4.1.7 For the sale of aviation fuel and aviation lubricants and for delivery of such fuel and lubricants to and into aircraft, all in accordance with provisions of other agreements entered into or to be entered into between the Airport Operator and the User specifically regulating such sales and deliveries and providing for the payment of fees therefor.

4.2 Notwithstanding the right granted to User to conduct pilot training hereunder, the Airport Operator hereby reserves the right to restrict or terminate touch and go flight operations and to restrict the time primary flight training operations may be conducted at the Airport when, in its sole judgment, such action is deemed necessary for Airport safety.

4.3 All flight operations conducted at the Airport by the User shall be subject to the Schedule of Charges pertaining thereto in addition to all other fees payable by the User hereunder.

4.4 The uses granted the User in subsection 4.1 above shall not include the right to sell aircraft and utilize the Space for activities associated with the sale of aircraft.

4.5 The User shall have the right to automobile parking spaces contiguous to Building 70 which is a part of the Space, to accommodate its employees, guests and business visitors.

5. <u>Construction by the User</u>

5.1 The User hereby agrees to enter into a Phase 1 Construction project in accordance with the following parameters:

5.1.1 Facilities

5.1.1.1 A new hangar consisting of a minimum of 36,400 sq. ft of hangar area on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.1.1.2 Attached Office/shop space of a minimum of 10,000 sq. ft.

5.1.1.3 Additional Ramp Space of 194,328 sq. ft. on the Space identified as Area 2 of Exhibit A-1 of this Agreement

5.1.2 Schedule

5.1.2.1 Phase 1 construction plans and specification as specified in Section 5.5 of this agreement due not later than six month following the Consent to this Use and Occupancy Agreement by the Port Authority.

5.1.2.2 Construction of Phase 1 buildings to be completed within twelve(12) months of the approval by the Port Authority of the construction plans and specifications for Phase 1 construction.

5.1.2.3 Construction of the Phase 1 ramp space (Item 5.1.1.3) to be completed no later than nine (9) months following the receipt of Port Authority approval of the alteration application for the construction of the ramp of Area 2 as shown on Exhibit A-1 , but not later than the completion date of the Phase 1 buildings as identified in 5.1.2.2.

5.1.3 Penalty provisions

5.1.3.1A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.1.2.1, 5.1.2.2, and 5.1.2.3 are delayed beyond their scheduled dates.

5.1.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.1.4 Minimum financial commitments

5.1.4.1 The Users commits to a financial investment for Phase 1 work at a minimum level of

Exemption (2.a.)

5.2 The User hereby agrees to enter into a Phase 2 construction project in accordance with the following parameters:

5.2.1 Facilities

5.2.1.1 Demolition of Hangars 16 and 17 as identified on areas 1 and 2 of Exhibit A-2 of this Agreement

5.2.1.2 Demolition of Building 70 as identified on area 3 of Exhibit A-2 of this Agreement

5.2.1.3 A new hangar consisting of a minimum of 30,000 sq. ft of hangar area, with attached office/shop space of 9,200 sq. ft, to be built on the spaces identified as Areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.4 A passenger terminal of a minimum of 9,200 square feet to be built on the spaces identified as Areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.5 A new hangar consisting of a minimum of 21,000 sq. ft. with adjoining office/shop space of not less than 12,000 sq. ft. to be built on the space identified as areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.6 Additional Ramp Space to the extent practicable on areas 3 and 4 of Exhibit A-2 of this Agreement

5.2.1.7 Additional Ramp Space to the extent practicable on area 5 of Exhibit A-2 of this Agreement

5.2.2 Schedule of completion dates:

5.2.2.1 Phase 2 construction plans and specification as specified in Section 5.5 of this Agreement due not later than six (6) months following the approval of the Port Authority of the Phase 1 construction plans.

5.2.2.2 Construction of Phase 2 buildings to be completed within twenty-four (24) months of the approval by the Port Authority of the construction plans and specifications for Phase 2 construction.

5.2.2.3 Construction of the Phase 2 ramp space (Item 5.2.1.6) to be completed no later than nine (9) months Port Authority of an alteration application for the ramp construction, but no later than the completion date of the Phase 2 building as per 5.2.2.2 above.

5.2.2.4 An alteration application for the construction of the additional Phase 2 ramp space (Item 5.2.1.7) to be submitted no later than three (3) months following the date upon which the User is notified by the Port Authority that the Space on which the ramp is to be constructed (Areas 5 as shown on Exhibit A-2 of this Agreement) is available for use by the User. The ramp construction is to

be completed within nine month of the date of the approval of the alteration application for the ramp construction work.

5.2.3 Penalty provisions

5.2.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.2.2.1, 5.2.2.2, 5.2.2.3 and 5.2.2.4 are delayed beyond their scheduled dates.

5.2.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.2.4 Minimum financial commitments

5.2.4.1 The Users commits to a financial investment for Phase 2 work at a minimum level of Exemption (2.a.)

5.3 The User hereby agrees to enter into a Phase 3 Construction project in accordance with the following parameters:

5.3.1 Facilities

5.3.1.1 Demolition of Hangar 15 located on the Space identified as Area 1 of Exhibit A-1 of this Agreement

5.3.1.2 A new hangar consisting of a minimum of 30,000 sq. ft of hangar area to be built on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.3.1.3 Attached office/shop space of a minimum of 8,400 sq. ft. to be built on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.3.2 Schedule of completion dates

5.3.2.1 Phase 3 construction plans and specifications as specified in Section 5.5 of this agreement due not later than eighteen (18) months following the approval by the Port Authority of the construction plans and specifications for the Phase 2 construction.

5.3.2.2 Construction of Phase 3 buildings to be completed within twelve (12) months of the approval by the Port Authority of the construction plans and specifications for Phase 3 construction work.

5.3.3 Penalty provisions

5.3.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.3.2.1, and/or 5.3.2.2, are delayed beyond their scheduled dates.

5.3.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.3.4 Minimum financial commitments

5.3.4.1 The User commits to a financial investment for Phase 3 work at a minimum level of

Exemption (2.a.)

5.4 Prior to the commencement of construction of the facility set forth in subsections 5.1, 5.2 and 5.3 above, or any part thereof, User shall submit to the Airport Operator a construction application and complete plans and specifications of such proposed construction.

5.5 The plans and specifications shall be submitted by the Airport Operator to the Port Authority for approval and the Airport Operator or the Port Authority may refuse to grant approval if, in their opinion, the proposed facilities as laid out and indicated by the User on such plans, or if constructed according to such plans and specifications, the facilities:

5.5.1 will be structurally unsound or unsafe or hazardous for human occupation or improper for the use and occupancy for which it is designed;

5.5.2 will not comply with all the requirements of this Agreement;

5.5.3 will not comply with the Airport Operator or the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

5.5.4 will not comply with the standards set by the Airport Operator or the Port Authority with respect to utility or rentability;

5.5.5 will be so located that there will not be sufficient clearance in respect to existing or planned projecting aprons, runways, or taxiways adjacent thereto;

5.5.6 is designed for use for purposes other than those for which User is permitted to use the Space under this Agreement;

5.5.7 will be in violation of any local code, OSHA-70, or any other law, ordnance or regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation;

5.5.8 will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

5.5.9 will not provide adequate circulation arteries for vehicular and pedestrian traffic and fire-fighting equipment;

5.5.10 will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

5.6 Upon approval of such plans and specifications by the Airport Operator and the Port Authority, the User shall proceed expeditiously and with all reasonable diligence to construct, at its own expense and cost, the facilities in accordance with such approved plans and specifications.

5.7 The User or User's construction contractor shall furnish The Airport Operator performance and payment bonds in a sum equal to the estimated cost of each phase of the construction, in a form and with sureties satisfactory to the Airport Operator, for the faithful performance by User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of tradespersons, workers and subcontractors. User shall deliver such bonds to the Airport Operator prior to commencement of construction or within thirty (30) days after the award by User of construction contract or contracts, whichever occurs first. The bonds shall remain in effect until the completion of the respective phase of the construction.

5.8 Upon completion of any work to be performed by User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

5.9 All construction work shall be done in accordance with the following terms and conditions:

5.9.1 The User hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of

loss or damage to all property of the Airport Operator and of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the construction work and the property of the Airport Operator or of the Port Authority without cost or expense to the Airport Operator. The User shall itself and shall also require its contractors to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Airport Operator and its subsidiaries and affiliates) arising or alleged to arise out of the performance of the construction work and for all expenses, (whether or not such claims, demands, causes of action, liabilities etc., are made or asserted before or after termination or expiration of this Agreement) incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, (to include reasonable attorney's and other professional fees) direct or consequential, whether they arise out of or from the acts or omissions of the User, of any contractors of the User, of the Airport Operator or of third persons, or from acts of God or of the public enemy, or otherwise (including claims of the Port Authority) against the Airport Operator pursuant to the Basic Agreement whereby the Airport Operator has agreed to indemnify the Port Authority against claims) excepting only claims and demands which result from negligent acts done by the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees subsequent to the commencement of the construction work.

5.9.2 Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to The Airport Operator for its approval. The Airport Operator shall have the right to disapprove any architect who may be reasonably unacceptable to it, and to advise User in writing of The Airport Operator's reason for such disapproval. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by tyhe Airport Operator and the Port Authority prior to the commencement of the construction work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The User shall redo, replace or reconstruct at its own

cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of the Airport Operator made in accordance with this Agreement, so long as the Airport Operator has advised User that the work was not done in accordance with the plans and specifications.

5.9.3 Prior to entering into a contract for any part of the construction work, the User shall submit to the Airport Operator for its approval the names of the contractors to whom the User proposes to award said contracts. The Airport Operator shall have the right to disapprove any contractor who may be unacceptable to it for reasonable cause and to advise User in writing of the Airport Operator's reasons for such disapproval. The User shall include in all such contracts such provisions and conditions as may be required by the Airport Operator, including without limitation thereto, the provision set forth in Exhibit C attached hereto and hereby made a part hereof.

5.9.4 The User shall furnish or require its architect to furnish a resident engineer during the construction period as the Airport Operator may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by the Airport Operator from time to time.

5.9.5. The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same having been approved by the Airport Operator and the Port Authority and notwithstanding the incorporation therein of the Airport Operator or Port Authority recommendations or requirements. Notwithstanding the requirements for approval by the Airport Operator of the contracts to be entered into by the User on the incorporation therein of the Airport Operator requirements or recommendations, and notwithstanding any rights the Airport Operator may have reserved to itself hereunder, the Airport Operator shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges the Port Authority and the Airport Operator, its subsidiaries and affiliates, their commissioners, directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any construction work pursuant to the contracts between the User and its contractors (to include reasonable attorney's and other professional fees).

Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of the Airport Operator and the Port Authority as well as the User.

5.9.6 The Airport Operator shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work, but the taking of samples and testing shall be conducted so as to minimize interference with the construction work, if such minimization of impact can be accomplished without diminishing the effectiveness or accuracy of the samples and or tests.

5.9.7 The User agrees that it shall deliver to the Airport Operator "as built" drawings (capable of being reproduced) of the construction work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications to be made without the Airport Operator's consent.)

5.9.8 The User shall, if requested by the Airport Operator, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the construction work, including but not limited to the fencing of the Space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as the Airport Operator may direct.

5.9.9 The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, tradespersons and workers, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, tradespersons, workman and/or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep the Airport Operator fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful

performance of and also for the payment of all lawful claims of subcontractors, tradespersons and workers arising out of the performance of said construction contract.

5.9.10 The User shall procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the User herein which shall be in addition to all policies of insurance otherwise required under this Agreement or the User may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name the Airport Operator and the Port Authority as additional insured and be in not less than the following amounts:

(i) Bodily Injury Liability:

For injury to or wrongful death to one person..... $3,000,000

For injury or wrongful death to more than
one person for any one occurrence $5,000,000

Aggregate Products Completed Operations $5,000,000

(ii)Property Damage Liability:

For all damage arising out of injury to or
destruction of property in any one occurrence $5,000,000

Aggregate Products Completed Operations $5,000,000

Aggregate Operations $5,000,000

Aggregate Productive $5,000,000

Aggregate Contractual $5,000,000

The insurance required hereunder shall be maintained in effect during the performance of the construction work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to

the Airport Operator at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Airport Operator and the Port Authority. The aforesaid insurance shall be written by a company or companies licensed to conduct business in the State of New Jersey and, approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall become unsatisfactory to the Airport Operator or the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator or the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator and the Port Authority agreeing not to act unreasonably hereunder.

5.9.11 The User shall, prior to the commencement of the construction work, and at all times during the construction work, submit or cause to be submitted to the Airport Operator all engineering studies with respect to the construction work and samples of construction materials as may be reasonably required at any time and from time to time by the Airport Operator.

5.9.12 The User shall procure and maintain or cause to be procured and maintained builder's risk completed value insurance covering the construction work during the performance thereof including material delivered to the construction site but not attached to the realty in an amount and form satisfactory to the Airport Operator. Such insurance shall name the Airport Operator, the Port Authority, the User and its contractors and subcontractors as additional insured and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to the Airport Operator and the Port Authority. The policies or certificates representing this insurance shall be delivered by the User to the Airport Operator prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority and the Airport Operator fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification

of the insurance evidenced by said policy or certificate. The insurance shall be written by companies licensed to conduct business in the State of New Jersey, and approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably and if the Airport Operator disapproves of any insurance company, it shall advise User in writing of the reasons for such disapproval. If at any time any of the insurance policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator agreeing not to act unreasonably hereunder.

5.9.13 Nothing contained herein shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor, or any other person engaged by the User, of any of its contractors in the performance of any part of the construction work, any right of action or claim against the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees or the Port Authority, its commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work.

5.9.14 Nothing contained herein shall create or be deemed to create any relationship between the Airport Operator and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work and neither the Airport Operator nor the Port Authority shall be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

5.9.15 When the construction work is substantially completed and is ready for use by the User, the User shall advise the Airport Operator to such effect and shall deliver to the Airport Operator a certificate executed by an authorized officer of the User certifying that such construction work has been constructed in all material respects in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders, provided that the User shall correct, modify, or redo any item that the Port Authority requires to be corrected, modified or redone. Thereafter, such construction work will be inspected by the Airport Operator and if the same has been completed as specified by the User, a certificate to such effect shall be

delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User, excepting any liability due to the negligence of the Airport Operator. The User shall not use or permit the use of the construction work for the purposes set forth in this Agreement until such certificate is received from the Airport Operator. The date of delivery of the certificate by the Airport Operator shall constitute the completion date for the purposes of this Agreement.

5.9.16 The construction work shall be conducted in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from or arising out of or resulting from the operations of the User under this section. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the construction work hereunder such necessary or appropriate systems to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User and shall be part of the construction work hereunder.

5.9.16.1 Notwithstanding the provisions of the foregoing paragraph and in addition thereto, the Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of subsection 5.9.16.

5.10 The User hereby acknowledges that the Airport Operator has constructed security fencing to secure and prevent inadvertent entry onto the aeronautical areas of the Airport. The User hereby agrees, during all phases of construction work and at all time during the term of this Agreement, to design and construct, at its sole cost and expense, such further fencing as may be necessary to maintain said security fencing.

5.11 All locations, the manner, type and method of construction and the size of any of the provisions of subsections 5.9.16 and 5.10 shall be determined by the Airport Operator. The User shall submit for the Airport Operator's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently

to construct the same. It is expressly agreed that the design and appearance of the construction required by subsections 5.9.16 and 5.10 shall be consistent with the overall design and construction of User's facilities. All other provisions of this Section with respect to the construction work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this paragraph and upon completion of each portion of such work it shall be and become a part of the construction work.

6. Other Construction by the User

6.1 Except as otherwise expressly provided herein, the User shall not erect any structures, make any improvements or do any construction work on the Space, or install any fixtures (other than fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of the Airport Operator through the medium of a construction or alteration application (which application will be approved by the Airport Operator as soon as practicable) and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice to do so, the User will remove the same or at the option of the Airport Operator, cause the same to be changed to the satisfaction of the Airport Operator. In case of any failure on the part of the User to comply with such notice, the Airport Operator may effect the removal or change and User shall pay the cost thereof to the Airport Operator.

7. Fees to the Airport Operator

7.1 The Space as defined in this agreement consists of four building components and a minimum of three (3) land components as identified on Exhibit B. Also identified in Exhibit B 4 additional land use areas which will become a part of the Space upon the occurrence of specific events as identified in notes 1 through 4 of Exhibit B.

7.1.1 Column 2 of Exhibit B provides a general descriptor for each rental component.

7.1.2 Column 3 of Exhibit B provides the total square feet in the land area of the land rental component or the total square feet contained within the building.

7.1.3 Column 4 of Exhibit B is the rental rate per square foot per year of each rental component, with 1999 as the base year.

7.1.4 Column 5 of Exhibit B is the rental rate per square foot per year after applying the escalation factor for the period of time between the base year (1999) and the year 2000. This escalation factor

as derived from the procedure identified in Section 7.3 is 1.02232.

7.1.5 Column 6 of Exhibit B is the annual rental for each rental component for the year 2000, derived by multiplying the rental rate of Column 5 by the square feet of column 3.

7.1.6 Column 7 of Exhibit B is the monthly rent for each rental component for the year 2000, derived by dividing column 6 by twelve.

7.1.7 Column 8 of Exhibit B provides a guide to the footnotes applicable to the various rental components, relative to when abatement in rental amounts are due, and when additional land area rental components become effective.

7.2 The Airport Operator and/or the Port Authority reserve(s) the right to establish new land and building "Basic Rental Rates" for each rental component effective January 1, 2010 and January 1, 2020. New land and building "Basic Rental Rates", if any, will be determined considering real estate appraisals conducted in the year prior to the effective dates of such new "Basic Rental Rates". If such new "Basic Rental Rates" are not established for one or both of these time periods, the "Basic Rental Rates" for the immediately prior period will continue to apply. If such appraisals are performed, the first newly established rates shall hereinafter be referred to as "Basic Rental Rates One", and the second such newly established rates shall be known as "Basic Rental Rates Two".

7.3 All rental rates are determined on an annual calendar year basis, using the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all items, Selected Larger Cities, for the New York – Northeastern New Jersey area as the data source (hereinafter referred to as the "CPI Index"). The "Standard Inflation Adjustment Factor (hereinafter referred to as "SIAF") is defined as the quotient resulting from dividing the CPI for the month of December for the year immediately prior to the year for which the rates are being determined by the CPI for the second year prior to the year for which the rates are being determined. However, if the quotient which results from the computation as described above is less than 1.00, the SIAF for the particular year will be 1.00. Furthermore, if the quotient which results from the computation as described above is greater than 1.06, the SIAF for the particular year will be 1.06. Thus the rates for any year will not be less than those of the immediately prior year, nor exceed the prior year by more than 6%.

7.4 All building and land rental fee amount shall be subject to annual inflation adjustment on a calendar year basis, in accordance with Section 7.3.

7.5 The monthly building and land rental amounts from the effective date until December 31, 2000 are the sum of the rental component monthly fees for the year 2000 for those rental components which are a part of the Space in accordance with Section 3 of this agreement.

7.6 The monthly rental fees for calendar years subsequent to the year 2000 until a new Basic Rental Rates One or Basic Rental Rates Two are established in accordance with Section 7.2 above shall be determined by:

7.6.1 Determine the year rates for the applicable year by multiplying the rates for the immediately prior year by the SIAF as determined in Section 7.3 above.

7.6.2 For each rental component, multiply the rental component square feet as found in column 3 of Exhibit B by the applicable rental rates for each component as determined in subsection 7.6.1 above and dividing the results by twelve.

7.6.3 Determine the monthly annual fee payable by summing all of the applicable rental component fees as determined in subsection 7.6.2,for those rental components which are a part of the Space in accordance with Section 3 of this Agreement.

7.7 In the event that an appraisal is performed in accordance with subsection 7.2 above, from and after January 1, 2010 the rates applicable for determining the fee shall be the greater of (i) the Basic Rental Rate One or (ii) the December 2009 rates multiplied by a quotient derived by dividing the CPI for the month of December 2009 by the CPI for the month of December 2008. In the event that the rates calculated in accordance with (ii) is 15% or higher than the rates determined in accordance with (i) above, then the monthly building and land rental fees payable effective January 1, 2010 would be the greater of (a) the rates effective for January 2000 adjusted annually by ½ of the change in the CPI or (b) the rate determined per (i) above.

7.8 If new Basic Rental Rates have been established in accordance with subsection 7.2 above, effective January 1, 2011 and annually thereafter the rates for determining the building and land rental fee the User shall pay to the Airport Operator shall be determined by taking the rates for the immediately prior year and multiplying them by the SIAF for the appropriate year.

7.9 As each of the buildings identified on Exhibit B as rental components A, B, C, and D are subject to demolition in accordance with the Phase 1, Phase 2 and Phase 3 construction plans, a 100% abatement of the building rental rate will be in effect starting upon the date that the demolition begins for each separate entity and extending to the twentieth (20th) anniversary date of the completion of the construction of the new facility.

7.10 The User shall, from and after the twentieth (20th) anniversary date of the completion date of each of the building being constructed in accordance with the Phase 1, Phase 2 and Phase 3 construction plans, until the expiration of the term of the Agreement, pay to the Airport Operator a monthly building rental fee, subject to annual CPI adjustments. The fee payable at that time will be determined by the Port Authority based on (a) appraised values determined by appraisals conducted in 2009 or 2019, if such appraisals are conducted, or (b) prevailing rates for facilities of similar age and functionality located on Teterboro Airport. Such rates will be subject to annual escalations in accordance with the procedure established in this Agreement.

7.11 If the effective date of an abatement or of a completion occurs on other than the first day of a calendar month, the appropriate fees or abatements will be prorated on the basis of the number of days from the effective date to the end of such month.

7.12 In addition to all other fees set forth in this Section, the User shall pay to the Airport Operator a gross receipts fee of Exemption (2.a.) of the gross receipts (as hereinafter defined) of the User arising during each annual period in excess of Exemption (2.a.) (hereinafter called the "annual exemption amount").

7.12.1 The term "Gross Receipts" as used herein shall mean all monies derived by the User at the Space as such is defined hereunder, provided, however, there shall be excluded from Gross Receipts for the purpose of such fee:

7.12.1.1 any taxes imposed by law which are separately stated by and paid by customer of User and directly remitted by the User to the taxing or tax collection authority, and

7.12.1.2 all monies paid or payable to the User for the sale of aviation fuel or lubricants.

7.12.2 During any annual period of the term of the agreement if the fees pursuant to this section are escalated the exemption amount stipulated in subsection 7.12 hereof shall be increased by an amount equal to twenty times the amount by which the basic fee

or other such fee was escalated. If the escalation of such fee shall become effective other than at the end of an annual period under the Agreement, the increase in the annual exemption amount shall be increased pro rata.

8. Time of Payment and Computation of Amounts

8.1 User shall pay to the Airport Operator the monthly payments of the fee specified in the Section entitled "Fees to the Airport Operator" hereof in advance on the first (1st) day of each and every month, without tender of an invoice by the Airport Operator, until the termination of this Agreement, provided however, if this Agreement is terminated other than the last day of the month the last payment shall be the then effective monthly fee prorated in the same proportion as the number of days the Agreement was effective in the last month bears to the actual number of days in said month.

8.2 For each annual period the User shall pay the gross receipts percentage fee as follows: on the twentieth (20th) day of the first (1st) month following the Effective Date and on the twentieth (20th) day of each and every month thereafter including the month following the end of the annual period, the User shall render to the Airport Operator a statement certified by User's principal financial officer showing its gross receipts for the preceding calendar month and its cumulative gross receipts from the date of commencement of the annual period for which the report is made, through the last day of the preceding calendar month; whenever any such statement shall show that the cumulative gross receipts for the annual period are in excess of the annual exemption amount, the User shall pay to the Airport Operator at the time of rendering the statement an amount equal to five percent (5%) of such excess and shall on the twentieth (20th) day of each month thereafter during the annual period and the month next succeeding that annual period, pay to the Airport Operator an amount equal to five percent (5%) of the gross receipts of each subsequent month during the annual period. At any time that the annual exemption amount is decreased by abatement so that there is an excess of gross receipts as to which such percentage fee has not been paid the same shall be payable to the Airport Operator forthwith.

8.3 Upon any termination of the Agreement, even if stated to have the same effect as expiration, but in no event if termination of the Agreement is due to termination of the Basic Agreement or by the Airport Operator for any reason whatsoever, the User shall, within twenty (20) days of the effective date of such termination, make a payment of such percentage fees computed as follows: (1) the User shall within twenty (20) days after the effective date of termination render to the Airport Operator a statement of Gross Receipts certified by User's principal financial officer for the annual period in which the

effective date of termination falls; and, (2) the payment when due on account of all such percentage fees for the annual period in which the effective date of termination falls shall be the excess for such percentage fees computed as follows, over the total of such percentage fee payments previously made for such annual period: five percent (5%) of the gross receipts of the User for such annual period which are in excess of the annual exemption amount, said annual exemption amount being multiplied by a fraction, the numerator of which shall be the number of days from the commencement of the annual period to the effective date of termination, and the denominator of which shall be three hundred sixty-five (365).

8.4 Nothing contained in the foregoing shall affect the survival of the obligation of the User as set forth in the Sections of this Agreement covering the survival of the User's obligations.

8.5 The fees specified herein shall be payable at the Office of the Manager of Teterboro Airport, 399 Industrial Avenue, Teterboro, New Jersey 07608, or such other location as may from time to time be substituted therefor.

9. Care, Maintenance and Repair

9.1 The User shall at its own expense at all times keep the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public, in a clean and orderly condition and appearance.

9.2 The User shall, at its own expense, repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

9.3 User shall perform all snow removal from the Space in a manner prescribed by an annual snow removal plan which shall be submitted to the User each year, by the airport manager, prior to start of the snow season.

9.3.1 In the event the User fails to adhere to said plan, the Airport Operator may, at its option, without notice to the User commence corrective action and charge the cost thereof to the User. The amount of such charge to constitute an item of a additional fee.

9.4 Except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof, the User at its own expense shall take good care of the Space, including without limitation paved and unpaved areas, fences, skylights, steelwork, walls,

partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, lights, sewerage, drainage, water supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures.

9.5 The User shall perform all structural and nonstructural maintenance, repairs, replacements and painting at the Space, including walls, ceilings, windows, doors, floors, partitions, glass, electrical, plumbing and heater equipment and fixtures, air conditioning and ventilation equipment that service the Space, regardless of the cause of condition requiring the same, except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof.

9.6 In the event the User fails to commence to so repair, replace, rebuild or paint as required above within a period of ten (10) days after notice from the Airport Operator so to do, or fails diligently to continue to complete the repair, rebuilding, replacement, or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, the Airport Operator 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

10. Services to the User

10.1 The Airport Operator shall supply connections for water, sewerage, electricity, and gas to the Space, if applicable.

10.2 The User shall promptly pay all domestic water, electric, gas and other utility bills covering consumption by the User in the Space. In the event that any such bill or bills remains unpaid for a period of thirty (30) days after the same becomes due and payable, or in the event that any such bill remains unpaid at the expiration or earlier termination of this Agreement, the Airport Operator may pay the same and any interest or penalties thereon, and the total payment or payments at any time so made shall constitute an item of additional fee, payable to the Airport Operator upon demand.

10.3 The User agrees to heat the enclosed portion of the Space to a sufficient temperature so that plumbing, fire protection and sprinkler systems will not be damaged by the cold.

10.4 In the event that the Borough of Teterboro, or the State of New Jersey or any other municipal subdivision, or corporation now furnishing, with or without charge therefor, any services which are beneficial to the User

in its use or occupancy of the Space shall hereafter impose charges or increase existing charges for such services, the User agrees to pay the Airport Operator as an item of additional fee hereunder such of the charges or the increase in charges as may imposed or assessed against the Airport Operator in respect of the Space of the User or its use or occupancy thereof.

10.5 The Airport Operator shall charge the User on an equitable basis for the following services:

10.5.1 Sewer usage, taking into account total usage of others on the same sewer system; and

10.5.2 Standby water charges for fire protection system, taking into account total usage of others on the same systems, if applicable.

11. Insurance

11.1 During the term of this Agreement, the User shall, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction.

11.2 For the Space known as Hangar 15, 16, 17, for a any replacements thereof, and any new hangar which may be build on the site of Building 70, during the term of this Agreement, the Airport Operator shall, for the account of and expense of the User, provide, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the said Hangar facilities against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form

of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction

11.3 The aforesaid insurance coverages and renewals thereof shall insure the Port Authority and the Airport Operator as their interests may appear and shall provide that the loss, if any, shall be adjusted with the Airport Operator and the Port Authority and shall be payable to the Port Authority or The Airport Operator as their interests may appear.

11.4 At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to the Airport Operator and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority and the Airport Operator twenty (20) days advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to the Airport Operator at least twenty (20) days before the expiration of the insurance which such policies are to renew.

11.5 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify the Airport Operator of such casualty and shall thereafter furnish to the Airport Operator such information and data as shall enable the parties to adjust the loss.

11.6 To the extent that any loss is recouped by actual payment to the Port Authority or the Airport Operator, of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by the Airport Operator to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include as itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligation under the Agreement. If the proceeds of any such insurance paid to the Airport Operator exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by the Airport Operator.

11.7 If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space. If the User does not so properly proceed then the Airport Operator may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement

11.8 The User, for its own protection, may separately insure at its own expense such fixtures, equipment or other personal property at the Space as its interests may appear.

12. Ingress and Egress

12.1. The User, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport as may from time to time be designated by the Airport Operator for the use of the public.

12.2 The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

12.3 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Airport Operator may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User.

12.4 The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; the Airport Operator, its subsidiaries and affiliates, their Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

13. Indemnity, Liability Insurance

13.1 The User shall indemnify and hold harmless the Port Authority, its commissioners, officers, employees and representatives; and, except for the gross negligence of the Airport Operator, its subsidiaries and affiliates, their directors, officers, employees and agents (to include reasonable attorney's and other professional fees) from and against all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damage arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on the Space or out of the acts or omissions of others on the Space with the consent of the User whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement.

13.2 In addition to the obligations set forth in the subsection immediately above, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

13.2.1 Combined single limit of $75,000,000 for bodily injury and property damage.

13.2.2 In addition to the obligations set forth in the above subsections, the User in its own name as assured shall maintain personal property insurance covering loss or damage to its property on or at the Space. Such policy shall be in an amount to cover maximum exposure at any time.

13.2.3 The User in its own name as insured shall maintain and pay the premium for a policy of hangar-keeper's legal liability insurance covering loss or damage to aircraft or aircraft parts belonging to others and which are on the Space in the custody of the User for storage, parking, repair, servicing or safekeeping. Such policy shall be in an amount sufficient to cover maximum exposure at any time, but in no event less than $50,000,000 per loss.

13.3 The Airport Operator and the Port Authority shall be named as an additional insured in any policy of insurance required above.

13.4 As to any insurance required by the provisions of this Agreement to be obtained by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders,

together with evidence of the payment of the premium thereon, shall be delivered to the Airport Operator within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to the Airport Operator. A renewal policy shall be delivered to the Airport Operator at least twenty (20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement.

14. Various Obligations of the User

14.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space on the Airport. The User shall take all reasonable measures:

14.1.1 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

14.1.2 to keep the sound level of its operations within acceptable limits as determined by the Airport Operator.

14.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon reasonable objection from the Airport Operator concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If the Airport Operator shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the manager of the Airport.

14.3 It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User will employ the maximum reasonable amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take

all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event the Airport Operator determines that the User has not curbed the prop or jet blast interference, as set forth above, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference subject, however, to the prior written approval of the Airport Operator as to type, manner and method of construction.

14.4 The User shall regularly remove from the Space by means of facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of the Airport Operator. No facilities of the Airport shall be used for such removal unless the Airport Operator consented in writing prior. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space, pursuant to an approved discharge permit issued by Federal, state, county or local government.

14.5 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable federal, state and municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

14.6 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance

with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to the Airport Operator that part of all premiums paid by the Airport Operator which shall have been charged because of such violation or failure by the User.

14.7 In connection with the conduct of User's business the User shall:

14.7.1 use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

14.7.2 not divert, or cause or allow to be diverted, any business from the Airport;

14.7.3 maintain in accordance with accepted accounting practice during the term hereof User's records and books of account recording all transactions at, through or in anywise connected with the airport which records and books of account shall be kept at all times at the User's place of business at the Airport;

14.7.4 permit in ordinary business hours during the term hereof and for one (1) year thereafter the examination and audit, on a non disclosure basis, by the officers, employees or representatives of the Airport Operator of such records and books of account and also any records and books of account of any company owned or controlled by the User if said Company performs services similar to those performed by the User anywhere at the Airport.

14.8 In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by the Airport Operator or the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under this Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. The

Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Airport Operator. The User shall submit for the Airport Operator approval a construction application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

14.8.1 The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that the Airport Operator or the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of the Airport Operator or the Port Authority's recommendations or requirements and notwithstanding that the Airport Operator and the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or the Airport Operator or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to the Airport Operator in entering into this Agreement with the User.

14.9 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Airport Operator shall relieve the User of such responsibility. Both User and the Airport Operator shall use their best efforts to notify the other party of any rules, regulations, orders, of which they may become aware.

14.10 The following terms shall have the following respective meanings as used herein:

14.10.1 "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or

(v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

14.10.2 "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statues, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all governmental agencies, and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various governmental agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

14.10.3 "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

14.10.4 "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

14.11 The User agrees to assume all responsibility for all damages, costs, and expenses of any kind incurred by the Airport Operator or Port Authority caused by the negligent or willful actions of the User, its employees or contractors on the Space or which occur directly as a result of any leak, spill or other discharge of aviation petroleum hydrocarbons or Hazardous Substance(s) which is regulated by any federal, state or local governmental authority from tanks and lines owned or controlled by the User, on the Space and which was caused by the negligent or willful actions of the User, its employees, or contractors, and provided such leak, spill or discharge occurs during the period the User occupied the Space and owned or controlled any tanks and lines on the Space. It is expressly agreed that the foregoing shall not be applicable to any loss, claim, damage or liability arising from any contractual obligations of any third party which the Airport Operator or the Port Authority may assume, shall not be applicable to any damages or losses arising from loss of profits or business opportunity, or any other special or consequential damages, nor shall it be applicable to any attorneys' fees or any fine or penalties levied upon the Airport Operator or the Port Authority. Further, the foregoing shall be applicable only to leaks, spills or discharges which result in a level of contamination exceeding standards required by applicable authorities as of the date of the commencement of this Supplement No. 1 and shall inure only to the Airport Operator or the Port Authority and not to any assigns or successors or to any other person or entity.

15. <u>Prohibited Acts</u>

15.1 The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to employees or the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following(hereinafter called "Vending Machines"):

15.1.1 Hot and cold packaged foods;

15.1.2 Hot and cold beverages;

15.1.3 Candy and chewing gum;

15.1.4 Tobacco and tobacco products;

15.1.5 Newspapers and periodicals;

15.1.6 Telephone services (pay stations)

15.2 If User, installs or causes to be installed, vending machines on the Space for the limited sale of merchandise or services permitted hereunder, User shall have the right to retain the revenues derived therefrom, provided, however, that:

15.2.1 The User shall itself, and shall also require its contractors, to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands of third persons, including employees, (to include reasonable attorney and other professional fees) officers and agents of the Airport Operator and the Port Authority arising or alleged to arise out of the installation, operation or maintenance of the User's vending machines (or consumable obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the User's vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this Agreement.

15.3 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by the Airport Operator at any time during the term of this Agreement upon ninety (90) days notice to the User and the Airport Operator, at any time thereafter, may substitute for the User's Vending Machines other machines selling similar merchandise or services operated by the Airport Operator or by its permittee or concessionaire and thereupon User shall remove its machines.

15.4 Upon installation by the Airport Operator or by its permittee or concessionaire of vending machines in substitution of User's Vending Machines, all revenues derived therefrom shall be retained by the Airport Operator.

15.5 Upon rendering of notice to User of termination of the right to operate Vending Machines, the Airport Operator may elect to permit User's Vending Machines to remain, but in such case, User shall pay or cause to be paid to the Airport Operator each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of the Airport Operator then operating machines at the

Airport for sale to the general public of similar merchandise or rendering of similar services.

15.6 The termination by the Airport Operator of the limited right of User to install Vending Machines at the Space shall be nondiscriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by the Airport Operator User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

15.7 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

15.8 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

15.9 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

15.10 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

15.11 The User shall not do or permit to be done any act or thing upon the Space which:

15.11.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

15.11.2 which, in the opinion of the Airport Operator, may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

15.11.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

15.12 Except persons who have been granted valid permits and/or permission from the Airport Operator, User shall not permit, foster or allow on the Space any persons not related to the User who are:

anyone other than the User, the Airport Operator may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by said assignees, sub-user or other user and no such payment shall be deemed a waiver by the Airport Operator of the covenants or agreements contained in this Section nor of acceptance by the Airport Operator of any assignee, claimant or occupant, nor as a release of the User by the Airport Operator from the further performance by the User of the agreements contained herein including but not limited to the payment of fees.

18.3 In the event that the User enters into a sub-use agreement, with the consent of the Airport Operator for the use and occupancy of the entire Space, User agrees to pay to the Airport Operator an amount equal to forty-five percent (45%) of any fees paid by the sub-user to the User in excess of the fees due to the Airport Operator under Section 7 of the Agreement, after deduction of a monthly administrative fee of ten percent (10%) of the excess fee or two hundred and fifty dollars ($250.00), whichever is lower.

19. Condemnation

19.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or the Airport Operator, or its subsidiaries and affiliates for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between the Airport Operator and the User that the Airport Operator shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

19.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be cancelled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired. The Airport Operator shall provide User such advance notice as practicable.

19.3 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rules, regulation, requirement, order or direction, the Airport Operator may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to

deliver possession of all or such portion of Space so required upon the effective date of such termination.

19.3.1 No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or the Airport Operator or its subsidiaries and affiliates for damages, consequential or otherwise.

20. Non-Discrimination

20.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (I) no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 2l, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of l964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between the Airport Operator and the United States Government or otherwise.

20.2 The User assures that it will undertake an affirmative action program as required by l4 CFR Part l52, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in l4 CFR Part l52, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by l4 CFR Part l52, Subpart E, to the same effect.

20.3 The User shall include the provisions of the above subsections in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting the Airport Operator a right to take such action as the United States may direct to enforce such covenant.

20.4 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above non-discrimination provisions, the Airport Operator may take any appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from the Airport Operator, the Airport Operator shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Airport Operator may take such action as the United States may direct.

20.5 The User shall indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates and the Port Authority (to include reasonable attorney's and other professional fees) from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse the Airport Operator and the Port Authority for any loss or expense incurred by reason of such noncompliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this Agreement.

20.6 Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

21. Minority Business Enterprises

21.1 In accordance with the construction required in Section 5 of the Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

22. Right to Recapture Portions of User's Ramp Space

22.1 The User acknowledges that the Airport serves the needs of the public and that the Public Aircraft Facilities should be utilized to the fullest extent possible with airport users afforded fair and reasonable access. The User also acknowledges that the following subsections provide that if the User does not utilize its facilities to the level set forth in stated performance criteria such underutilized facilities may be either recaptured by the Port Authority or required to be offered by the User to another user in accordance with the following:

22.2 It is hereby agreed that, commencing on January 1, 2001, which will be known as the "Start Date", and for each and every calendar year thereafter, the Port Authority may ascertain the User's percentage share (hereinafter referred to as the "User's Current Fuel Share") of the total aircraft fuel gallons sold (hereinafter referred to as "Total Current Fuel Dispensed") at the Airport for the preceding calendar year. The fuel dispensed by the User for the year preceding the Start Date and the year preceding each and every calendar year thereafter during which such calculation is made shall be known as the "User's Current Fuel Dispensed". The User's Current Fuel Share shall be calculated by dividing the User's Current Fuel Dispensed by the Total Current Fuel Dispensed preceding the year during which such calculation is made. The User's Current Fuel Share for the calendar year 1998 shall hereinafter be defined as "the Base Year's Fuel Share" and is shown below:

Teterboro Airport User	Fuel Share in 1998

Exemption (2.a.)

22.3 As of the Start Date and as of January 1st of each succeeding calendar year, in the event that the User's Current Fuel Share for the respective preceding calendar year is determined to be at least Exemption (2.a.) less than the User's Base Year Fuel Share, the Port Authority shall have the right but not the obligation, upon two (2) month's written notice to the User, to require the User and the User hereby agrees to make ramp space identified as Area 2 off Exhibit A-1 (hereinafter called "Accommodation Space") available to other users, sub-users or the Port Authority in useable increments as directed by the Port Authority in the amount and in the manner and to the extent set forth below:

Percentage of User's Current Fuel Share Divided by User's Base Year Fuel Share	Ramp Space to be Made Available
Exemption (2.a.)	

22.4 In the event the User is so notified by the Port Authority it shall either (a) enter into a sub-use and occupancy agreement with another user as determined by the Port Authority or (b) enter into a surrender agreement as directed by the Port Authority. Any such sub-use and occupancy agreement shall be subject to the prior and continuing approval of the Port Authority and the execution by and among the User, the Sub-user, the Airport Operator, and the Port Authority of a Consent Agreement in form satisfactory to the Port Authority. Moreover, and without limiting the foregoing, the User shall provide any and all information to the Airport Operator as may be requested by the Airport Operator from time to time as to all aspects of its accommodation of Sub-user hereunder. Nothing contained herein shall in any way affect the discretion of the Airport Operator or the Port Authority in granting or withholding its consent to a sub-use and occupancy agreement.

22.5 The failure of the Port Authority to exercise its right under this Section during any year in which it may have such a right shall not affect, waive, or limit its rights to exercise such right in any subsequent year during any period of under-utilization. In no event will the Accommodation Space exceed the percentages set forth above.

22.6 The User shall make such ramp space available during the period set forth in the aforesaid notice. The Port Authority shall consider a request by the User to restore the Accommodation Space to the User when the User's Current Fuel Share shall have returned to within Exemption (2.a.) or less of the User's base year fuel share, provided the Accommodation Space is not then covered by a sub-use or other agreement or at such time as the Port Authority deems it is in the best interest of the Airport to restore the Accommodation Space to the User

22.7 The User agrees that all handling, sublease, sub-use and occupancy agreements shall be at reasonable and at non-discriminatory rates, fees and charges and shall be based on the recovery by the User of a pro rata share of the User's costs of (1) operation and maintenance, (2) services provided, and (3) the User's fees and investment in the Accommodation Space.

23. Governmental Requirements

23.1 The User shall procure all licenses, certificates, permits or other

authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

23.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

23.3 The Airport Operator has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction over the airport and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Airport Operator. Unless otherwise directed in writing by the Airport Operator because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to, in fact cover, the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to the Airport Operator but prior to the receipt by the User of a written direction from the Airport Operator, such compliance shall not constitute a breach of this Agreement, although the Airport Operator thereafter notifies the User to refrain from such compliance.

23.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space. Any notice received by the Airport Operator shall be related to User as soon as practicable.

23.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

24. Rights of Entry Reserved

24.1 The Port Authority, by its officers, employees, agents, representatives and contractors and the Airport Operator and its subsidiaries and affiliates by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the

performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or the Airport Operator may be obligated or have the right to do under this Agreement, or otherwise. In the event of a question of a contractors authority, the User shall contact the Airport Operator.

24.2 Without limiting the generality of the foregoing, the Airport Operator and its subsidiaries and affiliates, by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Airport Operator, be deemed necessary or advisable and, from time to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction the Airport Operator shall not unreasonably interfere with the use and occupancy of the Space by the User.

24.3 The exercise of any or all of the foregoing rights by the Port Authority, the Airport Operator or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

24.4 Nothing in this Section shall impose or shall be construed to impose upon the Airport Operator or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

25. Basic Agreement

25.1 In the event the Basic Agreement is terminated, revoked, cancelled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement and such termination, revocation, cancellation or expiration of the Basic Agreement shall not be deemed a breach of this Agreement.

26. Patents, Trademarks

26.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to indemnify and to save and hold the Port Authority, the Airport Operator, its subsidiaries and affiliates, their Commissioners, Directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

27. Additional Fees and Charges

27.1 If the Airport Operator is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 fees thereafter due hereunder, and each and every part of the same shall be and become additional fees, recoverable by the Airport Operator in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to the Airport Operator" hereof.

28. Right of Re-entry

28.1 The Airport Operator shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

29. Surrender

29.1 The User covenants and agrees to yield and deliver peaceably to the Airport Operator possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

30. Termination by the Airport Operator

30.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, the Airport Operator may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

30.1.1 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

30.1.2 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

30.1.3 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

30.1.4 Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of User under this Agreement shall be transferred to, passed to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

30.1.5 The User, if a corporation, shall, without the prior written approval of the Airport Operator, become a successor or merged

corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution, except as it applies to affiliated and subsidiary companies; or

30.1.6 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

30.1.7 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

30.1.8 Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof; or

30.1.9 The User shall fail duly and punctually to pay the fees or to make any other payment required hereunder when due to the Airport Operator and shall persist in its failure for a period of ten (10) days following the receipt of written notice of such default from the Airport Operator; or

30.1.10 The User shall fail to keep, perform and observe each and every material promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within twenty (20) days after receipt of notice of default thereunder from the Airport Operator (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

30.1.11 There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and the Airport Operator at the Airport.

30.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the

User shall not be entitled to enter into possession of the Space, and the Airport Operator upon the occurrence of any such event, or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel this Agreement, such cancellation to be effective upon the date specified in such notice.

30.3 No acceptance by the Airport Operator of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of the Airport Operator to terminate this Agreement.

30.4 No waiver by the Airport Operator of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by the Airport Operator of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

30.5 The rights of termination 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 the Airport Operator would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by the Airport Operator of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User," the sole right of the Airport Operator shall be a right of termination.

31. Survival of the Obligations of the User

31.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, or in the event that the Airport Operator has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Airport Operator to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place the Airport Operator may maintain separate actions each month to recover

the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

31.2 The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's Fee obligations, shall be the sum of the following:

31.2.1 The amount of the total of all installments of fees pursuant to the Section entitled "Fees to The Airport Operator" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (Ist) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month; and an amount equal to all reasonable expenses incurred by the Airport Operator in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to reasonable attorney's fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

32. Use Subsequent to Cancellation or Termination

32.1 The Airport Operator, upon termination or cancellation pursuant to the Section entitled "Termination by the Airport Operator" of this Agreement, or upon any re-entry, regaining or resumption of possession pursuant to the Section entitled "Right of Re-Entry" of this Agreement, may occupy the Space or may enter into an agreement with another User and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be part only of the Space or of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Airport Operator, at its own expense, shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

32.2 In the event either of use by others or of any actual use and occupancy by the Airport Operator, there shall be credited to the account of the User against its survived obligations hereunder any net amount

remaining after deducting from the amount actually received from any User, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as the Airport Operator may itself during such period actually use and occupy, less all reasonable expenses, costs and disbursements incurred or paid by the Airport Operator in connection therewith.

32.3 No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of the Airport Operator hereunder. The Airport Operator will use its best efforts to minimize damages to User under this Section commensurate with its obligations under the Basic Agreement.

33. Services by User

33.1 A principal purpose of the Airport Operator in the making of this Agreement is to make available at the Airport the items and/or services which the User is permitted to sell and/or render hereunder. The User hereby warrants and agrees that it will conduct a first-class operation and will furnish all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and facilities.

33.2 The User shall:

33.2.1 furnish good, prompt and efficient service adequate to meet all reasonable demands therefor at the Space;

33.2.2 furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and

33.2.3 charge fair, reasonable and nondiscriminatory prices for each unit of sale or service, provided that the User may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

33.2.4 As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

33.3 The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Federal Airport Act of 1946 and pursuant to the Airport and Airway Development Act of 1970 (49 U.S.C. 1701), as the same have been amended and supplemented, and the Port Authority may in

the future apply for and receive further such grants. The Airport Operator under its Operating Agreement with the Port Authority for Teterboro Airport, dated September 19, 1967, has assumed certain obligations of the Port Authority under the grant agreement and in connection therewith, the Port Authority and the Airport Operator may in the future undertake certain additional obligations respecting the operation of the Airport and the activities of contractors, lessees and permittees thereon. The performance by the User of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the Airport Operator to enter into this Agreement and the User further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority and/or the Airport Operator in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the User of its obligations under this Agreement, the User will promptly comply therewith, at the time or times when and to the extent that the Airport Operator may direct.

34. Remedies to be Non-exclusive

34.1 Except where otherwise specifically provided, 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 either party at law or in equity.

35. Limitation of Rights and Privileges Granted

35.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

36. Removal of Personal Property

36.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

36.2 If the User shall fail to remove its property on or before the termination or expiration of the term, the Airport Operator may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to the Airport Operator, with any balance remaining to be paid to the User, but if the

expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to the Airport Operator upon demand.

37. Brokerage

37.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Airport Operator its subsidiaries and affiliates of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the User, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees).

38. Obstruction Lights

38.1 The User shall furnish such obstruction lights as the Airport Operator shall direct, of the type and design approved by the Airport Operator, and shall install said lights in the locations on the Space designated by the Airport Operator and shall maintain them in good operating condition at all times.

38.2 The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of said lights, and shall operate the same in accordance with the directions of the Airport Operator. The Airport Operator hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

39. Notices

39.1 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 mail.

Notices to the Airport Operator shall be directed to:

Vice President
Johnson Controls World Services Inc.

7315 North Atlantic Avenue
Cape Canaveral, Florida, 32920

With copy to:

Airport Manager
399 Industrial Avenue
Teterboro Airport, New Jersey 07608

Notices to User shall be directed to:

Regional Vice President
Signature Flight Support
23950 Wind Sock Dr., Suite 2000
Dulles, Virginia, 20166

Director of Contracts
Signature flight Support Corporation
201 S. Orange Avenue, Suite 1100
Orlando, FL 32801

40. Construction and Application of Terms

40.1 The Section and subsection 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 of intent of any provision hereof.

41. Non-Liability of Individuals

41.1 Neither the directors of the Airport Operator, its subsidiaries and affiliates, or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

42. Abatement

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

43. Port Authority Consent

43.1 This Agreement shall become effective upon the execution hereof by all

parties hereto and the execution of a Consent Agreement between and among the Port Authority, the Airport Operator, and the User.

44. Entire Agreement

44.1 This Agreement consists of the following: Sections 1 through 44 inclusive and Exhibits A-1, A-2, A-3 and B and C

44.2 The foregoing constitutes the entire agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by the Airport Operator and the User. The User agrees that no representations or warranties shall be binding upon the Airport Operator unless expressed in writing in this Agreement.

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

JOHNSON CONTROLS WORLD SERVICES INC.
(Airport Operator)

ATTEST:

Laura Conner

Title: Asst Ass't

By: [signature]

Title: Vice President (acting)

SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC.
(User)

ATTEST:

[signature]

Title: Secretary

By: [signature]

Title: Vice President Operations

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this _____ day of _____, 2000, before me, the subscriber, a notary public of New York, personally appeared _____ the _____ of the Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD

On this 20th day of October, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders , the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Michelle Trepanier
(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
MICHELLE M. TREPANIER
My Comm Exp. 12/17/2003
No. CC 873037
X Personally Known ( ) Other ( )

STATE OF Florida)
) ss.
COUNTY OF Orange

On this 19th day of October 2000, before me, the subscriber, a Notary Public personally appeared Keith P. Ryan the Vice President of Signature Flight Support, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

NOTARY PUBLIC STATE OF OHIO
FRANCES E. ROSSI
COMMISSION # CC604985
EXPIRES DEC. 3, 2000

Frances E. Rossi

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

EXHIBIT "B"

DEPICTION OF PREMISES

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

EXHIBIT "B-1"

FINAL LAND SURVEY

EXHIBIT "C" - SPECIMEN ONLY

VENDOR RELEASE AND INDEMNIFICATION FOR THE PERFORMANCE OF AIRCRAFT MAINTENANCE AND OTHER RELATED AIRCRAFT SERVICES TO TRANSIENT OR SUB USER AIRCRAFT

SIGNATURE FLIGHT SUPPORT CORPORATION, a Delaware corporation, (hereinafter, "Signature"), which maintains a flight support operation (hereinafter "FSO") at Teterboro Airport, Teterboro, New Jersey (hereinafter "Airport"), by its execution hereof, hereby authorizes the following person or entity, (hereinafter "Vendor"), to enter the FSO premises on a temporary basis, consistent with the terms and conditions hereinafter stated.

1. **Vendor**. The name, address and telephone number of the Vendor is as follows:

Name
Address: _____
_____
_____
Telephone: _____
Type of Aircraft Requiring Maintenance/ Servicing: _____
Aircraft Registration Number: _____
Aircraft Owner / Operator: _____

2. **Services to Be Performed**. Vendor shall enter the premises of Signature for the sole purpose of performing maintenance, cleaning or other related work on the above referenced aircraft (hereinafter, "Aircraft") at the request of the Aircraft owner, pilot or other designated representative. Vendor shall be authorized to perform maintenance and repair work exclusively to the Aircraft and only in the area designated for such maintenance, cleaning and/or repair work by local Signature management. Vendor expressly agrees that at no time shall its maintenance activities infringe upon the ability of Signature or other tenants to operate aircraft, including, but not limited to, ingress and egress from the FSO, and their respective office, shop, parking and/or hangar space(s) as a result of Vendor's maintenance activities.

3. **Aircraft Security**. The Aircraft, which is the subject of this Release, shall be stored within the boundaries of the Airport's perimeter fence. Vendor represents that it shall adhere at all times to the prevailing and applicable Airport and Federal Aviation Administration ("FAA") security regulations and the Transportation Security Administration ("TSA").

4. **Indemnification**. Vendor agrees to indemnify, defend and hold harmless Signature and the Airport, their respective officers, directors, agents and employees and Signature's parent, subsidiary, related and affiliated companies from and against any and all liabilities, damages, injuries, losses, claims, fines, penalties or judgments, of any kind whatsoever (including those arising from third parties), including all costs, attorneys' fees, and expenses incidental thereto, which may be suffered by, or charged to, Signature by reason of any loss of or damage to any property or injury to or death of any person arising out of or by reason of any breach, violation or non-performance by Vendor or its agents, servants, consultants, contractors, subcontractors, licensees or employees of any covenant or condition of this Release or by any act or failure to act or negligence of such persons.

5. **Insurance**. Vendor represents to Signature that it has secured and presently maintains Worker's Compensation, Employer's Liability, Automobile, and Comprehensive General Liability insurance with respect to Airport liability and completed operations on an occurrence basis from a qualified insurer as set forth on the attached Exhibit "A." Vendor further agrees to provide a Certificate of Insurance on a standard ACCORD form showing Signature and Airport Authority, its respective officers, directors, agents, and employees and Signature's parent, subsidiary, related and affiliated companies as additional insureds.

Vendor and its insurers agree to waive their rights of subrogation in favor of Signature with respect to loss or damage resulting from the services to be performed or furnished hereunder, except where loss or damage results from the gross negligence or willful misconduct of Signature.

Additionally, it is understood that Vendor's liability extends beyond the FSO and its immediate surrounding environment to encompass all of Vendor's acts or omissions while operating on the Airport and Signature's entire leasehold.

IN WITNESS WHEREOF, the parties have executed this Release as of the day and year first above written.

SIGNATURE FLIGHT SUPPORT CORPORATION	(Vendor) _____
By: _____	By: _____
Its: _____	Its: _____
Date: _____	Date: _____

EXHIBIT "D"

MAIL CERTIFICATES TO: Signature Insurance Department, PO Box 9085, Mission Viejo, CA 92690-9085

Insurance Company Financial Strength Requirements

- AM Best Rating: B+
- Financial Size: V

Minimum Insurance Dollar Limits Required From Signature Customers, Tenants & Vendors

entering or using our ramp and/or hangars as services apply and/or construction/vendor activity:

- **Liability - Airport Premises:**

Commercial General	*for products and completed operations
Tie Downs/T Hangars/Office	Combined Single Limit $2,000,000 per occurrence*
All Others	Combined Single Limit $5,000,000 per occurrence*
Auto	Combined Single Limit $5,000,000 per occurrence
Environmental/Pollution	Combined Single Limit $5,000,000 per occurrence

- **Liability – Off Airport Premises:**

Auto	Combined Single Limit $1,000,000 per occurrence.
Commercial General and completed operations	Combined Single Limit $ 1,000,000 per occurrence for products

- **Liability – for construction of Improvements:**

Builders Risk "Delay in Start-Up"	"All Risk", Full Completed Value of Project and must include
Professional (Errors & Omissions)	Combined Single Limit $5,000,000 per occurrence

- **Property:**

Property	"All Risk", Full Replacement Value

- **Worker's Compensation & Employer's Liability:**

Worker's Compensation	Statutory
Employer's Liability	$1,000,000 each occurrence for bodily injury by accident $1,000,000 each occurrence for bodily injury by disease. $1,000,000 policy limit for bodily injury by disease.

Special Provisions For Certificate of Insurance: All such required liability insurance, except Automobile, Workers Compensation and Employers Liability shall name Signature Flight Support Corporation and its subsidiaries as additional insured. If the required liability polices do not contain a standard separation of insured provision, they shall be endorsed to provide cross liability coverage. All required insurance policies, except Workers Compensation, Employers Liability and Automobile Liability shall contain a waiver of subrogation in favor of Signature Flight Support Corporation and its subsidiaries. All required insurance policies shall be evidenced by Certificates of Insurance, which provide at least thirty (30) days advance written notice of any cancellation or changes adverse to the interests of Signature Flight Support Corporation and its subsidiaries.

NOTE: **Minimum insurance amounts stated cannot be lowered without express written consent of Signature Flight Support Corporation. Higher insurance limits required by Airport Authorities, will supersede the limits stated above and will require verification and possible coverage & premium increases.**

Rvsd: 01/01/04

EXHIBIT "E"

Tenant Requirements

Environmental Protection Procedures – SubUser shall conduct its operations to meet or exceed requirements set forth in applicable local, state, and federal laws and in accordance with safe and proper industry practices in order to prevent environmental accidents. Such practices include, but are not limited to, the following:

a. SubUser shall provide copies of Material Safety Data Sheets for each and every Regulated Substance used or stored on the Leased Premises stating the name, location, description, and quantity of any Regulated Substance in, on, or at the Leased Premises.

b. SubUser shall provide Signature written notice and copies of documents verifying that SubUser has removed and disposed of any and all Regulated Substance safely, properly, and in a manner which meets or exceeds applicable law.

c. SubUser shall not wash aircraft on the Premises. SubUser shall at all times protect the drain from spills of Regulated Substances and agrees to instruct all its employees, agents, servants, contractors, subcontractors, invitees, and other representatives in writing regarding such requirement and the proper operation and maintenance of this drainage system.

d. SubUser shall not place or maintain open containers outside the Hangar during inclement weather.

e. SubUser shall cover any and all trash containers placed or maintained outside the Hangar.

THIS AGREEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED
BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER AND THE SUBUSER BY AN
AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Use And Occupancy Agreement No. TA-303
Teterboro Airport

CONSENT TO SUBUSE AGREEMENT

THIS CONSENT AGREEMENT, made as of September 22, 2005, by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT - NEW JERSEY INC. (hereinafter called the "User"), DASSAULT FALCON JET CORP. (hereinafter called the "Subuser") and BECTON, DICKINSON AND COMPANY a corporation of the State of New Jersey with an office and place of business at 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880 (hereinafter called the "Sub-subuser"),

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement bearing file No. TA-204 and dated September 19, 1967 between Pan American World Airways, Inc. ("Pan American") and the Port Authority (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and dated October 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space, as defined therein, at Teterboro Airport (which Use and Occupancy Agreement is hereinafter called the "Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of November 30, 2000; and

WHEREAS, effective from and after December 1, 2000 the Port Authority has been the operator of the Airport and, together with the User, has provided for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement; and

WHEREAS, the User, the Subuser and the Sub-subuser have requested the consent of the Port Authority to a proposed Hangar and Office Space Sublease Agreement and a First Amendment to Hangar and Office Space Sublease Agreement (copies of which are attached hereto, hereby made a part hereof, and hereinafter collectively called the "Subuse Agreement") between the User, the Subuser and the Sub-subuser covering the use and occupancy of a portion of the Space (said portion of the Space being hereinafter called the "Subuse Space"), effective as of September 22, 2005;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the User, the Subuser and the Sub-subuser hereby agree, effective as of September 22, 2005, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Subuse Agreement.

2. (a) Notwithstanding any provision of the Subuse Agreement to the contrary, both this Consent Agreement and the Subuse Agreement shall terminate, without notice to the User, the Subuser or the Sub-subuser on the day preceding the date of expiration or earlier termination of the Subuse Agreement, or such earlier date for the expiration or termination of the Subuse Agreement as the User, the Subuser and the Sub-subuser may agree upon. The Sub-subuser shall quit the Subuse Space and remove its property for which it is responsible therefrom on or before termination of the Subuse Agreement.

(b) In the event of an early termination of the Agreement by the Port Authority, and provided that the Sub-subuser is not then in default of any of its obligations under the Subuse Agreement and no breach exists which with the passage of time would constitute a default under the Subuse Agreement, the right of the Sub-subuser to possession of the Subuse Space shall not be disturbed and the Subuse Agreement shall continue in full force and effect. The Sub-subuser shall attorn to and shall perform all of its obligations under the Subuse Agreement, including without limitation the payment of rent and fees to the Port Authority

3. If the User or the Subuser shall at any time be in default under the Agreement, the Sub-subuser shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the User. No such payment shall relieve the User from any obligation under the Agreement or under this Consent Agreement, but all such payments shall be credited against the obligations of the User, the Subuser or of the Sub-subuser, as the Port Authority may determine for each payment or part thereof.

4. (a) (1) "Subuse Payments" shall include all amounts, monies, revenues, receipts and income of every kind paid or payable to the Lessee and the Subuser by the Sub-subuser, and if and to the extent that the full fair market rental value is not charged to or payable by the Sub-subuser, then the fair market rental value as determined by the Port Authority, arising out of or in connection with the Sub-subuser's use and/or occupancy of space in the Premises; and if the Subuse Payments are not separately stated from other charges paid or payable by the Sub-subuser to the Subuser and to the Lessee, then

the fair market rental value, as determined by the Port Authority, for that portion of the Premises used and/or occupied by the Sub-subuser shall be deemed to have been paid or payable to the Lessee and the Subuser by the Sub-subuser and shall constitute Subuse Payments hereunder.

(2) Effective as of the Effective Date, the Lessee, the Subuser and the Sub-subuser as a joint and several obligation shall pay to the Port Authority a fee (hereinafter called the "Consent Fee") at the times set forth in and in accordance with subparagraph (3) below.

(3) The Consent Fee shall be paid to the Port Authority by the Lessee, the Subuser and the Sub-subuser as a joint and several obligation as follows: On the 20th day of each and every calendar month during the time this Consent Agreement shall remain in effect and including the calendar month following the expiration or earlier termination of this Consent Agreement, the Lessee, the Subuser or the Sub-subuser shall render to the Port Authority a statement sworn to by a responsible fiscal or executive officer of the Lessee, the Subuser or the Sub-subuser showing all the Subuse Payments paid or payable for the preceding month and the Lessee, the Subuser or the Su-subuser shall pay to the Port Authority at the time of rendering such statement an amount equal to ten percent (10%) applied to the Subuse Payments paid or payable for such preceding month, provided, however, if this Consent Agreement shall expire or be terminated effective on a day other than the last day of a calendar month, the final payment of the Consent Fee shall be due and payable within five (5) days after the effective date of such expiration or termination. Payments made hereunder shall be made to the Port Authority of New York and New Jersey, P.O. Box 9500-1517, Philadelphia, Pennsylvania 19195-1517, or made via the following wire transfer instructions: Bank: Commerce Bank; Bank ABA Number: 026013673; Account Number: Ex. 1/4 or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Lessee, the Subuser and the Sub-subuser. If the Lessee, the Subuser or the Sub-subuser have not rendered the aforesaid monthly statement(s) as of the time of execution of this Consent Agreement, and without limiting the generality of any other term or provision hereof, the Lessee, the Subuser or the Sub-subuser shall submit the monthly statement(s) provided for above and pay, at the time of execution and delivery of this Agreement to the Port Authority, an amount equal to the Consent Fee payable for the period from the Effective Date, to the time of delivery of this Consent Agreement to the Port Authority executed by the Lessee, the Subuser and the Sub-subuser.

(4) There shall be excluded from Subuse Payments any sum paid by the Sub-subuser or the Subuser to the Lessee for building janitorial services provided said sum is separately stated to and paid by the Sub-subuser and there shall be excluded from Subuse Payments any sum paid by the Sub-subuser to the Lessee and the Subuser for building maintenance services provided said sum is separately stated to and paid by the Sub-subuser and, provided further, the Sub-subuser, the Subuser and the Lessee each acknowledge and agree that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Subuse Payments, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than ten percent (10%), upon sixty (60) days' prior written notice to the Subsub-user, the Subuser and the Lessee.

(5) (i) It is understood and agreed by the Lessee that the Consent Fee shall be additional rent under the Lease.

(ii) The obligation of the Sub-subuser to pay the Consent Fee shall be and be deemed a promise to pay a sum of money by the Sub-subuser to the Port Authority and shall be recoverable by the Port Authority from the Sub-subuser in the same manner and with like remedies as a sum of money owed to the Port Authority, provided, however, nothing herein shall preclude the Port Authority from joining the Sub-subuser in a summary proceeding against the Lessee.

(6) In connection with the payment of the Consent Fee hereunder the Lessee, the Subuser and the Sub-subuser shall each, from and after the Effective Date through the remainder of the time this Consent Agreement shall remain in effect, maintain in accordance with accepted accounting practice, for one (1) year after expiration or earlier termination thereof, and for a further period extending until the Lessee shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions in any wise connected with the Subuse Agreement and the Sub-subuser's use and occupancy of the Subuse Space, which records and books of account shall be kept at all times within the Port of New York District. Further the Lessee, the Subuser and the Sub-subuser shall each permit in ordinary business hours during the time the Sublease shall remain in effect, and for one year thereafter, the examination and audit by the officers, employees and representatives of the Port Authority of such records and books of account.

(7) Neither a partnership nor any joint venture is hereby created or implied notwithstanding the fact that the Consent Fee to be paid hereunder is an obligation of the Sub-subuser, the Subuser and the Lessee and shall be determined based upon a percentage of the Subuse Payments.

(8) Neither the Lessee, the Subuser nor the Sub-subuser shall divert or allow to be diverted from payment under the Subuse Agreement any revenues arising out of or in connection with the Subuse Agreement or the Sub-subuser's use and occupancy of the Subuse Space.

(b) Nothing contained herein including without limitation the obligation of the Sub-subuser to pay the Consent Fee nor the payment thereof by the Sub-subuser nor the acceptance thereof by the Port Authority shall create or be deemed to have created a landlord tenant relationship or privity of estate between the Port Authority and the Sub-subuser nor shall be or be deemed to be an attornment by the Sub-subuser to the Port Authority nor acceptance thereof by the Port Authority and the Subuse Agreement and the occupancy by the Sub-subuser of the Subuse Space shall in all events be and remain subject and subordinate to the Lease.

5. (a) Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights and privileges granted to the User under the Agreement, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the User under the Agreement. The Subuse Agreement is an agreement between the User, the Subuser and the Sub-subuser with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the User that the provisions of the Subuse Agreement shall apply and pertain as between the User and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Agreement

shall, in all respects, be controlling, effective and determinative. It is the intention of the Port Authority hereunder merely to permit the exercise of the User's rights and privileges thereunder by the Sub-subuser (to the extent permitted by the Agreement and this Consent Agreement). The specific mention of or reference to the Port Authority in any part of the Subuse Agreement, including without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall hereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the Subuse Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Agreement shall in all respects be controlling, effective and determinative.

(b) No provisions of the Subuse Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules and regulations, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Subuse Agreement covering action which may be undertaken by the User, be deemed to imply or infer that Port Authority consent or approval thereto has or will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this Consent to specific matters and provisions as contained in the Subuse Agreement shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to granting or withholding approvals or consents as to other matters and provisions in the Subuse Agreement which are not specifically referred to herein.

(c) With respect to this Consent Agreement, the User, the Subuser and the Sub-subuser understand and agree that although the User is permitted under the Agreement to perform services and functions for itself the User may not and is expressly prohibited from performing any services or functions at the Airport for the Sub-subuser (even though the User may perform the same for itself pursuant to the Agreement) which are performed by organizations at the Airport authorized by permit from the Port Authority to perform such services or functions, unless the User is specifically authorized by permit to perform such services or functions for other users or operators at the Airport and the space under the Agreement and in such event said services and functions shall be performed pursuant thereto. The User, however, may make the necessary arrangements with the authorized organizations performing such services or functions at the Airport to have such services or functions performed for the Sub-subuser by such organizations or the Sub-subuser may perform such services and functions itself.

6. The Sub-subuser, in its operations under and in connection with the Subuse Agreement and its use and occupancy of the Subuse Space, agrees to assume, observe, be bound by and comply with all the terms, provisions and conditions of the Agreement to the extent that such obligations relate to the portion of the Space covered by the Subuse

Agreement.

7. Without in any wise affecting the obligations of the User under the Agreement and under this Consent Agreement and notwithstanding the terms and provisions of the Subuse Agreement (but without limiting the rights and duties of the User, the Subuser and the Sub-subuser as among themselves), the parties agree as follows:

(a) With respect to the Subuse Space, the Sub-subuser shall make repairs and replacements as if it were the User under the Agreement. In addition, the Sub-subuser shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority, its Commissioners, officers, employees and representatives for its and their costs and expenses including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death, for personal injuries and for property damages, arising out of a breach or default of any term or provision of this Consent Agreement by the Sub-subuser or out of its operations under the Subuse Agreement or at the Subuse Space, or out of the use of the Subuse Space by the Sub-subuser or by others with its consent, or out of any other acts or omissions of the Sub-subuser, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Sub-subuser at the Subuse Space or out of any other acts or omissions of the Sub-subuser, its officers and employees at the Airport. However, all acts and omissions of the Sub-subuser shall be deemed to be acts and omissions of the User under the Agreement and the User shall also be severally responsible therefor, including but not limited to, the obligations of indemnification, repair and replacement.

(b) If so directed, the Sub-subuser shall at its own expense defend any suit based upon any such claim or demand (even if such claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority.

(c) Each policy and each certificate with respect to the insurance naming the Port Authority as an additional insured under Article 16 of the Subuse Agreement shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The parties acknowledge that the Port Authority and the User entered into a Use and Occupancy Agreement and not a Master Lease and that the Subuse Agreement is not a Sublease and, therefore, the terminology describing the parties and their agreements set forth in this Consent Agreement shall prevail over the terminology used in the

Agreement.

8. This Consent Agreement may be revoked at any time by the Port Authority without cause on thirty (30) days' notice to the User, the Subuser and the Sub-subuser and no such revocation shall be deemed to affect the Agreement or the continuance thereof, but the Subuse Agreement shall be deemed terminated thereby.

9. The granting of this Consent Agreement by the Port Authority shall not be deemed to operate as a waiver of the rights of the Port Authority, or as a consent to any subsequent subuse agreement (by the User, the Subuser or the Sub-subuser) or to any assignment of the Agreement or to any assignment of the Subuse Agreement or of any rights under any of the foregoing, whether in whole or in part.

10. Reference herein to the "User", the "Subuser" and the " Sub-subuser" shall mean and include the User, the Subuser and the Sub-subuser, respectively, and their respective officers, agents, employees and also others at the Space under the Agreement or the Airport with the consent of either the User, the Subuser or the Sub-subuser.

11. The User and the Subuser hereby represent to the Port Authority that they have complied with and will comply with, and the Sub-subuser hereby represents to the Port Authority that the Sub-subuser has complied with and will comply with, all laws, governmental rules, regulations and orders now or at any time during the term of the Subuse Agreement which as a matter of law are applicable to or that affect, respectively, the operations of the User, the Subuser or the Sub-subuser, under the Agreement or the Subuse Agreement, or its or their use and occupancy of the Space. The obligation of the User, the Subuser and the Sub-subuser hereunder to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

12. The Sub-subuser assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Sub-subuser assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Sub-subuser assures that it will require that its covered suborganizations provide assurances to the Sub-subuser that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

13. Nothing contained in this Consent Agreement or the Subuse Agreement, shall be or deemed to be consent to, or approval of, the erection of any structures, or the making of any improvements, alterations, modifications, additions, repairs or replacements to the Space, including without limitation, the installation of any signs at the Airport. The User, the Subuser and the Sub-subuser agree that no construction or installation, as aforesaid, shall be

performed without the prior written approval of the Port Authority and subject to the terms and conditions of the Agreement and of the Subuse Agreement and an approved Alteration Application which the User shall prepare and submit to the Port Authority.

14. The Subuse Agreement shall not be changed, modified or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

15. Nothing contained herein shall create or be deemed to have created a landlord tenant relationship or privity of estate between the Port Authority and the Sub-subuser nor shall be or be deemed to be an attornment by the Sub-subuser to the Port Authority nor acceptance thereof by the Port Authority and the Subuse Agreement and the occupancy by the Sub-subuser of the Subuse Space shall in all events be and remain subject and subordinate to the Agreement.

16. If the User, the Subuser or the Sub-subuser should fail to pay any amount required under this Consent Agreement when due to the Port Authority, including any fees or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period herein below described during the entirety of which such amounts remain unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Consent Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Paragraph, with respect to such unpaid amount. Nothing in this Paragraph is intended to, or shall be deemed to affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Consent Agreement, including without limitation, the Port Authority's rights set forth in Paragraph 7 hereof or (ii) any obligations of the User, the Subuser or the Sub-subuser under this Consent Agreement. In the event that any late charge imposed pursuant to this Paragraph shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Consent Agreement shall be payable instead at such legal maximum.

17. Except where expressly required or permitted herein to be oral, all notices, directions, 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 registered or certified mail. Said designated officer or representative of the Port Authority, the User, the Subuser and the Sub-subuser, and their respective offices shall be as set forth in the Agreement and Subuse Agreement. If mailed, the notices herein required to be served shall be deemed effective and served as of the date of the registered or certified mailing thereof.

[THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK]

18. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the User, to the Subuser and to the Sub-subuser under any term or provision of this Consent or because of its execution or because of any breach or alleged breach thereof.

IN WITNESS WHEREOF, the Port Authority, the User, the Subuser and the Sub-subuser have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) David Kagan
Assistant Director
Business, Properties & Airport Development

(Seal)

ATTEST:

Secretary

~~SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.~~
Signature Flight Support Corporation (formerly known as Signature Flight Support - New Jersey, Inc.)

By Stephen W. Lee

(Title) ~~Chief Operating Officer~~ ~~President~~
Vice President Operations

(Corporate Seal)

ATTEST:

Secretary

DASSAULT FALCON JET CORP.

By John Rosanvallon

(Title) President/CEO

(Corporate Seal)

ATTEST:

Secretary

BECTON, DICKINSON AND COMPANY

By John R. Considine

(Title) Sr Executive VP, CFO ~~President~~

(Corporate Seal)

APPROVED AS TO FORM:
5/18/02
LEGAL DEPT.

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

PDN/dmt

CSU- Signature/Dassault/Becton

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

For the Port Authority of NY & NJ

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 23RD day of MAY in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared DAVID KAGAN , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Gail E. Mitchell

GAIL E. MITCHELL
NOTARY PUBLIC STATE OF NEW YORK
NO. 01MI6026210
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES JUNE 14, 2011

(notarial seal and stamp)

For Signature Flight Support ~~– New Jersey Inc.~~ Corporation

STATE OF FLORIDA)
) **ss.**
COUNTY OF ORANGE)

On the 16th day of FEBRUARY , 2007, before me the subscriber a ,personally appeared STEPHEN W LEE the VICE PRESIDENT of Signature Flight Support ~~New Jersey Inc.~~ Corporation, who I am satisfied is the person who has signed the within instrument; and I having first made known to him/her the contents thereof, he/she did acknowledge that he/she signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Josephine A. Dettmore

(notarial seal and stamp)

NOTARY PUBLIC
STATE OF FLORIDA
Josephine A. Dettmore
Commission # DD584091
Expires November 8, 2010
Bonded Troy Fain - Insurance, Inc. 800-385-7019

For Dassault Falcon Jet Corp.

STATE OF New Jersey)
) **ss.**
COUNTY OF Bergen)

On the 19th day of April, 2007, before me the subscriber a ,personally appeared John Rosanvallon the President/CEO of Dassault Falcon Jet Corp., who I am satisfied is the person who has signed the within instrument; and I having first made known to him/her the contents thereof, he/she did acknowledge that he/she signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Linda B. Gherardi
(notarial seal and stamp)
LINDA B. GHERARDI
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 23, 2009

For Becton, Dickinson and Company

STATE OF New Jersey)
) **ss.**
COUNTY OF Bergen)

On the 30th day of April, 2006, before me the subscriber a ,personally appeared John R. Considine the Sr. VP and CFO of Becton, Dickinson and Company, who I am satisfied is the person who has signed the within instrument; and I having first made known to him/~~her~~ the contents thereof, he/~~she~~ did acknowledge that he/~~she~~ signed, ~~sealed with the corporate seal~~ and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Kristine K. Rocco
(notarial seal and stamp)
KRISTINE K. ROCCO
A Notary Public Of New Jersey
My Commission Expires July 16, 2007

First Amendment
to
Hangar and Office Space
Sublease Agreement

THIS FIRST AMENDMENT TO HANGAR AND OFFICE SPACE SUBLEASE AGREEMENT, dated as of the 25th day of October 2005 (this "**Amendment**"), is made between Dassault Falcon Jet Corp., a Delaware corporation with a place of business at Hangar 201, 100 Fred Wehran Drive, Teterboro, New Jersey 07608 ("**DFJ**") and Becton, Dickinson and Company, a New Jersey corporation with a place of business at 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880 ("**BD**").

WHEREAS, BD and DFJ are parties to that certain Hangar and Office Space Sublease Agreement, dated as of September 22, 2005 (the "**Agreement**") whereby BD subleases certain hangar and office space from DFJ at Hangar 201, 100 Fred Wehran Drive, Teterboro, NJ, and

WHEREAS, BD and DFJ desire to modify the Agreement in accordance with the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the parties agree as follows:

1. **Background: Sub-Use Agreement and Use and Occupancy Agreement**. The following language is hereby added to the end of Paragraph 1 to the Agreement:

   > "This Agreement shall be interpreted as a use agreement and shall not be construed to convey an interest in real estate. BD shall not violate any terms of the Sub-Use Agreement, as a sub-user, and shall comply with such terms as applicable to a sub-user. In the event of any conflict or inconsistency between the terms and conditions of Sub-Use Agreement and this Agreement, the terms and conditions most restrictive on BD shall control."

2. **Definitions.** Except as otherwise provided herein, capitalized words and terms in this Amendment shall have the definitions set forth in the Agreement.

3. **Entire Agreement.** The Agreement, as amended by this Amendment, contains the entire agreement between the parties with respect to the use of Sub-Premises. All provisions of the Agreement not expressly modified or amended herein remain in full force and effect and are hereby ratified and confirmed by the parties hereto.

[*The balance of this page is intentionally left blank.*]

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

DASSAULT FALCON JET CORP.

pr By: J. Moran

Title: Sr. VP

Date: October 24, 2005

BECTON, DICKINSON AND COMPANY

By:

Title: David W. Highet
Vice President

Date: October 25, 2005

First Amendment to Hangar and Office Space Sublease Agreement - approved and agreed to:

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

By:

Title: V.P. Operations

Date: 11-4-05

APPROVED AS TO FORM:
11/4/05
LEGAL DEPT.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Title:

Date:

Hangar and Office Space
Sublease Agreement

THIS HANGAR AND OFFICE SPACE SUBLEASE AGREEMENT, dated as of the 22ND day of September 2005 (this "**Agreement**"), is made between Dassault Falcon Jet Corp., a Delaware corporation with a place of business at Hangar 201, 100 Fred Wehran Drive, Teterboro, New Jersey 07608 ("**DFJ**") and Becton, Dickinson and Company, a New Jersey corporation with a place of business at 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880 ("**BD**").

WHEREAS, BD desires to sublease hangar and office space from DFJ at Hangar 201, 100 Fred Wehran Drive, Teterboro, NJ 07608 pursuant to terms and conditions mutually agreed to by the parties, and

WHEREAS, DFJ is willing to provide such hangar and office space for BD on a sublease basis.

NOW, THEREFORE, the parties agree as follows:

1. **Background: Sub-Use Agreement and Use and Occupancy Agreement.** DFJ is the Sub-User under that certain Sub-Use Agreement, dated October 1, 2002, as amended, (the "**Sub-Use Agreement**") wherein Signature Flight Support – New Jersey ("**Signature**") (a subsidiary of Signature Flight Support Corporation), leases land to DFJ for a hangar, office space, aircraft ramp space and vehicle parking (the "**Premises**"). Signature, as DFJ's landlord, leases the land from the The Port Authority of New York and New Jersey ("**The Port**") (successor-in-interest to Johnson Controls World Services Inc.), pursuant to that certain Use and Occupancy Agreement (TA-303), as amended (the "**Use and Occupancy Agreement**"). The Sub-Use Agreement and the Use and Occupancy Agreement are attached to and made a part of this Agreement as Appendices 1 and 2, respectively.

   Except to the extent that they are inapplicable to, inconsistent with, or modified by the provisions of this Agreement, the terms, covenants, conditions and provisions contained in the Sub-Use Agreement and the Use and Occupancy Agreement are incorporated herein by reference and shall constitute the terms, covenants, conditions and provisions of this Agreement.

   Without limiting the foregoing, the following paragraphs of the Sub-Use Agreement do not apply to this Agreement: 1, 3a, 3b, 9a, 9b, 9e, 9g, 9h, 9i, 12, 14, 15, 16, 20, 21, 25, 29 and Exhibits B, C and D.

   Furthermore, without limiting the foregoing, the following sections of the Use and Occupancy Agreement do not apply to this Agreement: 1, 2, 3, 4.3, 4.5, 5, 7.12, 11, 13, 14.7.3, 14.7.4, 14.10, 22, 33.1, 33.2, 38, 39 and all Exhibits.

2. **Sublease.** BD desires to sublease from DFJ approximately 1,746 square feet of net usable office space (the "**Office Space**"), and the necessary hangar space (the "**Hangar Space**"), to park BD's aircraft ("**BD's Aircraft**") subject to the terms and conditions contained in this Agreement. BD's Aircraft currently consists of a Falcon 900 and a Falcon 50 aircraft, and may be upgraded as provided herein. The Office Space and the Hangar Space, collectively, the "**Sub-Premises,**" are depicted in the drawing attached hereto as Appendix 3.

   DFJ hereby subleases the Sub-Premises to BD under the terms and conditions set forth in this Agreement, together with all the appurtenances, rights, privileges and easements pertaining thereto including, but not limited to, common areas such as the right to use corridors, entranceways, rest rooms, conference rooms, lobby, shop area, break room, library, walkways, roadways, driveways, parking facilities, and other similar or related facilities as may exist in and about the office space, hangar and land, but which are not part of the Sub-Premises. BD's Corporate Aviation Department personnel shall have access to DFJ's cafeteria located in DFJ's corporate headquarters building. DFJ further grants BD a continuing right of access to, and use of, the Sub-Premises for purposes of BD's Corporate Aviation Department operations on the Sub-Premises. Such access shall be on a 24 hour per day, 365 day per year basis in accordance with Teterboro Airport regulations and security provisions (attached hereto as Appendix 4).

3. **Term.** The term of this Agreement shall be for a period of seven (7) years (the "**Term**") commencing on the later to occur of either (i) November 1, 2005 or (ii) seven (7) days after DFJ's receipt of written consent (as set forth in Paragraph 27) by Signature and The Port (the "**Commencement Date**"). The Term shall end on that date (the "**Expiration Date**") seven (7) years from the Commencement Date. BD and DFJ agree to memorialize in writing the Commencement Date and the Expiration Date. Unless otherwise extended or terminated in accordance with the provisions of this Agreement, there shall be one (1) five-year option to extend the Term (the "**Extension Term**"). BD agrees to give DFJ not less than six (6) months prior written notice to exercise its option to extend this Agreement. BD shall have the right to terminate this Agreement after the first twenty-four (24) months of the Term, or the Extension Term, by providing not less than ninety (90) days written notice of termination in the event BD's business operations necessitate a change in location for BD's Corporate Aviation Department. All terms and conditions of this Agreement shall remain the same during the Extension Term, except the rent shall be adjusted based on the rent increases experienced by DFJ in accordance with the procedures set forth in Appendices 1 and 2. The parties agree that any increase shall not exceed two percent (2%) compounded annually. DFJ shall provide BD with written notice of the Extension Term Rent at least sixty (60) days prior to the end of the original Term.

4. **Rent.** During the Term, BD shall pay DFJ initial rent ("**Rent**") equal to Three Hundred Sixty Thousand United States Dollars ($360,000.00 US) per year, which Rent shall be payable in advance in equal monthly installments of Thirty Thousand

United States Dollars ($30,000.00 US) each. The Rent shall be apportioned as follows:

Sub-Premises	Monthly Rent
Exemption (2.a.)	

BD shall have no obligation to pay any additional rent unless specifically set forth in this Agreement. Should this Agreement commence on other than the first day of a calendar month or end on other than the last day of a calendar month, the monthly installment of Rent for any partial calendar month shall be pro-rated on a per diem basis and paid in advance.

Starting January 1, 2007 and annually thereafter, the Rent shall be adjusted based on the rent increases experienced by DFJ in accordance with the procedures set forth in Appendices 1 and 2. The parties agree that no increase in Rent will exceed two percent (2%) compounded annually. DFJ shall provide BD with written notice of any increase as soon as it is known by DFJ, and at least by December 1st of each year during the Term or the Extension Term.

5. **Taxes.** In the event that there are taxes to be paid based on DFJ's use of the Premises, BD shall be responsible for payment of its proportionate share (currently 17.34% of the office portion of the Premises and 35.4% of the hangar portion of the Premises) of any and all applicable taxes or assessments, including, but not limited to, all real estate, ad valorem and possessory interest taxes and assessments. BD agrees to pay all such taxes and assessments with respect to personal property and improvements constructed or maintained by BD on or about the Sub-Premises. DFJ, to the extent possible, shall give prior notification of any taxes and/or assessments for which BD is to be charged, in order that BD may have an opportunity to contest any taxes and/or assessments. DFJ covenants and agrees to promptly furnish BD with copies of all official tax bills, statements, invoices and assessments against the Sub-Premises upon DFJ's receipt of same, and DFJ will fully cooperate with BD in its contesting of any such taxes and/or assessments.

   Notwithstanding the foregoing, DFJ expressly reserves the right to pay on BD's behalf and subsequently invoice BD for any such tax or assessment immediately upon notice thereof and may reject BD's recommendations and arguments for contesting of any such tax or assessment if, in the reasonable judgment of DFJ, such contesting may, in any manner or to any extent, adversely affect DFJ's operations.

6. **Use of the Sub-Premises.** BD shall use the Sub-Premises for office use, for hangar storage of BD's Aircraft, and for other ancillary uses; provided no ancillary use shall violate any term or condition in Appendices 1 and 2, or any local, State or Federal

law, rule, regulation, or ordinance applicable to the Premises. DFJ represents that the foregoing uses are permitted under Appendices 1 and 2, provided DFJ and BD obtain Signature and The Port's written consent to this Agreement.

7. **BD's Aircraft Upgrade.** DFJ agrees that, during the Term of this Agreement, BD may upgrade BD's Aircraft to include one (1) Falcon 7X, plus either one (1) Falcon 900 or one (1) Falcon 2000EX, plus one (1) turbine powered helicopter. Notwithstanding the above, BD shall be authorized to park no more than three (3) aircraft in the Hangar Space at any one time. The Parties agree that Hangar Space will always be available for BD's planes, but it is understood that Hangar Space for a helicopter shall be provided on a space-available basis. All competitive manufacturers' aircraft shall be prohibited from parking in the Hangar Space. Rent shall be adjusted for any change in the type or number of BD's Aircraft.

8. **Maintenance.** BD shall be granted the right to conduct limited scheduled aircraft maintenance on the Premises; such maintenance shall not exceed a 24 month (4A+) Falcon aircraft inspection. The parties agree that there shall be no limitation on BD's aircraft on ground ("**AOG**") repairs. BD may use third party subcontractors provided that BD advises DFJ in advance and indemnifies DFJ for the negligent acts or omissions of BD's subcontractors. BD may use DFJ's equipment for AOG repairs without any warranty from DFJ and only with the consent of DFJ's maintenance manager (which consent will not be unreasonably withheld or delayed).

9. **Confidentiality.** During the Term of this Agreement, BD agrees to keep confidential any non-public information that it may receive in and around the Sub-Premises including, but not limited to, the identity of DFJ's customers, business prospects, demonstration aircraft scheduling activities and other aircraft sales activities. DFJ agrees to keep confidential any non-public information that it receives in and around the Premises regarding BD's business customers, products, business, prospects or BD's Aircraft scheduling activities.

10. **Security of the Sub-Premises.** Access to the Sub-Premises shall be limited to BD's Corporate Aviation Department personnel having Teterboro Airport identification badges, and, with prior notification to DFJ, invited guests of BD. DFJ shall cooperate with BD to ensure that BD's security program is set up and maintained in accordance with Teterboro Airport's security regulations, Signature's security regulations (if applicable), and BD's best security practices. Electronic access media shall be issued by DFJ and controlled by BD management.

11. **Alteration of the Sub-Premises.** The parties agree that, during the Term of this Agreement, BD may alter the Office Space at BD's sole expense, subject to DFJ's, Signature's, and The Port's approval of the plans and the scheduling of such alterations. DFJ shall cooperate with BD in the completion of such alterations by assisting BD to obtain all necessary approvals from Signature and The Port prior to the commencement of the alterations, and BD shall cooperate with DFJ on the

scheduling of such alterations so as not to interfere with DFJ's normal flight operations.

12. **Damage.** Notwithstanding anything to the contrary that may be contained in Appendices 1 and 2, in the event that (i) the Sub-Premises, and/or the Premises are destroyed or damaged to such an extent that same cannot be repaired and restored within one hundred twenty (120) days of said destruction or damage, or (ii) the damage or destruction shall occur within the last six (6) months of the Term, BD may terminate this Agreement as of the date of said destruction or damage by giving written notice thereof to DFJ within thirty (30) days following said destruction or damage. With respect to (i) above, in the event that this Agreement is not terminated as aforesaid but the Sub-Premises and Premises are not restored to the condition which existed immediately prior to said damage, then BD may terminate this Agreement retroactively as of the date of said destruction or damage by giving written notice thereof to DFJ within twenty (20) days following the expiration of said one hundred and twenty (120) day period.

13. **Notices.** All notices and demands which are required or permitted to be given by either party to the other hereunder shall be in writing and shall be effective when received. All official notices and demands by the parties shall be sent by United States registered or certified mail, addressed to the addresses designated in this paragraph. Such other notices may be given by personal delivery, or by facsimile transmission. If facsimile transmission is used, the notice or demand shall not be effective until the next business day after the day the sender receives electronic evidence that the facsimile transmission has been received.

If to DFJ:

Dassault Falcon Jet Corp.
Teterboro Airport
200 Riser Road
Little Ferry, NJ 07643
Attn: Senior VP/General Counsel

Fax: 201-541-4515

With a Copy to:

Dassault Falcon Jet Corp.
Teterboro Airport
Hangar 201
100 Fred Wehran Drive
Teterboro, NJ 07608
Attn: Flight Operations

If to BD:

Becton, Dickinson and Company
1 Becton Drive, MC 089
Franklin Lakes, NJ 07417-1880
Attn: General Counsel

Fax: 201-848-9228

With a Copy to:

Becton, Dickinson and Company
Corporate Aviation Department
Teterboro Airport
Hangar 201
100 Fred Wehran Drive
Teterboro, NJ 07608
Attn: Aviation Director

14. Default and Remedies.

(a) Default and Available DFJ Remedies. In case of any breach by BD, in addition to all other rights available to any of the parties at law or equity hereunder and in addition to DFJ's rights under this Agreement, DFJ reserves all the rights against BD as would be available to DFJ under the Sub-Use Agreement, if such breach were by DFJ thereunder.

In the event either party defaults in the performance of any of the terms and provisions hereof and the other party places the enforcement of this Agreement in the hands of an attorney and subsequently prevails in any ensuing litigation, the defaulting party agrees to reimburse the other party for all reasonable expenses incurred as a result thereof including but not limited to reasonable attorneys' fees.

(b) Events of Default. Without limitation, each of the following shall constitute an event of default (jointly and severally hereinafter "Event of Default") under this Agreement:

(i) If either party shall make a general assignment for the benefit of creditors or file a voluntary petition in bankruptcy or a petition or answer seeking its reorganization or the readjustment of its indebtedness under the United States Bankruptcy Code (the "Code") or any other similar law or statute of the United States or of any state, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of the property of such party; or

(ii) If by order or decree of a court of competent jurisdiction either party shall be adjudged bankrupt, or an order shall be made approving a petition seeking its reorganization, or the readjustment of its indebtedness under the Code or any law or statute of the United States or any state, territory or possession thereof; or

(iii) If by or pursuant to any order or decree of any court of governmental authority having jurisdiction, a receiver, trustee or liquidator shall take possession or control of all or substantially all of the property of either party for the benefit of creditors; or

(iv) If BD shall fail to pay any portion of the rent or money payments required by this Agreement and such failure shall not have been remedied within ten (10) days following receipt by BD of written demand from DFJ; or

(v) If BD should abandon the Sub-Premises rendering it unoccupied for a period of thirty (30) consecutive days; or

(vi) Except for BD's failure to pay any sums under this Agreement, or an abandonment of the Sub-Premises by BD, if either party shall default in fulfilling any of the terms, covenants or agreements to be fulfilled by it

hereunder, and shall fail to remedy any Event of Default within thirty (30) days following receipt of written demand from the other party to do so, or if by reason of the nature of such default the Event of Default cannot be remedied within the thirty (30) day period beginning from written demand from the other party to do so, then if the defaulting party shall have failed to immediately commence the remedying of such Event of Default within said thirty (30) days following such written demand, or having so commenced, shall fail thereafter to continue with all due diligence to prosecute the remedying thereof.

(c) Remedies. Upon occurrence of an Event of Default and after the expiration of all applicable cure periods prescribed herein, either party may, in addition to the remedies specified herein below, and at law and equity, pursue any one or more of the following remedies, separately or concurrently or in any combination, without any further notice or demand whatsoever and without prejudice to any other remedy which it may have:

(i) DFJ may terminate this Agreement by giving BD written notice of termination, in which event BD shall quit and vacate the Sub-Premises within one week of such notification and deliver and surrender possession of the Sub-Premises to DFJ and this Agreement shall be terminated at the time designated by DFJ in its notice of termination to BD; and/or

(ii) With or without terminating this Agreement, DFJ may enter upon and take possession of the Sub-Premises and expel or remove BD; and/or

(iii) DFJ may declare all rent and other sums due and unpaid and all future rent for the balance of the Term of this Agreement to be immediately due and payable; and/or

(iv) Either party may undertake and perform whatever the other party is obligated to do under the terms of this Agreement in which event the defaulting party shall reimburse the other party upon demand for any expenses, including without limitation reasonable attorney's fees which either party may incur in thus effecting satisfaction and performance of or compliance with the defaulting party's duties and obligations under this Agreement; and/or

(v) BD shall be deemed to have transferred to DFJ all of BD's interest in and to the Sub-Premises and all improvements undertaken thereto by BD, subject to the ownership of the Port in the Sub-Premises. BD shall promptly thereafter execute and deliver to DFJ such documents as DFJ may request. In succeeding to ownership of the improvements, DFJ will not be deemed to have assumed any of BD's liabilities with respect thereto; and/or

(vi) BD agrees to pay and DFJ shall be entitled to recover all costs and expenses incurred by DFJ, including reasonable attorneys' fees, in connection with collection of rent, or any other sum due to DFJ hereunder or damages or enforcing other rights of DFJ in the event of a breach of this Agreement by BD.

15. <u>Indemnifications</u>.

(a) Subject to the provisions of Paragraph 15 herein, BD agrees to indemnify, defend and forever hold harmless DFJ, Signature, The Port and their respective officers, directors, employees, agents, servants, contractors, subcontractors or invitees from and against any and all claims, liabilities, losses, demands, fines, penalties, actions, judgments or other expenses (including, but not limited to, defense costs and reasonable attorneys' fees) imposed upon DFJ, Signature and/or The Port by reason of injuries or deaths of persons (including wrongful death) and damages to property, arising from the gross negligence or willful misconduct of BD in its use and occupancy of the Sub-Premises, including the acts or omissions of BD's officers, directors, employees, agents, contractors, subcontractors, sub-users, invitees or other representatives.

(b) Subject to the provisions of Paragraph 15 herein, DFJ agrees to indemnify, defend and forever hold harmless BD, Signature, The Port and their respective officers, directors, employees, agents, servants, contractors, subcontractors or invitees from and against any and all claims, liabilities, losses, demands, fines, penalties, actions, judgments or other expenses (including, but not limited to, defense costs and reasonable attorneys' fees) imposed upon BD, Signature and/or The Port by reason of injuries or deaths of persons (including wrongful death) and damages to property, arising from the gross negligence or willful misconduct of DFJ or its officers, directors, employees, agents, contractors, subcontractors, sub-users, invitees or other representatives.

(c) BD's Corporate Aviation Department personnel will obtain and display proper identification in accordance with prevailing Teterboro Airport regulations. All costs incurred in obtaining such required identification badge authorizations or endorsements shall be borne solely by BD.

(d) The parties hereto shall indemnify and hold harmless the other party, its officers, directors, agents, contractors, subcontractors, servants, tenants, customers and employees from and against any and all fines, penalties, suits, claims, losses, liabilities, judgments or legal actions which may be imposed by Teterboro Airport, United States Customs Service or any other agency having jurisdiction at or over Teterboro Airport as a result of either party's directors, officers, employees, agents, contractors, subcontractors or invitees failure to comply and adhere to any and all Federal, State, County, Local or Teterboro Airport regulation from and after the effective date of this Agreement or any regulation,

rule or law promulgated and revised by any agency having jurisdiction at or over Teterboro Airport from time to time thereafter.

(e) The foregoing indemnifications shall survive the termination of this Agreement.

16. **DISCLAIMER OF LIABILITY.** NOTWITHSTANDING THE INDEMNIFICATION PROVISIONS SET FORTH IN THIS AGREEMENT, THE PARTIES HEREBY EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR ANY PARTY CLAIMING THEREUNDER THROUGH SUCH PARTY, INCLUDING, BUT NOT LIMITED TO CONTRACTORS, SUBCONTRACTORS, SUB-USERS, CLIENTS OR CUSTOMERS), FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE, LOSS OF USE, DIMINUITION OF VALUE, LOSS OF ANTICIPATED PROFITS OR THE COSTS ASSOCIATED WITH REPLACEMENT OR SUBSTITUTE AIRCRAFT.

17. **Insurance.** BD shall obtain, from a financially solvent insurance carrier reasonably acceptable to DFJ, the following types and minimum amounts of insurance:

(a) Workers' Compensation Insurance – per the statutory requirements of the State of New Jersey.

(b) Employer's Liability Insurance – One Million Dollars ($1,000,000.00) per occurrence.

(c) Comprehensive General Liability Insurance – Seventy-five Million Dollars ($75,000,000.00) per occurrence, with endorsements to expressly include premises liability, and contractual liability.

(d) Aircraft Liability Insurance – Seventy-five Million Dollars ($75,000,000.00) per occurrence, inclusive of hangarkeeper's liability coverage.

(e) All-Risk Hull Insurance – In amounts deemed appropriate and sufficient by BD.

(f) All-Risk Property Insurance – Coverage commensurate with the value of Sub-Premises' contents, including, but not limited to, all furnishings and equipment (excluding BD's Aircraft), as well as, all Hangar Space improvements underwritten and constructed by BD against fire (fire legal liability) and any other loss or damage for the full replacement value of all BD property contained therein. In addition to the foregoing fire coverage requirement, coverage shall, at a minimum, insure against any and all other perils included within the classification "all risk" coverage under insurance industry practice in the State of

New Jersey, together with insurance against vandalism, malicious mischief, wind, smoke, riot, civil commotion, sprinkler leakage or other sprinkler damage.

(g) Comprehensive Automobile Liability Insurance – One Million Dollars ($1,000,000.00) per occurrence, combined single limit, including all owned, non-owned, leased and for-hire vehicles, with a specific endorsement stating the policy's effectiveness on airport premises.

(h) Excess Liability Insurance in an amount equal to industry standard, per occurrence.

All such required insurance, excepting Workers' Compensation, shall name DFJ, Signature and The Port as additional insureds where their interests may be affected. All required insurance policies shall be evidenced by certificates of insurance, which provide at least thirty (30) days advance written notice of any cancellation or changes adverse to the interests of DFJ, Signature, The Port or BD. BD agrees to furnish certificates evidencing such insurance described herein to DFJ within thirty (30) days from the Commencement Date (except for All Risk Insurance, which shall require a Certificate of Insurance to be provided to DFJ concurrent with the date construction commences). It is further agreed that the insurance policies of BD and any party claiming through BD hereunder, for the coverages described herein, shall respond on a primary basis to the extent of the indemnity provisions required of BD as set forth in this Agreement.

The Parties and their insurance carrier(s) agree to waive all rights of subrogation in favor of the other in conjunction with their performance under this Agreement. DFJ agrees to provide BD with a Certificate of Insurance which evidences such waiver of subrogation.

NOTWITHSTANDING THE PROVISIONS OF THIS PARAGRAPH, FOR PURPOSES OF THIS AGREEMENT, BD ACKNOWLEDGES ITS POTENTIAL LIABILITY IS NOT LIMITED TO THE AMOUNT OF LIABILITY INSURANCE IT MAINTAINS NOR TO THE LIMIT REQUIRED HEREIN.

18. **Parking.** Not more than thirty (30) vehicle parking spaces will be allocated in the existing parking area near the Sub-Premises and will be designated for BD's exclusive use, at no additional charge to BD.

19. **Services and Systems.** DFJ shall provide HVAC, electric, sewer and water, and all other utility services to the Sub-Premises. The cost of all such services is included in the Rent payable under this Agreement, and shall be at no additional charge to BD. BD shall bear the cost and responsibility for providing telephone/data service at the Sub-Premises. DFJ shall provide security to the Premises, landscape maintenance and snow removal services at no additional cost to BD.

20. **Maintenance and Repair.** DFJ shall, in accordance with Appendices 1 and 2, maintain and/or repair non-structural portions of the Premises, including but not limited

to, all roadways, sidewalks, paved parking areas, HVAC, electrical, water, sewer, sprinklers and other utilities, services and systems, and all interior and exterior walls, windows, floors, foundations, roofs and roofing systems. BD shall keep the Sub-Premises clean and shall maintain the Sub-Premises in good condition, less normal wear and tear, during the Term of this Agreement. BD agrees to use DFJ's designated janitorial service provider under a separate service contract during the Term of this Agreement.

21. **Performance by DFJ.** DFJ represents and warrants to BD that Appendices 1 and 2 are in full force and effect, and that DFJ is not in default thereunder. DFJ covenants and agrees that it will fully and punctually pay all rent, additional rent, operating costs and all other charges, costs and expenses due and payable under Appendices 1 and 2 and uphold each and every promise, covenant and obligations required of DFJ under said documents. In the event that DFJ fails to observe or perform any of the terms, provisions, covenants or conditions contained in Appendices 1 and 2, and such default is not cured by DFJ within the time periods specified, BD shall have the right (but not the obligation) to remedy such default provided BD shall have given DFJ written notice of such default and ten (10) days thereafter to so cure. All reasonable costs and expenses incurred by BD in remedying such default may be deducted from future Rent payable by BD under this Agreement; provided that if future Rent payments are not sufficient to cover BD's costs and expenses; or if BD elects not to exercise the foregoing right of deduction and set-off, then such costs and expenses shall be reimbursed by DFJ immediately upon receipt of BD's invoice, accompanied by receipt or other evidence showing payment therefore.

22. **Holdover.** Any holding over by BD beyond the Expiration Date shall be deemed unlawful unless expressly consented to by DFJ in writing. In the event of any hold over, BD shall be responsible to DFJ for any applicable remedies in law or in equity by reason of such unlawful holding over by BD, including, without limitation, holdover rent under Appendices 1 and 2.

23. **Brokers.** DFJ and BD warrant and represent that they have had no dealings with any real estate broker or agent in connection with the negotiation of or the leasehold created by this Agreement. DFJ and BD each agree to indemnify, defend and hold the other harmless from and against any and all liabilities or expenses, including reasonable attorneys' fees and costs, arising out of or in connections with a breach of the representation contained in this paragraph.

24. **Hazardous Substances.**

(a) As used herein, "Hazardous Substances" means any substance which is toxic, ignitable, reactive, or corrosive or which is regulated by "Environmental Laws." The term "Environmental Laws" means federal, state and local laws and regulations, judgments, orders and permits governing safety and health and the protection of the environment, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et seq., as amended (CERCLA), the Resource Conservation and Recovery Act, as amended 42 U.S.C. 6901 et seq., the Clean Water Act, 33 U.S.C. 1251 et seq., the

Clean Air Act, 42 U.S.C. 7401 et seq., the Toxic Substance Control Act, 15 U.S.C. 2601 et seq., and the Safe Drinking Water Act, 42 U.S.C. 300f through 300j. "Hazardous Substances" includes any and all materials or substances which are defined as "hazardous waste," "extremely hazardous waste" or a "hazardous substance" pursuant to state, federal or local governmental law. "Hazardous Substances" also includes asbestos, polychlorinated biphenyl ("PCBs") and petroleum products.

(b) Any such Hazardous Substances permitted on the Sub-Premises as hereinabove provided, and all containers therefor, shall be used, kept, stored and disposed of in a manner that complies with all Environmental Laws. BD shall indemnify and hold DFJ harmless from any and all claims, damages, fines, judgments, penalties, costs, expenses or liabilities (including, without limitation, any and all sums paid for settlement of claims, reasonable attorneys' fees, consultant and expert fees) which arise during or after the Term hereof from or in connection with the use, storage, generation, remediation, clean-up or disposal of Hazardous Substances in, on or about the Sub-Premises by BD, or its agents, employees, contractors or invitees during the Term hereof.

(c) Notwithstanding anything to the contrary stated hereinabove, the indemnifications contained in subparagraph (b) above shall not include any consequential damages (e.g., loss of rent, use and profits) incurred by DFJ but shall expressly include, without limitation, any and all costs incurred due to any investigation of the site or any cleanup, removal or restoration mandated by or pursuant to any Environmental Laws. The indemnifications contained herein shall survive any expiration or termination of the Term hereof, but shall terminate ten (10) years after any such expiration or termination except with respect to any specific claims which have been given in writing by either party to the other prior to the expiration of said ten-year period.

25. Enforcement of Rights. If Signature defaults in any of its obligations under Appendices 1 and 2, BD shall be entitled to participate with DFJ in any action undertaken by DFJ in the enforcement of DFJ's rights against Signature. If DFJ elects not to take action, whether legal action or otherwise, for the enforcement of DFJ's rights against Signature, BD shall have the right (but not the obligation) to take such action in its own name and, for that purpose and only to such extent, all the rights of DFJ under Appendices 1 and 2 with respect to the Premises shall be and are hereby conferred upon and assigned to BD, and BD shall be subrogated to such rights to the extent they apply to the Sub-Premises. In the event that it still becomes legally necessary for DFJ to join in such action undertaken by BD in order to enforce Signatures' obligations under Appendices 1 and 2, DFJ hereby agrees to join in such action or lawsuit, at BD's sole cost, for the purpose of lending its name to BD and creating the necessary privity of contract and agrees to assign to BD, at BD's sole cost, any and all rights conferred upon DFJ by virtue of such action or lawsuit which relate to this Agreement or BD's interest hereunder.

26. **Compliance with Laws and Governing Law.**

(a) DFJ covenants and agrees that it shall, at all times during the Term hereof and at its sole cost and expense, promptly comply with all governmental laws, ordinances, rules, regulations and requirements which may in any way be applicable to the Sub-Premises, except to the extent such compliance is assumed by Signature pursuant to Appendix 1 or by BD as provided in subparagraph (b) below. This Agreement shall be governed by the laws of the State of New Jersey.

(b) BD shall, at all times during the Term and at its sole cost and expense, promptly comply with all governmental laws, ordinances, rules, regulations and requirements which may be applicable to the particular manner in which BD conducts its business on the Sub-Premises; however, in no event shall BD be required to make any alterations, additions or improvements which are structural in nature or which affect the building systems, all such required alterations, additions or improvements being hereby expressly assumed by DFJ.

27. **Consent of Signature and The Port.** This Agreement shall be of no force or effect unless consented to in writing by Signature and The Port in accordance with the provisions of Appendices 1 and 2. If such consent is not obtained by DFJ within ninety (90) days after execution and delivery of this Agreement, then BD, at any time thereafter, may terminate its obligations under this Agreement upon written notice to DFJ without any liability or obligation to DFJ.

28. **Quiet Enjoyment.** DFJ covenants and agrees that BD, so long as it shall not be in default hereunder beyond any applicable grace period, shall and may, at all times during the Term, peaceably and quietly have, hold, occupy and enjoy the Sub-Premises pursuant to the terms of this Agreement.

29. **Condition of the Sub-Premises upon Expiration or Termination of this Agreement.** BD shall return the Sub-Premises to DFJ at the end of the Term of this Agreement in a broom clean condition, in good condition less normal wear and tear. DFJ may, at DFJ's option, require BD to remove any alterations, additions or improvements made by BD.

30. **Disputes.** If a dispute, claim or controversy arising out of or relating to this Agreement occurs, the parties shall cause their appropriate senior management, including counsel, to meet within thirty (30) days of written notice of such a dispute received from either party. The parties agree to use commercially reasonable efforts to resolve the dispute in good faith.

31. **Entire Agreement.** This Agreement and its Appendices contain the entire Agreement between the parties with respect to the lease of the Sub-Premises. This Agreement may only be modified or amended by a written amendment signed by both parties.

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

DASSAULT FALCON JET CORP.

By: J. Morgan Young

Title: Sr VP

Date: 9/21/05

BECTON, DICKINSON AND COMPANY

By:

Title: David W. Highet, Vice President

Date: 09.22.05

IN WITNESS WHEREOF, the Parties have executed this Hangar and Office Sublease Agreement as of the date first written above.

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

By: _____
Joseph I. Goldstein

Title: Secretary & General Counsel

Date: 11/8/05

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

11/8/05

LEGAL DEPT.

CONSENT OF AIRPORT AUTHORITY

The Airport Authority of Teterboro, New Jersey, hereby consents to the terms and conditions of this Hangar and Office Space Sublease Agreement, dated September 22, 2005.

ATTEST:

FOR AND ON BEHALF OF THE AIRPORT AUTHORITY OF TETERBORO, NEW JERSEY

_____ _____

Title: _____

Date: _____

APPROVED AS TO FORM & LEGALITY:

_____
Legal Counsel

RECOMMENDED BY:

_____

THE STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on _____ by _____, _____, of _____, Inc., a _____ corporation, personally known to me, on behalf of said corporation.

NOTARY SEAL

Notary Public, State of _____

_____
Printed or Typed Name of Notary
My commission expires:_____

THE STATE OF FLORIDA
COUNTY OF ORANGE

This instrument was acknowledged before me on November 8, 2005 by Joseph I. Goldstein, Secretary and General Counsel of Signature Flight Support Corporation, a Delaware corporation, personally known to me, on behalf of said corporation.

NOTARY SEAL

MARILYN CASTRO-GARCIA
Comm# DD0371951
Expires 11/15/2008
Bonded thru (800)432-4254
Florida Notary Assn., Inc

Marilyn Castro Garcia
Notary Public, State of Florida
MARILYN CASTRO-GARCIA
Printed or Typed Name of Notary
My commission expires: 11/15/2008

Supplement No. 1

THIS AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER AND BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Use And Occupancy Agreement No. TA-303
Supplement No. 2

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of October 1, 2004, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT - NEW JERSEY INC. (hereinafter called the "User"),

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and dated October 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space, as defined therein, at Teterboro Airport (which Use and Occupancy Agreement is hereinafter called the "Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of November 30, 2000; and

WHEREAS, effective from and after December 1, 2000 the Port Authority has been the operator of the Airport and, together with the User, has provided for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement; and

WHEREAS, the parties desire to amend the Agreement in certain other respects as hereinafter provided;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority and the User hereby agree as follows:

1. Effective as of November 1, 2003, the following amendments are made to Section 5 of the Agreement:

(a) Subsection 5.1.1 shall be deleted in its entirety and the following new subsection 5.1.1. shall be substituted in lieu thereof:

"5.1.1. Facilities

5.1.1.1 A new terminal building consisting of a minimum of 9,200 square feet of space (hereinafter called "Area 1") to be built on the area as indicated on Exhibit A-1.

5.1.1.2 A new hangar consisting of a minimum of 22,500 square feet of space (hereinafter called "Area 3") to be built on the area as indicated on Exhibit A-2.

5.1.1.3 New office/shop space consisting of a minimum of 10,000 square feet of space (hereinafter called "Area ~~2~~ 4") to be built on the area as indicated on Exhibit A-2.

5.1.1.4 Upon written notification to User by the Port Authority that Area 2 on Exhibit A-1[redacted], is available for development as a result of the relocation of Taxiway P, or otherwise, the area shall become part of the Space. The User shall proceed expeditiously and with all reasonable diligence in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space so as to have a continuous connection of ramp paving to the new service road being installed by the Port Authority. Hereinafter Area 1, Area 2, Area 3 and Area 4 shall collectively be referred to as the "Phase 1 Construction."

INITIAL
VTG 12/14/04

(b) Subsection 5.1.2.1 and 5.1.2.2 shall be deleted in their entirety and the following new subsections 5.1.2.1 and 5.1.2.2 shall be substituted in lieu thereof

"5.1.2.1 The Phase 1 Construction plans and specifications as specified in Section 5.5 of the Agreement are to be submitted no later than October 6, 2002, excluding plans and specifications for the work described in subsections 5.1.1.4..

5.1.2.2 Phase 1 Construction, excluding the work required under 5.1.1.4, shall be completed within twelve (12) months of the approval of each building by the Port Authority of the construction plans and specifications for the Phase 1 Construction."

deleted VTG 12/14/04

(c) Section 5.2 shall be ~~deemed~~ in its entirety and the following new Section 5.2 shall be substituted in lieu thereof and shall read as follows:

"5.2 The User hereby agrees to enter into a Phase 2 Construction project in accordance with the following parameters:

5.2.1 Facilities

5.2.1.1 Demolition of Hangar 15 located on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.2.1.2 A new hangar consisting of a minimum of 36,000 square feet area of hangar area to be built on the Space identified as Area 1 of Exhibit A-1 of the Agreement.

5.2.1.3 Attached office/shop space of a minimum of 10,400 square feet to be built on the Space identified as Area A of Exhibit A-1 of the Agreement.

5.2.2 Schedule of completion dates

5.2.2.1 Phase 2 construction plans and specifications as specified in Section 5.5 of the Agreement are be submitted no later than May 29, 2004 to the Port Authority.

5.2.2.2 The User acknowledges and agrees that the construction of Phase 2 buildings shall be completed no later than January 1, 2006 (hereinafter called the "Phase 2 Construction Completion Date").

5.2.3 Penalty provisions

5.2.3.1 A penalty in the form of an additional land rent fee e[redacted] month or fraction thereof by which the actual Phase 2 Construction Completion Date is delayed.

5.2.3.2 The Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided that the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.2.4 Minimum financial commitments

5.2.4.1 The User commits to a financial investment for Phase 2 work at a minimum level [redacted]

(d) Section 5.3 shall be deemed in its entirety and the following new Section 5.3 shall be substituted in lieu thereof and shall read as follows:

"5.3 The User hereby agrees to enter into a Phase 3 construction project in accordance with the following parameters:

5.3.1 Facilities

5.3.1.1 Demolition of Hangar 16 and Hangar 17 as shown on area 1 and area 2 of Exhibit A-2 of the Agreement.

5.3.1.2 Demolition of Building 70 as identified on area 3 of Exhibit A-2 of the Agreement.

5.3.1.3 Construction of a new hangar consisting of a minimum of 30,000 square feet, with attached office/shop space of 9,200 square feet (hereinafter the new hangar and attached office space shall be collectively called the "New Hangar 16") to be built on the spaces identified as Areas 1, 2 and 3 of Exhibit A-2 of the Agreement.

5.3.1.4 Construction of a new hangar consisting of a minimum of 30,000 square feet with attached office/shop space of a minimum of 8,400 square feet (hereinafter called the "New Hangar 17") to be built on space identified as Area 1 of Exhibit A-2 of the Agreement.

5.3.1.5 Hereinafter the New Hangar 16 and the New Hangar 17 shall be collectively referred to as the "Phase 3 Construction".

5.3.2 Schedule of Completion Dates

5.3.2.1 Prior to July 20, 2004, the User shall submit to the Port Authority, for Port Authority review and approval, plans and specifications for the Phase 3 Construction.

5.3.2.2 The User acknowledges and agrees that the Phase 3 Construction shall be completed no later than March 4, 2007 (hereinafter called the "Phase 3 Construction Completion Date").

5.3.3 Penalty Provisions

5.3.3.1 A penalty in the form of an additional land re[redacted] month or fraction thereof by which the actual completion date of the Phase 3 Construction is delayed beyond the Phase 3 Construction Completion Date.

5.3.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.3.4 Minimum financial commitments

5.3.4.1 The User commits to a financial investment for Phase 3 Construction work at a [redacted]

2. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

3. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

[THE REMINDER OF THIS PAGE WAS INTENTIONALY LEFT BLANK]

4. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the Port Authority, and the User have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) FRANCIS A. DIMOLA ASSISTANT DIRECTOR AVIATION DEPT.

(Seal)

ATTEST:

Secretary

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

By

(Title) President

(Corporate Seal)

APPROVED: FORM TERMS

Form - All-Purpose Ac.. .N.Y. (rev 1/4/2000)

For the Port Authority of NY & NJ

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 3rd day of February in the year ~~2004~~ 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared FRANCIS A. DiMEILA, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Peggy M. Spinelli
(notarial seal and stamp)

PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2007

For Signature Flight Support – New Jersey Inc.

STATE OF FLORIDA)
) ss.
COUNTY OF ORANGE)

On the 21st day of December in the year 2004, before me, the undersigned, a Notary Public in and for said state, personally appeared JOHN G. FARMER, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Josephine A. Dettmore
(notarial seal and stamp)

Josephine A. Dettmore
MY COMMISSION # DD158466 EXPIRES
November 8, 2006
BONDED THRU TROY FAIN INSURANCE, INC

Consent to Sub-Use Agreement

THIS AGREEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED
BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER AND THE SUBUSER BY AN
AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

Use And Occupancy Agreement No. TA-303
Teterboro Airport

CONSENT TO SUBUSE AGREEMENT

THIS CONSENT AGREEMENT, made as of October 1, 2002, by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT - NEW JERSEY INC. (hereinafter called the "User"), and DASSAULT FALCON JET CORP. (hereinafter called the "Subuser"),

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement bearing file No. TA-204 and dated September 19, 1967 between Pan American World Airways, Inc. ("Pan American") and the Port Authority (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and dated October 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space, as defined therein, at Teterboro Airport (which Use and Occupancy Agreement is hereinafter called the "Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of November 30, 2000; and

WHEREAS, effective from and after December 1, 2000 the Port Authority has been the operator of the Airport and, together with the User, has provided for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement; and

WHEREAS, the User and the Subuser have requested the consent of the Port Authority to a proposed Sub-use Agreement (a copy of which is attached hereto, hereby made a part hereof, and hereinafter called the "Subuse Agreement") between the User and the Subuser covering the use and occupancy of a portion of the Space (said portion of the Space being hereinafter called the "Subuse Space"), effective as of October 2002;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the User and the Subuser hereby agree, effective as of October 2002, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Subuse Agreement.

2. (a) Notwithstanding any provision of the Subuse Agreement to the contrary, both this Consent Agreement and the Subuse Agreement shall terminate, without notice to the User or the Subuser on the day preceding the date of expiration or earlier termination of the Subuse Agreement, or such earlier date for the expiration or termination of the Subuse Agreement as the User and the Subuser may agree upon. The Subuser shall quit the Subuse Space and remove its property for which it is responsible therefrom on or before termination of the Subuse Agreement.

(b) In the event of an early termination of the Agreement by the Port Authority, and provided that the Subuser is not then in default of any of its obligations under the Subuse Agreement and no breach exists which with the passage of time would constitute a default under the Subuse Agreement, the right of the Subuser to possession of the Subuse Space shall not be disturbed and the Subuse Agreement shall continue in full force and effect. The Subuser shall attorn to and shall perform all of its obligations under the Subuse Agreement, including without limitation the payment of rent and fees to the Port Authority

3. If the User shall at any time be in default under the Agreement, the Subuser shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the User. No such payment shall relieve the User from any obligation under the Agreement or under this Consent Agreement, but all such payments shall be credited against the obligations of the User or of the Subuser, as the Port Authority may determine for each payment or part thereof.

4. (a) Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights and privileges granted to the User under the Agreement, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the User under the Agreement. The Subuse Agreement is an agreement between the User and the Subuser with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the User that the provisions of the Subuse Agreement shall apply and pertain as between the User and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Agreement shall, in all respects, be controlling, effective and determinative. It is the intention of the Port Authority hereunder merely to permit the exercise of the User's rights and privileges thereunder by the Subuser (to the extent permitted by the Agreement and this Consent Agreement). The specific mention of or reference to the Port Authority in any part of the Subuse Agreement, including without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be

obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall hereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the Subuse Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Agreement shall in all respects be controlling, effective and determinative.

(b) No provisions of the Subuse Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules and regulations, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Subuse Agreement covering action which may be undertaken by the User, be deemed to imply or infer that Port Authority consent or approval thereto has or will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this Consent to specific matters and provisions as contained in the Subuse Agreement shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to granting or withholding approvals or consents as to other matters and provisions in the Subuse Agreement which are not specifically referred to herein.

(c) With respect to this Consent Agreement, the User and the Subuser understand and agree that although the User is permitted under the Agreement to perform services and functions for itself the User may not and is expressly prohibited from performing any services or functions at the Airport for the Subuser (even though the User may perform the same for itself pursuant to the Agreement) which are performed by organizations at the Airport authorized by permit from the Port Authority to perform such services or functions, unless the User is specifically authorized by permit to perform such services or functions for other users or operators at the Airport and the space under the Agreement and in such event said services and functions shall be performed pursuant thereto. The User, however, may make the necessary arrangements with the authorized organizations performing such services or functions at the Airport to have such services or functions performed for the Subuser by such organizations or the Subuser may perform such services and functions itself.

5. The Subuser, in its operations under and in connection with the Subuse Agreement and its use and occupancy of the Subuse Space, agrees to assume, observe, be bound by and comply with all the terms, provisions and conditions of the Agreement to the extent that such obligations relate to the portion of the Space covered by the Subuse Agreement.

6. Without in any wise affecting the obligations of the User under the Agreement and under this Consent Agreement and notwithstanding the terms and provisions of the Subuse Agreement (but without limiting the rights and duties of the User and the Subuser as between themselves), the parties agree as follows:

(a) With respect to the Subuse Space, the Subuser shall make repairs and replacements as if it were the User under the Agreement. In addition, the Subuser shall indemnify

and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority, its Commissioners, officers, employees and repre-sentatives for its and their costs and expenses including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death, for personal injuries and for property damages, arising out of a breach or default of any term or provision of this Consent Agreement by the Subuser or out of its operations under the Subuse Agreement or at the Subuse Space, or out of the use of the Subuse Space by the Subuser or by others with its consent, or out of any other acts or omissions of the Subuser, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Subuser at the Subuse Space or out of any other acts or omissions of the Subuser, its officers and employees at the Airport. However, all acts and omissions of the Subuser shall be deemed to be acts and omissions of the User under the Agreement and the User shall also be severally responsible therefor, including but not limited to, the obligations of indemnification, repair and replacement.

(b) If so directed, the Subuser shall at its own expense defend any suit based upon any such claim or demand (even if such claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority.

(c) Each policy and each certificate with respect to the insurance naming the Port Authority as an additional insured under Article 16 of the Subuse Agreement shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The parties acknowledge that the Port Authority and the User entered into a Use and Occupancy Agreement and not a Master Lease and that the Subuse Agreement is not a Sublease and, therefore, the terminology describing the parties and their agreements set forth in this Consent Agreement shall prevail over the terminology used in the Agreement.

7. This Consent Agreement may be revoked at any time by the Port Authority without cause on thirty (30) days' notice to the User and the Subuser and no such revocation shall be deemed to affect the Agreement or the continuance thereof, but the Subuse Agreement shall be deemed terminated thereby.

8. The granting of this Consent Agreement by the Port Authority shall not be deemed to operate as a waiver of the rights of the Port Authority, or as a consent to any subsequent subuse agreement (by the User or by the Subuser) or to any assignment of the Agreement or to any

assignment of the Subuse Agreement or of any rights under any of the foregoing, whether in whole or in part.

9. Reference herein to the "User" or the "Subuser" shall mean and include the User and the Subuser, respectively, and their respective officers, agents, employees and also others at the Space under the Agreement or the Airport with the consent of either the User or the Subuser.

10. The User hereby represents to the Port Authority that the User has complied with and will comply with, and the Subuser hereby represents to the Port Authority that the Subuser has complied with and will comply with, all laws, governmental rules, regulations and orders now or at any time during the term of the Subuse Agreement which as a matter of law are applicable to or that affect, respectively, the operations of the User or the Subuser, under the Agreement or the Subuse Agreement, or its or their use and occupancy of the Space. The obligation of the User and the Subuser hereunder to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

11. The Subuser assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Subuser assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Subuser assures that it will require that its covered suborganizations provide assurances to the Subuser that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

12. Nothing contained in this Consent Agreement or the Subuse Agreement, including but not limited to the provisions of Article II thereof, shall be or deemed to be consent to, or approval of, the erection of any structures, or the making of any improvements, alterations, modifications, additions, repairs or replacements to the Space, including without limitation, the installation of any signs at the Airport. The User and Subuser agree that no construction or installation, as aforesaid, shall be performed without the prior written approval of the Port Authority and subject to the terms and conditions of the Agreement and of the Subuse Agreement and an approved Alteration Application which the User shall prepare and submit to the Port Authority.

13. The Subuse Agreement shall not be changed, modified or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

14. Nothing contained herein shall create or be deemed to have created a landlord tenant relationship or privity of estate between the Port Authority and the Subuser nor shall be or be deemed to be an attornment by the Subuser to the Port Authority nor acceptance thereof by the Port Authority

and the Subuse Agreement and the occupancy by the Subuser of the Space shall in all events be and remain subject and subordinate to the Agreement.

15. If the User or the Subuser should fail to pay any amount required under this Consent Agreement when due to the Port Authority, including any fees or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period herein below described during the entirety of which such amounts remain unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Consent Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Paragraph, with respect to such unpaid amount. Nothing in this Paragraph is intended to, or shall be deemed to affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Consent Agreement, including without limitation, the Port Authority's rights set forth in Paragraph 7 hereof or (ii) any obligations of the User or the Subuser under this Consent Agreement. In the event that any late charge imposed pursuant to this Paragraph shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Consent Agreement shall be payable instead at such legal maximum.

16. Except where expressly required or permitted herein to be oral, all notices, directions, 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 registered or certified mail. Said designated officer or representative of the Port Authority, the User and the Subuser, and their respective offices shall be as set forth in the Agreement and Subuse Agreement. If mailed, the notices herein required to be served shall be deemed effective and served as of the date of the registered or certified mailing thereof.

17. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the User or to the Subuser under any term or provision of this Consent or because of its execution or because of any breach or alleged breach thereof.

IN WITNESS WHEREOF, the Port Authority, the User and the Subuser have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

(Seal)

ATTEST:

Secretary

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

By

(Title) President

(Corporate Seal)

ATTEST:

Secretary

DASSAULT FALCON JET CORP.

By

(Title) Senior President

(Corporate Seal)

APPROVED:
FORM | TERMS

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

For the Port Authority of NY & NJ

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 3 day of March in the year ~~2002~~ 2003, before me, the undersigned, a Notary Public in and for said state, personally appeared FRANCIS A. DiMOLA, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Peggy M. Spinelli
(notarial seal and stamp)
PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2003

For Signature Flight Support – New Jersey Inc.

STATE OF FLORIDA)
) **ss.**
COUNTY OF ORANGE)

On the 20th day of DEC. in the year 2002, before me, the undersigned, a Notary Public in and for said state, personally appeared ELIZABETH A. HASKINS, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Josephine A. Dettmore
(notarial seal and stamp)

Josephine A. Dettmore
MY COMMISSION # DD158466 EXPIRES
November 8, 2006
BONDED THRU TROY FAIN INSURANCE, INC.

For Dassault Falcon Jet Corp.

STATE OF NEW JERSEY)
) **ss.**
COUNTY OF BERGEN)

On the 8th day of January in the year ~~2002~~ 2003, before me, the undersigned, a Notary Public in and for said state, personally appeared J. Morgan Young, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Linda B. Gherardi
(notarial seal and stamp)

LINDA B. GHERARDI
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 23, 2004

Supplement No. 2

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
"E PORT AUTHORITY UNTIL DULY EXECUTED BY
EXECUTIVE OFFICER THEREOF AND DELIVERED
THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

Appendix 2

21

Teterboro Airport
Agreement TA-303
Supplement No. 1

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 10th day of February, 2001 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT-NEW JERSEY INC. (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. (hereinafter called "Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and made effective as of October 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as "the Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of the Termination Date, as hereinafter defined; and

WHEREAS, effective from and after the Termination Date the Port Authority will be the operator of the Airport and now desires, together with the User, to provide for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the

parties hereto, the parties hereby agree, as of November 30, 2000, as follows:

1. The parties hereby acknowledge that the Basic Agreement shall be terminated as of November 30, 2000, such date being herein referred to as the "Termination Date." From and after the Termination Date, the term of the Agreement shall continue thereafter as provided in the Agreement with the Port Authority as the Airport Operator thereunder and with the Port Authority succeeding to all the rights and obligations of Johnson Controls under the Agreement from and after the Termination Date. The obligations and liabilities of Johnson Controls to the User arising under the Agreement prior to the Termination Date shall be and remain the obligations and liabilities of Johnson Controls and the Port Authority shall have no responsibility therefor.

2. As between the Port Authority and the User, this substitution of the Port Authority shall not in any way whatsoever affect or impair the liability of Johnson Controls to the User or to the Port Authority to perform all the terms, provisions and conditions of the Agreement on the part of Johnson Controls to be performed, for the period from the effective date of the Agreement to and including the Termination Date and the obligation to comply with all requirements of the Port Authority and appropriate federal, state and local governmental agencies arising from any environmental condition of the Space.

3. From and after the Termination Date, the Port Authority shall assume all the rights, obligations and duties of Johnson Controls under the Agreement as well as the performance of, and does hereby agree to perform, all the terms, provisions and conditions of the Agreement on the part of the Airport Operator thereunder to be performed. The execution of this instrument by the Port Authority does not constitute a representation by it that Johnson Controls has performed or fulfilled every obligation required by the Agreement; as to such matters the User agrees to look solely to Johnson Controls.

4. No provision of the Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Agreement covering actions which shall or may be undertaken by the User or the Airport Operator, including but not limited to, construction on the Space covered by the Agreement, be deemed to imply or infer that Port Authority consent or approval thereto has been or shall be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the

Port Authority with respect to its discretion as to matters and provisions in the Agreement which are not specifically referred to herein.

5. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

7. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the parties hereto have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

ATTEST:

Secretary

SIGNATURE FLIGHT SUPPORT-NEW JERSEY INC.

By:
DOUGLAS A. CROWTHER

Title: Vice President-Operations ~~President~~
(Corporate Seal)

APPROVED:
FORM | TERMS

CSL-61273; - Ack. N.J.; Corp. & Corp.

STATE OF ~~NEW JERSEY~~ NEW YORK)
) ss.
COUNTY OF New York)

On this 2nd day of May, 2001, before me, the subscriber, a notary public of New York, personally appeared FRANCIS A. DiNola the Assistant Director, Avia. Dept. of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate and delivered the same as such officer aforesaid and the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Commissioners.

William Hernandez
(notarial seal and stamp)
WILLIAM HERNANDEZ
Notary Public, State of New York
No. 01HE6049028
Qualified in New York County
Commission Expires October 02, 2002

STATE OF FLORIDA)
) ss.
COUNTY OF ORANGE)

On this 16th day of March, 2001, before me, the subscriber, a Notary Public of Florida personally appeared Douglas H. Crawther the Vice - President of **SIGNATUARE FLIGHT SUPPORT-NEW JERSEY INC.**, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate and delivered the same as such officer aforesaid and the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

Tonya A Miller
(notarial seal and stamp)

Tonya A Miller
My Commission CC865950
Expires January 22, 2002

Sub-Use Agreement

SUB-USE AGREEMENT

by and between

SIGNATURE FLIGHT SUPPORT-NEW JERSEY, INC.

a subsidiary of

SIGNATURE FLIGHT SUPPORT CORPORATION

and

DASSAULT FALCON JET CORP.

Covering real property located at

Teterboro Airport

Teterboro, New Jersey

Effective

October 1, 2002

SUB USE AGREEMENT SUMMARY

Type	Sub-Use Agreement
Sub-User	Dassault Falcon Jet Corp. Representative: Peter S. Rothwell, Corporate Secretary
Phone:	(201) 440-6700, Extension 4510
Fax:	(201) 541-4515
Sub-User Notice Address:	Teterboro Airport, 200 Riser Road, Little Ferry, NJ 07643
User:	Signature Flight Support-New Jersey, Inc.
Representative:	Jackie Vibbert
Phone:	(973) 848-3202
Fax:	(973) 624-0320
User Notice Address:	Attn: Director of Contracts, 201 South Orange Avenue, Suite 1100, Orlando, Florida 32801
Effective Date:	October 1, 2002
Term:	From the date of Beneficial Occupancy to the expiration of the term of the Use and Occupancy Agreement (approximately 20 years)
Expiration:	Not later than December 20, 2025
Sub User Space:	Exhibit B
Rent:	Paragraph 9
Rent Increases:	Annual CPIU Adjustment
Utilities	Sub-User's Expense
Maintenance:	All Sub-User's
Other Fees:	All Sub-User's
Minimum Insurance:	CGL - $75M A/C Liability

Date of Beneficial Occupancy is: July 30, 2004. Expires: 7/29/2024

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SUB-USE AGREEMENT

THIS SUB-USE AGREEMENT (hereinafter, "Sub-Use Agreement" or "Agreement") is entered into as of the 1st day of October, 2002 (hereinafter, the "Effective Date") by and between SIGNATURE FLIGHT SUPPORT-NEW JERSEY, INC., a Delaware corporation, a subsidiary of SIGNATURE FLIGHT SUPPORT CORPORATION, with its principal offices located at 201 South Orange Avenue, Suite 1100, Orlando, Florida 32801 (collectively, "Signature") and DASSAULT FALCON JET CORP., a Delaware corporation, with its principal offices located at Teterboro Airport, 200 Riser Road, Little Ferry, NJ 07643 ("Sub-User"). For purposes of this Agreement, Signature and Sub-User, from time to time, shall hereinafter be referred to as a "Party" or collectively hereinafter as the "Parties".

RECITALS

WHEREAS, by a Use and Occupancy Agreement, TA-303, Johnson Controls World Services, Inc. and Signature Flight Support – New Jersey, Inc. dated October 1, 2000, the Port Authority of New York and New Jersey ("Authority" or "Port") has granted the right to use and occupy certain real property to Signature for a term approximating twenty (20) years in duration, said agreement being incorporated herein and attached hereto as Exhibit A ("Use and Occupancy Agreement"), for the purpose of constructing and operating a fixed base operation at Teterboro Airport, Teterboro, New Jersey ("Airport"); and

WHEREAS, Signature is desirous of constructing an aircraft storage hangar facility for the sole and exclusive use of Sub-User with approximate dimensions as follows:

A) One 22,500 square foot hangar to be used as an aircraft storage and maintenance facility.

B) Office space attached to the hangar for sales staff, shop and storage in the aggregate amount of 10,000 square feet.

C) Aircraft ramp parking space of approximately 32.500 square feet immediately in front of the airside of the aircraft storage and maintenance facility.

D) Vehicle parking space, adjacent thereto, consisting of one hundred twenty nine (129) dedicated parking spaces for Sub-User employees, customers and invitees ("Vehicle Parking Space"), and

WHEREAS, Sub-User acknowledges the Vehicle Parking Space is not subject to surveillance and monitoring by Signature or the Authority. Under no circumstances shall Signature or the Authority be liable to Sub-User or any third party or individual claiming through Sub-User (including, but not limited to, Sub-User's employees, guests, subtenants and clients) for loss, theft or damage to any vehicle (or any vehicle contents) situated within the Vehicle Parking Space, unless caused by the gross negligence or willful misconduct of Signature, and.

WHEREAS, subparagraphs A through D above shall hereinafter be jointly and severally referred to as the "Hangar Facility" [throughout this document, major paragraphs may be referred to as "Articles", " Paragraphs", and portions thereof as "subparagraphs"], and

WHEREAS, the Hangar Facility shall be located on a parcel of partially improved land situated on the north ramp portion of Signature's space as shown by "cross-hatch" within Exhibit B, attached hereto and incorporated herein. The legal description of Signature's space is described in Exhibit C attached hereto and incorporated herein, (the said land, as improved by the Hangar Facility, hereinafter individually and collectively referred to as the "Sub-User Space"); and

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the Parties hereby agree as follows:

1. Definitions:

Aggregate Rent: The total of Base Rent and Supplemental Rent due herein.

Airport: Teterboro Airport, Teterboro, New Jersey.

Authority: The Port Authority of New York and New Jersey.

Base Rent: The amount of Ground Rent as stated in paragraph 8a herein.

Concession Fees: Those fees due the Authority under paragraph 7.12 of the Use and Occupancy Agreement arising from Sub-User's operations from the Sub-User Space, excluding aircraft sales and wholesale parts sales not a part of a repair which sales occur from off the Space.

Date of Beneficial Occupancy: The earlier of the date Sub-User receives written notice from Signature that the Hangar Facility and improvements to the Sub-User Space are available for Sub-User's use and occupancy and a

Certificate of Occupancy has been issued by the City of Teterboro, NJ, or Sub-User takes possession of the Hangar Facility.

Effective Date: October ____, 2002

Fleet Aircraft: Aircraft of Sub-User being used for demonstrations, leased on a short-term basis, or aircraft of Sub-User's customers temporarily located at this Airport for minor and limited maintenance by Sub-User.

Initial Term: (Approximately 20 years) From the Date of Beneficial Occupancy to the expiration of the Term of the Use and Occupancy Agreement.

Sub-User Space: The land as improved by the Hangar Facility as depicted on Exhibit B.

Use and Occupancy Agreement: Use and Occupancy Agreement, TA 303 between Johnson Controls World Services Inc. and Signature Flight Support-New Jersey, Inc. dated October 1, 2000.

Supplemental Rent: Those sums due under paragraph 8d, 8e, and 8f.

2. Conveyance of Rights. Upon execution of this Sub-Use Agreement, Signature conveys and delivers to Sub-User, subject to the easement described in Paragraph 11 below, exclusive possession (including the ramp area as described in C) above and as depicted on Exhibit C of the Sub-User Space and the improvements located thereon, as well as exclusive use, operation, maintenance and administration by Sub-User in support of Sub-User's owned, leased or otherwise operated Sub-User fleet aircraft as well as, subtenant aircraft authorized for use and occupancy of same in conjunction with the terms and conditions of this Agreement (collectively, the "Aircraft").

3a. Proposed Date of Beneficial Occupancy. Signature shall utilize diligent efforts to construct the Hangar Facility and improvements to the Sub-User Space with construction estimated to begin November 2002 and such construction estimated to be completed on or before December 2003. Notwithstanding anything in this Agreement to the contrary, the Hangar Facility (and all facilities, fixtures, equipment and items shown on) and improvements to the Sub-User Space shall be completed and constructed strictly in accordance with and pursuant to the plans and specifications mutually agreed upon and approved by the Authority.

The date Sub-User receives from Signature written notice that the Hangar Facility and improvements to the Sub-User Space are available for Sub-User's use, enjoyment and occupancy and a Certificate of Occupancy has actually been issued by The Port Authority of New York and New Jersey ("City"), or Sub-User

takes possession of the Hangar Facility, shall be deemed the "Date of Beneficial Occupancy".

3b. Construction of Facility. During construction of the Hangar Facility, Signature shall ensure that its general contractors obtain all insurance as provided under Article 15 herein with Signature, the Authority and Sub-User named as additional insureds where their interest may be affected.

Signature and Sub-User agree to cooperate with each other in the design of the Hangar Facility. The Parties shall use all reasonable efforts not to duplicate any design work. Signature acknowledges that the Hangar Facility should incorporate, to the extent possible and providing it does not increase the estimated cost of construction, design features that make it aesthetically and architecturally compatible with Sub-User's office facility located adjacent to and on the Airport.. Sub-User acknowledges that the Hangar Facility cannot be so customized to its own uses that it would not be useable by Signature for general office and hangar space in the event Sub-User vacates the Hangar Facility.

Upon execution of this Sub-Use Agreement, Signature agrees to hire an architect, reasonably acceptable to Sub-User, to prepare the conceptual design for the Hangar Facility. Prior to commencing the conceptual design and continuing during the design process, Signature's architect will discuss the primary design features of the Hangar Facility with Sub-User's architect. Within sixty (60) days from execution of this Sub-Use Agreement, Signature's architect will deliver to Signature and Sub-User an initial conceptual design and cost estimate of the Hangar Facility.

Signature estimates the cost for Signature's architect to prepare the initial conceptual design and for site surveys will be $51,100.00. Signature and Sub-User agree that if the Hangar Facility is built then Signature's cost for the initial conceptual design will be included as a cost of the project to build the Hangar Facility. In the event that the Hangar Facility is not built without fault of Signature, i.e. Sub-User's decision not to build the Hangar Facility, the Sub-User agrees to reimburse Signature $51,100.00.

Signature agrees to construct the Hangar Facility at the sole cost and expense of the Sub-User. Preliminary estimates from Signature consultants for construction costs are set forth in Exhibit D attached hereto and incorporated herein. Costs of construction to be paid by Sub-User shall include, but not be limited to, engineering and architectural design work, construction costs for the Hangar Facility, removal and installation of new Airport perimeter fencing, vehicle parking area, paving, and evaluation and remediation of any and all hazardous waste contamination caused by the construction described herein.

Signature shall provide, at Sub-User's expense, project management for the construction of the Hangar Facility at a cost of five percent (5%) of total costs. The Parties shall cooperate with each other in the preparation and design of all construction documents, including the plans and specifications. No construction contracts are to be executed unless mutually agreed upon by both Parties. Prior to the execution of any construction contracts, the Parties shall agree on the total cost of the Hangar Facility. The construction documents shall expressly provide that Sub-User is responsible for all payments due thereunder.

Project management may include some or all of the following: reviewing the qualifications of architects, engineers, prime contractors, sub contractors, suppliers and vendors; the negotiations, selection, writing of contracts and administrating contracts of the same; review of blueprints, shop drawings, submittals, schematics, calculations and certifications during the course of the project; receiving, evaluating, approving, processing, expediting, tracking and paying of monthly pay requests and obtaining lien releases; tracking the insurance in force by Parties on the job; reporting all product test results to the proper authorities; providing project oversight via site visits and third party inspections and preparation of closeout documents leading to a certificate of occupancy.

Signature and its contractors and subcontractors shall comply with all applicable laws, regulations and ordinances of the Authority and all other Local, State and Federal agencies having jurisdiction over design and construction of the Hangar Facility.

3c. Other Users of Sub-User Space. Subject to the prior approval of the Port Authority and Sub-User, the Port Authority and Signature may grant use permits to third parties for the use of the Hangar Facility,. The Parties agree to share any revenue from such use on a 50-50 basis.

4. Initial Term. Unless the Use and Occupancy Agreement is terminated sooner pursuant to the terms thereof, the term of this Sub-Use Agreement shall be for a period approximating twenty (20) years commencing on the Date of Beneficial Occupancy and thereafter run until the day preceding the expiration of the term of the Use and Occupancy Agreement ("Term").

In the event the Use and Occupancy Agreement is not extended or renewed beyond the Initial Term or Signature elects not to continue as a fixed base operator at the Airport, then this Sub-Use Agreement shall terminate at such expiration. In such event Sub-User shall thereafter look solely to the Authority or Signature's successor-in-interest for any continuation of its lease rights.

If the Use and Occupancy Agreement is extended or renewed by Signature and the Authority, providing the Parties can negotiate mutually acceptable terms, this Sub-Use Agreement may be extended for such extended or renewal term.

5a. Non-competition by Sub-User. Except for approved uses of the Sub-User Space as set forth in Article 2 of this Sub-Use Agreement, Sub-User shall not permit the Sub-User Space or any other property controlled by Sub-User at the Airport to be used for the operation of any business substantially the same as the business operated by Signature at the Airport or any other service for which Signature is authorized and/or permitted to conduct pursuant to the provisions of the Use and Occupancy Agreement, which restrictions may be memorialized in recordable form as set forth in Article 409 herein. Sub-User warrants and represents that it shall not, at any time during the Term, undertake on its own behalf, or cause to be undertaken through any third party, including, without limitation, Sub-User's employees, contractors, subcontractors, sub-sub users, agents and invitees, the following services:

A) Sale and into-plane delivery of aviation fuel; or

B) Airline or general aviation repair services (except for those repairs rendered to Sub-User's aircraft and performed by Sub-User's full-time maintenance personnel); or

C) Operation of a flight school; or

D) Retail or wholesale distribution of goods (e.g. fuel sales, catering, limos, etc.); or

E) Storage, sale or distribution of aviation fuel; or

F) Any other activity deemed disruptive or adverse to Signature's interests (e.g. security violations arising from hosting of functions in the Hangar Facility, which spill out onto ramp areas, etc.) Notwithstanding, Sub-User may from time to time host functions in its hangar which may spill out onto the adjacent ramp area. Such functions shall be discussed in advance by the parties and a mutually agreeable solution shall be reached.

5b. Use of Third Party Aircraft Maintenance Providers. Any and all costs associated with ensuring Third Party Aircraft Maintenance personnel are in full compliance with prevailing Airport regulations, including, but not limited to, those relating to security and identification, shall be borne by Sub-User. Notwithstanding, Signature agrees that Sub-User may, at its sole discretion, use its own maintenance personnel for all maintenance on Sub-User's aircraft or on Sub-User's customer-owned aircraft, providing such personnel shall comply with all reasonable rules and regulations of the Airport and Signature.

6. Subordination and Incorporation of Use and Occupancy Agreement. This Sub-Use Agreement is at all times predicated upon Signature its successors and assigns continuing authority to operate at the Airport. This Sub-Use Agreement shall at all times be subject to the terms and conditions of the Use and Occupancy Agreement. All of the terms, provisions, covenants and conditions contained in the Use and Occupancy Agreement (as well as, any and all amendments and addendums thereto) are hereby made a part of this Sub-Use Agreement, except as herein otherwise expressly provided. Sub-User shall not violate any of the terms of the Use and Occupancy Agreement and shall comply with such terms as applicable to a subtenant. In the event of any conflict or inconsistency between the terms and conditions of this Sub-Use Agreement and those of the Use and Occupancy Agreement, this Sub-Use Agreement shall prevail. In the event of any default or failure of performance by the Authority under the terms of the Use and Occupancy Agreement, Signature agrees, upon notice from Sub-User, to make demand upon the Authority to perform its obligations under the Use and Occupancy Agreement, consistent with the rights afforded Signature thereunder.

Signature hereby represents that upon the execution of this Sub-Use Agreement, there will be no circumstance, condition or act of material default, which would constitute an Event of Default (as subsequently defined herein) by Signature under the terms of the Use and Occupancy Agreement.

7. Title and Ownership of Hangar Facility. During the Term, and upon completion of the Hangar Facility, title and ownership of the Hangar Facility shall be vested in the Port. Sub-User shall possess the exclusive right to utilize and operate the Hangar Facility during the Term.

8a. Early Termination by Sub-User. Sub-User shall have the right to vacate the Hangar Facility after ten (10) years from the Date of Beneficial Occupancy, providing Sub-User gives ninety (90) days prior written notice to Signature of Sub-User's intention to vacate the Hangar Facility. In such event, Sub-User shall continue to pay Base Rent and the other financial obligations under paragraph 9 and maintain the Sub-User Space as provided under paragraph 10 herein. If Sub-User exercises this early termination option, Signature shall not be required to reimburse Sub-User any remaining unamortized Construction Costs, as reflected on Exhibit D.

Notwithstanding the foregoing, Sub-User shall have the right, subject to the Port's prior consent, to assign, grant a sub-sub use or transfer its interest in the Sub-Use Agreement with the written consent of Signature, which consent shall not be unreasonably withheld.

Construction Costs shall be amortized over a straight-line basis over the term of the Use and Occupancy Agreement.

Upon the expiration or early termination of this Sub-Use Agreement, Sub-User and any sub-sub users (as such may be permitted) shall have the right to remove all of their fixtures, equipment, personal property (including, without limitation, any Aircraft), and other property of Sub-User from the Hangar Facility. Sub-User shall repair any damage to the Hangar Facility as a result of such removal.

8b. Early Termination by Signature and Restitution. Conditioned upon receiving written approval of the Authority, Signature reserves the right to sell, assign or otherwise transfer all or part of its leasehold interests and/or operating rights at the Airport, including, but not limited to, that portion of the leasehold which encompasses the Sub-User Space. Except for the rights of the Authority under the Use and Occupancy Agreement, upon the payment of the rentals reserved herein and the performance of each and every covenants, agreements and conditions to be observed and performed, Sub-User shall peaceably and quietly have, hold and enjoy the Sub-User Space for the Term, free from molestation, eviction, hindrance or disturbance.

9. Ground Rent.

9a. Rent. Sub-User agrees to pay to Signature, consistent with the provisions of Sub-Article 8b herein, on the first day of each month commencing with the Date of Beneficial Occupancy, payable monthly in advance, without set-off, demand or deduction, except as provided herein, rental in an amount equal to the product of the total square footage of Sub-User's building, aircraft ramp parking space, vehicle parking space and other space used by Sub-User times the rate per square foot imposed on Signature under TA 303 (Exhibit B), plus all applicable and then prevailing Authority imposed Concession fees and State and Federal taxes ("Base Rent").

9b. Annual CPIU Adjustment. The Base Rent and Supplementary Rent shall be determined on an annual calendar year basis, using the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all items, Selected Larger Cities, for the New York – Northeastern New Jersey area as the data source (hereinafter referred to as the "CPI Index". The "Standard Inflation Adjustment Factor (hereinafter referred to as "SIAF") is defined as the quotient resulting from dividing the CPI for the month of December for the year immediately prior to the year for which the rate is being determined by the CPI for the second year prior to the year for which the rate is being determined. However, if the quotient which results from the computation as described above is less than 1.00, the SIAF for the particular year will be 1.00. furthermore, if the quotient which results from the computation as described above is greater than 1.05, the SIAF for the particular year will be 1.05. Thus, the rate for any year will not be less than that of the immediately prior year, nor exceed the prior year by more than 5%.

9c. Supplemental Rent. All sums due under the provisions of 9(d), (e) and (f), and any and all additional sums due Signature as a result of Sub-User's use and/or occupancy of the Hangar Facility and Sub-User Space hereunder, shall hereinafter be collectively referred to as "Supplemental Rent" and shall be remitted in full by Sub-User in accordance with the provisions of 9(i).

9d. Alteration of Prevailing Land Rents by Authority. Notwithstanding any other provision in this Sub-Use Agreement to the contrary, if during the Term, or any extended term or the month to month continuance of same, the Authority or any other Local, State or Federal agency having jurisdiction over the Airport, the Hangar Facility or the Sub-User Space enact rules, regulations or laws which result in the prevailing land rents and/or Concession fees applicable to be increased, then Signature, commensurate with written notification of such occurrence to Sub-User, reserves the right to increase Sub-User's then prevailing Base Rent by a corresponding and proportionate amount as of the effective date of such increase.

9e. Utilities. Sub-User shall independently and separately meter electrical power to the Hangar Facility directly from the public utility provider. The meter itself shall be installed and supplied at Sub-User's cost and expense as part of the construction of the Hangar Facility. All charges incidental to the providing of the foregoing facilities, as well as, charges for consumption shall be the sole responsibility of Sub-User. Further, in the event any other utilities are required to maintain Sub-User's use of the Hangar Facility, such requirements shall be the sole responsibility of Sub-User including, but not limited to, improvements, alterations, installation, maintenance and repairs (including, but not limited to, underground repairs of pipes and conduits) and payments for utilities consumed and required removal thereof.

9f. Taxes. Sub-User shall be responsible for payment of any and all applicable taxes or assessments specifically against the Hangar Facility and the Sub-User Space, including, but not limited to, all real estate, ad valorem and possessory interest taxes and assessments. Sub-User agrees to pay all such taxes and assessments with respect to personal property and improvements constructed or maintained by Sub-User on or about the Hangar Facility and the Sub-User Space. Signature, to the extent possible, shall give prior notification of any taxes and/or assessments for which Sub-User is to be charged, in order that Sub-User may have an opportunity to contest any taxes and/or assessments. Signature covenants and agrees to promptly furnish Sub-User with copies of all official tax bills, statements, invoices and assessments against the Hangar Facility and the Sub-User Space upon Signature's receipt of same and Signature will fully cooperate with Sub-User in its contesting of any such taxes and/or assessments.

Notwithstanding the foregoing, Signature expressly reserves the right to pay on Sub-User's behalf and subsequently invoice Sub-User for any such tax or assessment immediately upon notice thereof and may reject Sub-User's recommendations and arguments for contesting of any such tax or assessment if, in the reasonable judgment of Signature, such contesting may, in any manner or to any extent adversely affect Signature's operations, its leasehold rights of usage under the Use and Occupancy Agreement, its income and/or its reputation.

9g. Triple Net Sub-Use Agreement. It is the intent of the Parties that this Sub-Use Agreement be defined, interpreted and enforced as triple net, with Sub-User to pay all costs and expenses associated with the design, construction, operation, security requirements, and maintenance of the Hangar Facility and the Sub-User Space, except as otherwise expressly set forth herein.

In addition Sub-User shall pay actual cost, plus 10%, for all non-FBO services that Dassault acquires from Signature, such as landscaping, janitorial, facility maintenance, security, snow removal, etc. Sub-User retains the right to have such services performed by third parties, subject to the requirements of subparagraph 4b.

In addition, to the extent the Authority or Signature implement any security regulations or requirements, the Sub-User shall pay its proportionate share of any expenses incurred therewith that apply to the Hangar Facility or Sub-User Space.

9h. Aggregate Rent. For purposes of this Sub-Use Agreement, Base Rent and Supplemental Rent shall collectively hereinafter be referred to as "Aggregate Rent". In the event any monthly Aggregate Rent is not paid by Sub-User with ten (10) calendar days from the applicable monthly due date, (or, in the instance of Supplemental Rent which is subsequently rebilled by Signature to Sub-User, by the due date shown on the invoice), Signature reserves the right to impose a late payment fee of one and one-half percent (1.5%) per month of the outstanding balance which shall be added to the amount due and owing to Signature (but not in excess of the maximum allowed by law). The assessment of late charges or the payment of it by Sub-User shall not in any manner prejudice or diminish the rights of Signature as set forth in Article 20 of this Sub-Use Agreement.

9i. Pro-Rata Rent Payments. Aggregate Rent payments made by Sub-User hereunder shall be prorated for any partial months during the Term hereof.

10. Maintenance of Hangar Facility. Sub-User and its contractors and subcontractors shall comply with the maintenance standards, criteria, laws, regulations and ordinances established by the Authority and all other local, state and federal agencies having jurisdiction over the Hangar Facility. All architectural plans, construction and installation of improvements undertaken subsequent to

the Date of Beneficial Occupancy, as well as, all maintenance, alterations, repairs, replacement, and use of the Hangar Facility and Sub-User Space shall be at Sub-User's sole cost, expense and liability. Such maintenance shall include, but in no way be limited to, landscaping, lawn care, pavement repair and rehabilitation, trash removal, painting, cleaning, glass replacement light water, heat and air conditioning systems (including underground piping and conduits) and hangar door and structural repairs.

Sub-User warrants and represents that it shall not position or operate nor cause to be positioned or operated upon the Hangar Facility floor or Aircraft ramp parking area any aircraft, heavy equipment or otherwise perform or conduct operations which in any way negatively impacts the integrity of any portion of the Hangar Facility floor or Aircraft parking area or accelerates the deterioration of same. Any repair, restoration and/or rehabilitation required to be undertaken to the Hangar Facility floor or Aircraft ramp parking area as a result of Sub-User's breach or violation of the foregoing provision, shall be the sole responsibility and cost of Sub-User and will be accomplished in a timely and proper manner, consistent with the provisions of subparagraph 18a of this Sub-Use Agreement.

Sub-User represents that it shall maintain all warranties on all mechanical appurtenances associated with the Hangar Facility to ensure Sub-User derives the maximum benefit attainable thereunder. At the expiration of this Sub-Use Agreement, Sub-User shall turn over the Signature all mechanical appurtenances associated with the Hangar Facility in good condition, reasonable wear and tear excepted.

11. Non-Exclusive Easements. Signature grants to Sub-User non-exclusive easements sufficient to move the Aircraft to and from the Hangar Facility to designated Airport taxiways and to provide ingress and egress to and from the Hangar Facility for vehicles, including, all vehicles and other equipment required by contractors, subcontractors and subtenants of Sub-User, provided all such vehicles and vehicle operators are at all times in full compliance with then prevailing Authority rules and regulations regarding Airport and specifically, Aircraft Operations Area (AOA) access. Sub-User shall at all times remain fully liable for the acts or omissions of all vehicles operated by its contractors, subcontractors, subtenants or any other party having Sub-User's permission to be on the AOA at the Airport and, without limitation, the Signature's Airport leasehold.

Sub-User grants Signature a non-exclusive easement across Sub-User's ramp for ingress, egress, and for parking of aircraft, providing that such parking does not disturb Sub-User's operations.

12. Indemnification.

a. Subject to the provisions of Article 15 herein, Sub-User agrees to indemnify, defend and forever hold harmless Signature, the Authority and their respective officers, directors, employees, agents, servants, contractors, subcontractors or invitees from and against any and all claims, liabilities, losses, demands, fines, penalties, actions, judgments or other expenses (including, but not limited to, defense costs and reasonable attorneys' fees) imposed upon Signature and/or the Authority by reason of injuries or deaths of persons (including wrongful death) and damages to property, arising from the gross negligence or willful misconduct of Sub-User in its use and occupancy of the Hangar Facility or the Sub-User Space, including the acts or omissions of Sub-User's officers, directors, employees, agents, contractors, subcontractors, sub-sub users, invitees or other representatives.

b. Subject to the provisions of Article 15 herein, Signature agrees to indemnify, defend and forever hold harmless Sub-User, the Authority and their respective officers, directors, employees, agents, servants, contractors, subcontractors or invitees from and against any and all claims, liabilities; losses, demands, fines, penalties, actions, judgments or other expenses (including, but not limited to, defense costs and reasonable attorneys' fees) imposed upon Sub-User and/or the Authority by reason of injuries or deaths of persons (including wrongful death) and damages to property, arising from the gross negligence or willful misconduct of Signature or its officers, directors, employees, agents, contractors, subcontractors, sub-sub users, invitees or other representatives.

c. All Sub-User employees will obtain and display proper identification in accordance with prevailing Airport regulations for all areas of the Airport where required. All costs incurred in obtaining such required identification badge authorizations or endorsements shall be borne solely by Sub-User.

d. Sub-User shall indemnify and hold harmless Signature, its officers, directors, agents, contractors, subcontractors, servants, tenants, customers and employees from and against any and all fines, penalties, suits, claims, losses, liabilities, judgments or legal actions which may be imposed by the Airport, United States Customs Service or any other agency having jurisdiction at or over the Airport as a result of Sub-User's directors, officers, employees, agents, subcontractors or invitees failure to comply and adhere to any and all Federal, State, County, Local or Airport regulation from and after the effective date of this Sub-Use Agreement or any regulation, rule or law promulgated and revised by any agency having jurisdiction at or over the Airport from time to time thereafter.

e. The foregoing indemnifications shall survive the termination of this Sub-Use Agreement.

13. Security. Sub-User shall observe all security requirements of federal aviation regulations and the then prevailing Airport Security Program, as they may be amended from time to time and to take such steps as may be necessary or directed by Authority to ensure that all contractors, subcontractors, subtenants, employees, invitees and guests observe the aforementioned requirements. All costs of compliance by the Sub-User shall be at its sole cost and expense.

If Signature and/or Authority incur any fines and/or penalties imposed by the FAA or any expense in enforcing the regulations of federal aviation regulations and/or the Airport Security Program, as a result of the acts or omissions of Sub-User or its officers, directors, employees, agents, contractors, subcontractors, subtenants, invitees or other representatives, Sub-User agrees to pay and/or reimburse all such fines and penalties, as well as, any costs and expenses related thereto. Sub-User further agrees to rectify any security deficiency as may be determined as such by Authority or the FAA. In the event Sub-User fails to act within a reasonable period of time, Signature reserves the right to take whatever action necessary to rectify any security deficiency as may be determined as such by Authority.

14. Environmental Removal and Disposal.

a. During the Term or any extension thereof, Sub-User shall be solely responsible for the proper removal and disposal of all hazardous substances, hazardous wastes and petroleum products as defined and regulated by State and Federal Regulation (whichever is applicable) (collectively, "Regulated Substances") generated by Sub-User and/or its employees, servants, agents, contractors, subcontractors, subtenants and invitees as a result of any of their construction, utilization, operation and maintenance conducted on, to and from the Hangar Facility and the Sub-User Space, at large. Where required by applicable law, such removal and disposal shall include, but not be limited to, Sub-User manifesting such Regulated Substances under Sub-User's assigned Environmental Protection Agency Identification Number and ensuring that removal of such Regulated Substances from the Hangar Facility, Signature's leasehold and the Airport is accomplished in accordance with prevailing and applicable Authority, State and Federal regulations and laws. Additionally, environmental contamination which impacts the Sub-User Space a result of Sub-User's or Sub-User's officers, directors, employees, agents, servants, contractors, subcontractors, subtenants or invitees improper storage or handling, or leakage of any Regulated Substances on the Sub-User Space, shall be the sole responsibility and liability of Sub-User and Sub-User shall address such contamination which meets or exceeds established cleanup levels to the extent required by a government agency exercising jurisdiction over the contamination. Prior to the termination of this Sub-Use Agreement and Sub-User's subsequent vacating the Sub-User Space (and any Sub-User subtenants vacating of same), Sub-User shall remove all Regulated Substances related to its operations,

including, but not limited to, its contractors, subcontractors agents, servants and subtenants, therefrom and ensure such Regulated Substances' proper remediation and/or disposal.

Provided the Authority shall expressly require Signature to undertake environmental testing of its Airport premises in conjunction with the prevailing Use and Occupancy Agreement expiration or termination (or the expiration or termination of any replacement Use and Occupancy Agreement subsequently entered into between Signature and the Authority) or for any other bonafide reason during the period of the Sub-Use Agreement, then Sub-User shall undertake, or cause to be undertaken, and complete in the time frame specified by the Authority, at Sub-User's sole cost and expense, a Phase I and Phase II environmental audit (or then prevailing similar testing) of the Sub-User Space.

Any pre-construction Phase I and Phase II environmental assessments of the Sub-User Space site by Sub-User shall be optional and, if undertaken or caused to be undertaken, shall be at the sole cost of Sub-User. Sub-User agrees to provide Signature a copy of any such assessment.

Provided a Phase I and/or Phase II environmental assessment of the Sub-User Space is undertaken and performed (or caused to be performed) by Sub-User, the assessment results shall be subsequently included in the Sub-Use Agreement as an exhibit and incorporated herein.

Upon delivery, the Sub-User Space shall be in good condition and repair, free of all hazardous and toxic material and substances including without limitation "Regulated Substances" and shall fully comply with all lawful requirements and shall not be in violation of any material law, ordinance, rule or regulation applicable thereto, including, without limitation, the Federal Environmental Cleanup and Protection Act, the New Jersey environmental statutes or rules and regulations of the New Jersey Department of Environmental Management or the requirements of the Use and Occupancy Agreement.

Upon written request, Signature agrees to provide Sub-User access to any environmental studies previously conducted to the Signature leasehold upon or adjacent to the proposed Hangar Facility for informational and assistance purposes to Sub-User if it chooses to conduct a pre-construction environmental assessment of the proposed Facility Property. The data recommendations and summations in the aforementioned Signature environmental assessments shall not be construed, interpreted or deemed to constitute a sanctioned Phase I and/or Phase II assessment or serve as an established base-line of the Sub-User Space.

b. Environmental Indemnification. Sub-User shall indemnify and save harmless Signature and the Authority from and against any and all environmental claims, liabilities, damages, fines, penalties, losses or impairments, including but

not limited to any penalty or fine imposed by any governmental agency and the expense of cleaning up or disposing of any Regulated Substances, as well as any and all reasonable attorneys' fees associated therewith (collectively, "Environmental Damages") which arise from Sub-User's or Sub-User's officers, directors, employees, agents, servants, contractors, subcontractors, sub-sub users or invitees use and occupancy of the Hangar Facility and the Sub-User Space. Sub-User shall have no responsibility for any preexisting Environmental Damages preceding the Date of Beneficial Occupancy, nor any Environmental Damages, which are subsequently caused by Signature, its officers, directors, employees, agents, servants, contractors, subcontractors, or invitees.

Signature shall indemnify and save harmless Sub-User against any and all Environmental Damages during the Term of this Sub-Use Agreement which are caused by Signature or Signature's officers, directors, employees, agents, servants, contractors, subcontractors, sub-sub users or invitees acts or omissions, as well as, any Environmental Damages determined through environmental studies and/or audits to have existed prior to the Effective Date of this Sub-Use Agreement, solely to the extent that any such preexisting environmental condition can be corroborated through existing environmental studies and/or audits.

The foregoing indemnities shall survive the termination or expiration of this Sub-Use Agreement.

15. DISCLAIMER OF LIABILITY. NOTWITHSTANDING THE INDEMNIFICATION PROVISIONS SET FORTH IN THIS SUB-USE AGREEMENT, THE PARTIES HEREBY EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR ANY PARTY CLAIMING THEREUNDER THROUGH SUCH PARTY, INCLUDING, BUT NOT LIMITED TO CONTRACTORS, SUBCONTRACTORS, SUB-SUB USERS, CLIENTS OR CUSTOMERS) FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE, LOSS OF USE, DIMINUITION OF VALUE, LOSS OF ANTICIPATED PROFITS OR THE COSTS ASSOCIATED WITH REPLACEMENT OR SUBSTITUTE AIRCRAFT.

16. Insurance. Sub-User shall obtain, from a financially solvent insurance carrier reasonably acceptable to Signature, the following types and minimum amounts of insurance:

A) Workers' Compensation Insurance - per the statutory requirements of the State of New Jersey.

B) Employer's Liability Insurance - One Million Dollars ($1,000,000.00) per occurrence.

C) Comprehensive General Liability Insurance – Seventy-five Million Dollars ($75,000,000.00) per occurrence, with endorsements to expressly include premises liability, and contractual liability.

D) Aircraft Liability Insurance – Seventy-five Million Dollars ($75,000,000.00) per occurrence, inclusive of hangarkeeper's liability coverage.

E) All-Risk Hull Insurance - In amounts deemed appropriate and sufficient by Sub-User.

F) All - Risk Property Insurance - Coverage commensurate with the value of Sub-User Space contents, including, but not limited to, all furnishings and equipment (excluding the Aircraft), as well as, all Hangar Facility improvements underwritten and constructed by Sub-User against fire (fire legal liability) and any other loss or damage for the full replacement value of all Sub-User property contained therein. In addition to the foregoing fire coverage requirement, coverage shall, at a minimum, insure against any and all other perils included within the classification "all risk" coverage under insurance industry practice in the State of New Jersey, together with insurance against vandalism, malicious mischief, wind, smoke, riot, civil commotion, sprinkler leakage or other sprinkler damage.

G) Comprehensive Automobile Liability Insurance - One Million Dollars ($1,000,000.00) per occurrence, combined single limit, including all owned, non-owned, leased and for-hire vehicles, with a specific endorsement stating the policy's effectiveness on airport premises.

H) Excess Liability Insurance in an amount equal to industry standard, per occurrence.

All such required insurance, excepting Workers' Compensation, shall name Signature and the Authority as additional insureds where their interests may be affected. All required insurance policies shall be evidenced by certificates of insurance, which provide at least thirty (30) days advance written notice of any cancellation or changes adverse to the interests of Signature, the Authority or Sub-User. Sub-User agrees to furnish certificates evidencing such insurance described herein to Signature within thirty (30) days from the Date of Beneficial Occupancy (except for All Risk Insurance, which shall require a Certificate of Insurance to be provided to Signature concurrent with the date construction commences). It is further agreed that the insurance policies of Sub-User and any party claiming through Sub-User hereunder, for the coverages described herein, shall respond on a primary basis to the extent of the indemnity provisions required of Sub-User as set forth in this Sub-Use Agreement.

The Parties and their insurance carrier(s) agree to waive all rights of subrogation in favor of the other in conjunction with their performance under this Sub-Use Agreement. Signature agrees to provide Sub-User with a Certificate of Insurance which evidences such waiver of subrogation.

NOTWITHSTANDING THE PROVISIONS OF THIS ARTICLE, FOR PURPOSES OF THIS SUB-USE AGREEMENT, SUB-USER ACKNOWLEDGES ITS POTENTIAL LIABILITY IS NOT LIMITED TO THE AMOUNT OF LIABILITY INSURANCE IT MAINTAINS NOR TO THE LIMIT REQUIRED HEREIN.

17. Compliance With Laws. Sub-User and all parties referenced in this Sub-Use Agreement as claiming through or on behalf of Sub-User including, but not limited to, Sub-User's contractors, subcontractors, sub-sub users, servants and agents hereby agree to be bound in the operation, occupancy and maintenance of the Hangar Facility by all prevailing and applicable Authority and State of New Jersey rules, regulations and ordinances, the reasonable rules and regulations of Signature and all other applicable governmental laws, rules, regulations, statutes and ordinances issued by the Authority, State or Federal agency, including, but not limited to, all environmental laws, as well as, any applicable laws, rules, regulations, statutes and ordinances which may be promulgated and enacted by a competent and ruling jurisdiction during the Term or any subsequent renewal hereunder. [Comparable with various parts of paragraph 23 of the Use Agreement]

Upon a good faith written objection from Signature, the Authority or any other governmental agency having jurisdiction over the Hangar Facility or any other portion of the Sub-User Space, the conduct of Sub-User's employees, agents, contractors, subcontractors or invitees, Sub-User shall immediately remedy the cause of the objection, provided such objection is a result of Sub-User's breach of this Sub-Use Agreement. Failure to remedy the aforementioned objection in a manner deemed acceptable to the objecting Party shall constitute an act of default hereunder.

18a. Alterations, Improvements and Repairs. Any and all alterations, improvements and repairs on contemplated and subsequently undertaken by Sub-User to the Hangar Facility or the Sub-User Space during the Term, shall be subject to and conditioned upon the prior written approval of Signature (which approval shall not be unreasonably withheld) and, as required, the Authority. Consistent with receipt of such required Signature and Authority consent for Sub-User to proceed with any desired or required improvements, construction, maintenance or alterations to the Sub-User Space, Sub-User warrants and represents that all such work shall be undertaken and performed by professional contractors, subcontractors and/or service technicians in accordance with applicable and then prevailing Authority, State, Federal and recognized construction industry standards and applicable building codes. Consistent with

the foregoing provisions of this Article, Sub-User shall be solely responsible for the procurement and obtaining of all permits, licenses, authorizations and approvals in advance and as required by the Authority, State or Federal governmental or regulatory agencies arising out of the design, construction and use of any improvements undertaken (or caused to be undertaken) to the Hangar Facility or the Sub-User Space after the Date of Beneficial Occupancy, with any and all resultant expenses to be paid solely by Sub-User. A copy of any and all such permits, licenses, authorizations and approvals shall be forwarded to Signature and, as required, the Authority, in advance of any improvement, alteration and/or repair work commencing.

18b. Signage. Sub-User shall not place or permit to be placed any signs or insignias upon any part of the Hangar Facility or Sub-User Space; provided however, that, with Signature's consent (and, to the extent required, the consent of the Authority), such consent not to be unreasonably withheld, Sub-User may place signs on the exterior and interior of the Hangar Facility or Sub-User Space for purposes of identification and direction as to its operations and locations.

19. Broker. Signature and Sub-User acknowledge that no broker was instrumental in consummating this Sub-Use Agreement and that no conversations or prior negotiations were had with any broker. Signature agrees to defend, indemnify and hold Sub-User and the Authority harmless against any claims for a brokerage commission(s) arising out of any conversations or negotiations had by Signature with any broker. Sub-User agrees to defend, indemnify and hold Signature and the Authority harmless against any claims by any broker for a brokerage commission(s) arising out of this Sub-Use Agreement and/or any conversations or negotiations had by Sub-User with any broker.

20. Notices. Any notice or demand required or to be given or made hereunder from one Party to another Party shall be deemed properly delivered or made on the third (3rd) business day after being forwarded by United States Postal Service certified mail, postage prepaid, or upon execution of a receipt showing delivery by overnight carrier addressed to a Party at the addresses set forth below or via facsimile (with confirmation of receipt required to be obtained by the transmitting Party). Any of the Parties may from time to time designate a replacement address for this purpose by giving written notice thereof to the other two Parties hereunder.

In the case of Signature: Signature Flight Support-New Jersey, Inc.
Attention: General Manager
Teterboro Airport
401 Industrial Avenue
Teterboro, New Jersey 07608
Facsimile: (201) 288-7409

and

Signature Flight Support Corporation
Attention: Director of Contracts
201 South Orange Avenue, Suite 1100
Orlando, Florida 32801
Facsimile: (407) 648-7352

In the case of Sub-User: Dassault Falcon Jet Corp,
Attention: Senior VP/General Counsel
Teterboro Airport, 200 Riser Road, Little Ferry, NJ 07643Facsimile: (201) 541-4515

21. Default and Remedies.

a. Default and Available Signature Remedies. In case of any breach hereof by Sub-User, in addition to all other rights available to any of the Parties at law or equity hereunder and in addition to Signature's rights under this Sub-Use Agreement, Signature reserves all the rights against Sub-User as would be available to the Authority against Signature under the Use and Occupancy Agreement if such breach were by Signature thereunder.

In the event Sub-User defaults in the performance of any of the terms and provisions hereof and Signature places the enforcement of this Sub-Use Agreement in the hands of an attorney and subsequently prevails in any ensuing litigation, Sub-User agrees to reimburse Signature for all reasonable expenses incurred as a result thereof including, but not limited to, reasonable attorneys' fees.

b. Events of Default. Without limitation, each of the following shall constitute an event of default (jointly and severally hereinafter, "Event of Default") under this Sub-Use Agreement:

(i) if Sub-User shall make a general assignment for the benefit of creditors or file a voluntary petition in bankruptcy or a petition or answer seeking its reorganization or the readjustment of its indebtedness under the United States Bankruptcy Code (the "Code") or any other similar law or statute of the United States or of any state, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of the property of Sub-User; or

(ii) if by order or decree of a court of competent jurisdiction Sub-User shall be adjudged bankrupt, or an order shall be made approving a petition seeking its reorganization, or the readjustment of its indebtedness under the Code or any law or statute of the United States or any state, territory or possession thereof, or

(iii) if by or pursuant to any order or decree of any court of governmental authority having jurisdiction, a receiver, trustee or liquidator shall take possession or control of all or substantially all of the property of Sub-User for the benefit of creditors; or

(iv) if Sub-User shall fail to pay any portion of Aggregate Rent or other money payments required by this Sub-Use Agreement and such failure shall not have been remedied within ten (10) days following receipt by Sub-User of written demand from Signature; or

(v) if Sub-User should abandon the Hangar Facility rendering it unoccupied for a period of thirty (30) consecutive days,

(vi) Except for the failure to pay any sums due under this Sub-Use Agreement, or an abandonment of the Hangar Facility by Sub-Use Agreement under subparagraph 20b(v) above, if Sub-User shall default in fulfilling any of the terms, covenants or agreements to be fulfilled by it hereunder, or under the Use and Occupancy Agreement, and shall fail to remedy any Event of Default within thirty (30) days following receipt by Sub-User of written demand from Signature to do so, or if by reason of the nature of such default the Event of Default cannot be remedied within the thirty (30) day period beginning from written demand from Signature to do so, then, if Sub-User shall have failed to immediately commence the remedying of such Event of Default within said thirty (30) days following such written demand, or having so commenced, shall fail thereafter to continue with all due diligence to prosecute the remedying thereof.

c. Remedies. Upon the occurrence of any Event of Default and after the expiration of all applicable cure periods prescribed herein, Signature may, in addition to the remedies specified herein below, and at law and equity, pursue any one or more of the following remedies, separately or concurrently or in any combination, without any further notice or demand whatsoever and without prejudice to any other remedy which it may have for possession of the Hangar Facility or the Sub-User Space or for arrearages in Aggregate Rent or other amounts payable by Sub-User:

(i) Signature may terminate this Sub-Use Agreement by giving Sub-User written notice of termination, in which event Sub-User (and any subtenants, as may be authorized hereunder) shall quit and vacate the Hangar Facility and Sub-User Space within one week of such notification and deliver and surrender possession of the Sub-User Space and the Hangar Facility to Signature and this Sub-Use Agreement shall be terminated at the time designated by Signature in its notice of termination to Sub-User; and/or

(ii) With or without terminating this Sub-Use Agreement, Signature may enter upon and take possession of the Sub-User Space and expel or

remove Sub-User and any other person who may be occupying the Hangar Facility, including, without limitation, any and all sub-sub users; and/or

(iii) Signature may declare all Aggregate Rent and other sums due and unpaid and all future Aggregate Rent for the balance of the Term of this Sub-Use Agreement to be immediately due and payable; and/or

(iv) Signature may undertake and perform whatever Sub-User is obligated to do under the terms of this Sub-Use Agreement in which event Sub-User shall reimburse Signature upon demand for any expenses, including without limitation reasonable attorneys' fees which Signature may incur in thus effecting satisfaction and performance of or compliance with Sub-User's duties and obligations under this Sub-Use Agreement; and/or

(v) Sub-User shall pay to Signature the reasonable and necessary cost of Signature's reletting the Sub-User Space and Hangar Facility and making any modification to the Hangar Facility that may be necessary to procure another sub-sub user; and/or

(vi) Sub-User shall be deemed to have transferred to Signature all of Sub-User's interest in and to the Sub-User Space and the Hangar Facility and all improvements undertaken thereto by Sub-User (if Signature so desires), subject to the ownership of the Port in the Hangar Facility. Sub-User shall promptly thereafter execute and deliver to Signature such documents as Signature may request. In succeeding to ownership of the improvements, Signature will not be deemed to have assumed any of Sub-User's liabilities with respect thereto; and/or

(vii) In a commercially reasonable manner, Signature may enter the Sub-User Space and Hangar Facility and proceed to distress and sale of goods, chattels and personal property there found to levy any portion of Aggregate Rent and outstanding additional payments then required hereunder, and Sub-User shall pay all costs chargeable to Signature, and further including any sums chargeable according to the law of New Jersey.

(viii) Signature may, at Signature's sole option, make such alterations and repairs as may be commercially reasonable and necessary to relet the Hangar Facility and Sub-User Space, or any part or parts thereof, either in Signature's name or otherwise, for a term or terms which may at Signature's option, be less than or exceed the period which would otherwise have constituted the balance of the Term and at such rent or rents and upon such other terms and conditions as in Signature's reasonable discretion may seem advisable and to such person or persons as may in Signature's reasonable discretion seem best; upon each such reletting all rents received by Signature shall be applied; first to the payment of any indebtedness other than any portion of Aggregate Rent due hereunder from Sub-User to Signature; second, to the payment of any costs and

expenses of such reletting, including brokerage fees and reasonable attorneys' fees and all costs of such alterations or repairs; third, to the payment of any portion of Aggregate Rent due and unpaid hereunder, and the residual, if any, shall be held by Signature and applied in payment of future Aggregate Rent as it may become due and payable hereunder. If such rentals received from such reletting during any month shall be less than that to be paid during that month by Sub-User hereunder, Sub-User shall pay any such deficiency to Signature. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Hangar Facility or Sub-User Space or the making of alterations and/or improvements thereto or the reletting thereof shall be construed as an election on the part of Signature to terminate this Sub-Use Agreement unless written notice of such intention be given to Sub-User. Sub-User for Sub-User and Sub-User's successors and assigns, hereby irrevocably constitutes and appoints Signature as Sub-User's agent to collect the rents due and to become due without in any way affecting Sub-User's obligation to pay any unpaid balance of Aggregate Rent due or to become due hereunder. To the extent Signature recovers monies in excess of those stated above, including profits from loss fuel sales, Signature agrees to pay Sub-User twenty (20%) of such recovered funds to be paid over the course of the remaining sub-use term.

Sub-User agrees to pay and Signature shall be entitled to recover all costs and expenses incurred by Signature, including reasonable attorneys' fees, in connection with collection of Aggregate Rent or any other sum due to Signature hereunder or damages or enforcing other rights of Signature in the event of a breach of this Sub-Use Agreement by Sub-User

d. Lien for Aggregate Rent. In consideration of the mutual benefits arising under this Sub-Use Agreement, Sub-User hereby grants to Signature a lien and security interest on all personal property and improvements of Sub-User now or hereafter placed in or upon the Sub-User Space and Hangar Facility, and such property shall be and remain subject to such lien and security interest of Signature herein. The provisions of this Paragraph relating to said lien and security interest shall constitute a security agreement under the Uniform Commercial Code ("Code") so that Signature shall have and may enforce a security interest in all personal property and improvements of Sub-User now or hereafter placed in or on the Sub-User Space and Hangar Facility, including but not limited to all fixtures, machinery, equipment furnishings and other articles of personal property now or hereafter placed in or upon the Sub-User Space or Hangar Facility by Sub-User. Sub-User agrees to execute as debtor such UCC financing statement as Signature may now or hereafter reasonably request in order that such security interest or interests may be protected pursuant to the Code. Signature may, at its election, at any time file a copy of this Sub-Use Agreement as a financing statement. At such time as this Sub-Use Agreement terminates or Sub-User no longer occupies the Sub-User Space, Signature shall file a termination statement for any previously filed UCC financing statement. Signature, as a secured party, shall be entitled to all of the rights and remedies

afforded a secured party under the Code in addition to and cumulative of Signature's lien and rights provided by law or by the other terms and provisions of this Sub-Use Agreement.

e. Right of Injunctive Relief. In the event of a breach or threatened breach by Sub-User of any of the covenants or provisions hereof, Signature shall have the right of injunction and the right to invoke any remedy allowed in law or in equity as if re-entry, summary proceedings and other remedies were not provided for herein.

f. Signature May Correct Sub-User's Defaults. If Sub-User shall be in default in the performance of any term, covenant or condition to be performed on its part hereunder and shall fail to cure such default after written notice to Sub-User , Signature may, at its sole option, perform the same for the account of, and at the expense of Sub-User. If, at any time and by reason of such default Signature incurs any reasonable expense in curing any default by Sub-User, or in the enforcement of its rights hereunder or otherwise, such sum or sums shall be repaid to Signature by Sub-User promptly when invoiced therefore, inclusive of a ten percent (10%) administrative fee to be assessed by Signature.

22. Independent Contractor. The relationship between Signature and Sub-User shall be that of independent contractors for all purposes and in no event shall persons employed or retained by either Party, irrespective of the type of uniform worn, be held or construed to be employees or agents of the other. All persons' performance hereunder and the manner and details of performance thereof shall be under the exclusive control of the respective employing or subcontracting Party, with such employing or subcontracting Party possessing the sole right to direct such persons' performance.

23. Force Majeure. Excepting the payment of Aggregate Rent and any other sums due hereunder by Sub-User, neither Sub-User or Signature shall be liable to each other for its failure to perform under this Sub-Use Agreement or for any loss, injury, damage or delay of any nature whatsoever resulting therefrom caused by any act of God, act of nature, fire, flood, wind storm, strike, labor dispute, riot, insurrection, terrorism, war or any other cause beyond either Party's control.

24. Governing Law. This Sub-Use Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of New Jersey.

25. Dispute Resolution.

a. Negotiation. Signature and Sub-User agree to negotiate in good faith, for a period of sixty (60) days from the date of notice, all disputes between them before exercising their dispute resolution rights under this Sub-Use Agreement.

b. Mediation. Signature and Sub-User agree to submit, prior to arbitration, all unsettled claims, disputes and other matters in question between them arising out of or relating to this Agreement or the breach thereof ("Disputes") to mediation under the auspices of the American Arbitration Association (AAA). Demand for mediation shall be made within a reasonable time after cessation of negotiations. In not event shall the demand for mediation be made after the date when institution of legal or equitable proceedings based upon such Dispute would be barred by the applicable statue of limitations.

c. Withdrawal; Fees; Disqualification. Mediation shall be private, voluntary and non-binding. Any Party may withdraw from the mediation at any time before signing a settlement agreement upon written notice of each other Party and to the mediator. The mediator shall be neutral and impartial. The mediator's fees shall be shared equally by the Parties. The mediator shall be disqualified as a witness, consultant, expert or counsel for either Party with respect to the matters in Dispute and any related matters.

d. Confidentiality. Unless the Parties agree otherwise, the entire mediation process shall be confidential and without prejudice. The Parties and the mediator shall disclose any information, documents, statement, positions or terms of settlement. Nothing said or done or provided by the Parties in the course of mediation shall be reported or recorded or, except as ordered by a court of competent jurisdiction, placed in any legal proceeding or construed for any purpose as an admission against interest. Nevertheless, evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in mediation.

e. Arbitration. All disputes which are not resolved by mediation shall be subject to and decided exclusively by arbitration in accordance with the Commercial Arbitration Rules of the AAA currently in effect. Demand for arbitration shall be filed with the other Party to this Agreement and with AAA. In no event shall a demand for arbitration be made after the date when legal or equitable proceeding based upon such Dispute would be barred by the applicable statute of limitations.

f. Injunctive Relief / Pending Arbitration. The Parties agree that each Party has an interest in the confidentiality of its internal affairs and has an interest in, and obligation to, maintain the confidences of its clients. Nothing in this Sub-Article shall affect the Parties' agreement that remedies at law may be inadequate to protect against irreparable harm or to protect against disclosure of confidential information or client confidences. Each Party shall be entitled to injunctive relief by the United States District Court having jurisdiction over the Signature facility, against any action of a Party which threatens irreparable harm, threatens the statue quo, or which may constitute a breach of the confidentiality requirements agreed to herein or imposed by law. It is understood that such

injunctive relief is intended as a provisional remedy pending arbitration and that recourse to injunctive relief shall not constitute a waiver of the right to arbitrate.

g. Hearing Locale; Enforceability. Any arbitration hearing conducted pursuant to this Sub-Use Agreement shall be held in either Orlando, Florida in northern New Jersey, or such other place as otherwise mutually agreed. The arbitrator(s) shall issue a written statement specifying the reasons for the award, which shall be final and binding on both Parties, and in such format that judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

h. Limitations on Arbitrator(s). The arbitrator(s) (i) shall have the authority to award injunctive relief or to direct specific performance, if warranted, and (ii) shall not have the authority to award punitive damages.

i. Arbitration Fees. Each Party shall bear its own attorney(s) fees, witness fees and other costs in preparing and presenting its position at arbitration. The fee of the arbitrator, however, shall be borne and paid by the Party not substantially prevailing in the matter arbitrated, as specifically so determined by the arbitrator.

j. Waiver of Jury Trial. **THE PARTIES STIPULATE THAT TRIAL BY JURY IS WAIVED.**

26. Assignment and Subletting. Sub-User shall have no right to assign or grant any sub-sub use any portion of the Sub-User Space or this Sub-Use Agreement without the express and prior written consent of Signature, which shall not be unreasonably withheld and, as required, the advance, written approval of the Authority. Any attempts to procure and/or consummate such transactions in violation of the foregoing requirement shall be considered null and void and constitute an act of default hereunder. All requests for an assignment or subletting of the Hangar Facility shall originate in writing from Sub-User to Signature and Signature shall evaluate the merits of each granting of any sub-sub use request or a request for assignment on an individual and independent basis.

In the event of an assignment or sub-sub use of the Sub-User Space or the Hangar Facility, Sub-User acknowledges such action shall in no way be construed or interpreted as a diminution, abatement or mitigation of its responsibilities and liabilities set forth and incorporated herein and Sub-User shall be and shall remain liable for the acts or omissions of its contractors, subcontractors, subtenants, agents, servants and invitees irrespective of any subcontracting or subletting authorized pursuant to this Article and to the extent of the scope of this Sub-Use Agreement.

Any transfer of a majority of ownership of stock in Sub-User or voting control or interest in the Sub-User or management control of Sub-User shall be considered an assignment.

27. Incorporation of Sub-Use Agreement Provisions in Sub-sub Use Agreements. Excepting monetary or other proprietary issues, any subtenant sub-sub use agreements subsequently entered into pursuant to the provisions of Article 26 hereunder, shall not specify or be interpreted to convey priority over any term and condition set forth in this Sub-Use Agreement or the Use and Occupancy Agreement and the indemnities, waivers, insurance endorsements and limitations of liability set forth in the Sub-Use Agreement shall be incorporated by Sub-User within all sub-sub use contracts and/or sub-sub use agreements with such indemnities, waivers, insurance endorsements and limitations of liability being deemed applicable and binding upon the joint and several performance of Sub-User and its subtenants thereunder.

28. Concurrent Term of Sub-sub Use Agreements With Sub-Use Agreement. The term of any sub-sub use agreement entered into by Sub-User shall at no time exceed the Term specified in the Sub-Use Agreement, subject to any extension thereof negotiated by the Authority and/or Signature. In the event this Sub-Use Agreement is thereafter terminated for any reason prior to the expiration date of the Term or any subsequent extension or renewal thereto including, but not limited to, Sub-User's uncured acts of default, then the termination of this Sub-Use Agreement shall also serve as the termination of any and all sub-sub use agreements entered into by Sub-User, concurrent with the effective date of Sub-Use Agreement termination.

29. Fuel Purchases. Sub-User (and any subtenants subsequently authorized to occupy the Hangar Facility) agree to purchase reasonable quantities of aviation fuel ("Fuel") from Signature in connection with the operation of the Aircraft (inclusive of all subtenants) based at the Hangar Facility in exchange for Signature furnishing Sub-User and its subtenants the use of Signature's general aviation terminal facilities and amenities, as well as, furnishing other basic services, including aircraft towing in connection with free services associated with the purchase of fuel.

Signature agrees to furnish Fuel to Aircraft at a rate consistent with Sub-User's or, as applicable, to each subtenant's then prevailing aggregate volume throughout the Signature FSO network and the terms and conditions of Signature's "Prime Rate Program" or such replacement program as may periodically may be instituted by Signature throughout the Term, or any subsequent extension, renewal or replacement thereof, as is applicable.

Sub-User and each subtenant's fuel purchases shall be individually measured and shall not be aggregated for purposes of the Signature "Prime Rate Program".

The provisions and representations set forth in this Article constitute an integral part of the basis of bargain and material consideration for Signature to enter into this Sub-Use Agreement.

30. Performance of Ancillary Services . Any and all ancillary services required or requested by Sub-User and/or any of Sub-User's sub-sub users hereunder which are not otherwise specifically addressed or contemplated within the scope of this Sub-Use Agreement, shall be undertaken and performed or caused to be undertaken and performed by Signature consistent with the terms and conditions set forth herein, excepting the fees and charges for such ancillary services, which shall be negotiated and subsequently established between the local representatives of Signature and Sub-User. Certain towing services associated with Signature's standard service shall be provided free of charge.

31. Aircraft Towing.

Signature shall be responsible for normal and customary towing of Sub-User's Aircraft, or any sub-sub user's aircraft, into and out of the Hangar Facility. If the scope of Sub-User's operation substantially changes, the Parties agree to renegotiate Signature's towing obligations. Signature may be requested from time to time by Sub-User to provide towing between other points on Signature's leasehold or the Airport, at Signature's then current towing fee.

(i) Sub-User acknowledges the inherent risks involved in the repositioning of multiple Aircraft and represents Signature will perform all such towing and relocation of Aircraft with an appropriate level of care and responsibility consistent with industry standards.

(ii) Sub-User expressly acknowledges that Signature's requirement to move and/or relocate the Aircraft is strictly limited to the confines of the Sub-User Space.

(iii) Sub-User agrees to indemnify Signature for all costs, expenses, fines, suits and liabilities not otherwise excluded in this Sub-Use Agreement resulting from the moving and/or relocation of the Aircraft, except for Signature's gross negligence, or willful misconduct.

(iv) Sub-User is hereby granted the right of ingress to and egress from the Sub-User Space over the aprons, taxiways and roadways adjacent thereto; provided, however, that Sub-User shall not unreasonably interfere with the operations of Signature or any other user of Signature's leasehold.

Signature shall utilize reasonable effort to position the Aircraft on the ramp as soon as possible following notification from an authorized representative of Sub-User or a subtenant of such requirement. Sub-User and its subtenants

agree to provide or cause to be provided reasonable advance notification of anticipated Aircraft flight activity.

Sub-User and its sub-sub users expressly agree not to undertake any towing/repositioning of the Aircraft unless and until prior notification is given to an authorized representative of Signature or in the event of an emergency. For purposes of this Sub-Use Agreement, "emergency" shall be defined as an unanticipated and sudden event in which the safety, security or integrity of an Aircraft or person is in imminent peril or jeopardy, *et al*, fire, explosion or injury.

32. Signature Right of First Refusal. If at any time during the Term or any subsequent extension thereof, Sub-User decides to sell, assign or transfer its interests in the Sub-User Space or Hangar Facility, Signature shall have a right of first refusal to purchase the then-existing building and improvements situated upon the Sub-User Space at Sub-User's then unamortized cost or an agreed upon price, whichever is higher. Sub-User shall provide Signature written notice of its intent to sell, assign or transfer its ownership interest, including a certification, under oath, from Sub-User's Chief Financial Officer of the unamortized cost of the Hangar Facility. Signature shall have sixty (60) days after receipt of Sub-User written notice to exercise it's the purchase right providing for a specific closing date within thirty (30) days of the notice from Signature to Sub-User. The right of first refusal shall be memorialized in the Memorandum of Sub-Use Agreement referred to in Article 39 herein. A bonafide merger or consolidation by Dassault shall not be considered a sale, assignment or transfer under this paragraph.

33. Amendment. No amendment, modification or alteration of the terms of this Sub-Use Agreement shall be binding unless the same shall be in writing, dated subsequent to the date hereof and duly executed by the Parties hereto.

34. Time of Essence. The Parties hereto agree that time is of the essence in the joint and several performance of each and every covenant and the satisfaction of each and every condition and obligation specified in this Sub-Use Agreement.

35. Entire Agreement. The terms and provisions of all Exhibits described herein and attached hereto are made a part hereof for all purposes. This Sub-Use Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof, and all prior correspondence, memoranda, agreements or understandings (written or oral) with respect hereto are merged into and superseded by this Sub-Use Agreement, excepting the Parties' joint and several obligations under the Use and Occupancy Agreement.

36. Severability If any term or provision of this Sub-Use Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Sub-Use Agreement, or the application of

such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Sub-Use Agreement shall be valid and shall be enforceable to the extent permitted by law.

37. Election of Remedies. The rights and remedies of the Parties with respect to any of the terms and conditions of this Sub-Use Agreement are cumulative and shall be in addition to all other rights and remedies afforded each Party under applicable New Jersey law. No action initiated by any of the Parties (or all of the Parties) hereunder shall be construed or interpreted as a sole election of remedies and will in no way diminish, restrict, prejudice or otherwise waive any/other right or remedy of any of the Parties.

38. Authority Consent Required. Sub-User acknowledges that, pursuant to the provisions of the Use and Occupancy Agreement, Signature is required to obtain the Authority's written consent to this Sub-Use Agreement, and accordingly, the obligations, understandings and commitments of the Parties as set forth herein are expressly subject to Signature obtaining such Authority consent.

39. Estoppel Certificates. Each Party shall, within thirty (30) days after written request, execute, acknowledge and deliver a statement (i) certifying that this Sub-Use Agreement is unmodified and in full force and effect or, if modified, stating the nature of such modification and certifying that this Sub-Use Agreement as so modified, is in full force and effect (or if this Sub-Use Agreement is claimed not to be in force and effect, specifying the ground(s) therefor) and any dates to which Aggregate Rent has been paid in advance; and (ii) acknowledging that there are not, to the Party's knowledge, any uncured defaults on the part of Sub-User, Signature or the Authority hereunder, or specifying such defaults, if any, are claimed; and (iii) certifying such other matters as Sub-User, Signature and/or the Authority may reasonably request. Any such statement may be relied upon by any such parties. If either Party shall fail to execute and return such statement within the time required herein, the Party not providing such Estoppel Certificates shall be deemed to have agreed with the matters set forth therein.

40. Memorandum of Sub-Use Agreement. Upon the request of any of the Parties, the other Party shall join in the execution of a "Memorandum of Sub-Use Agreement" in recordable form. Either of the Parties may record the Memorandum of Sub-Use Agreement with Bergen County, New Jersey.

41. Condemnation and Casualty:

(a) Whole Taking. If the Hangar Facility or Sub-User Space are appropriated or taken for any public use by virtue of eminent domain or condemnation proceedings, or if by reason of law, ordinance, or by court decree, whether by consent or otherwise, the use of the Hangar Facility or Sub-User

Space by Sub-User for any of the specific purposes referred to in the Use and Occupancy Agreement or Sub-Use Agreement shall be prohibited, or a partial taking renders the Hangar Facility or Sub-User Space untenantable for the intended purpose of this Sub-Use Agreement this Sub-Use Agreement shall be deemed terminated as of the date of taking and rental shall be paid only to the time when Sub-User surrenders possession of the Hangar Facility and Sub-User Space.

(b) Partial Taking. In the event of partial appropriation which in the Sub-User's judgment does not render the Hangar Facility or Sub-User Space untenable for its intended purpose, Sub-User shall continue in possession of that part of the Sub-User Space not so appropriated under the same terms and conditions of this Sub-Use Agreement, except that in those cases Sub-User shall be entitled to an equitable reduction of the rental payment under this Sub-Use Agreement.

(c) Return of Rental. In the event of a Whole Taking, any rental paid in advance beyond the time that the Hangar Facility and Sub-User Space has been taken from Sub-User shall be returned by Signature to Sub-User upon demand.

(d) Sub-User's Right to Recover. Sub-User does not waive any right to recover from the condemnation, authority for any damage that may be suffered by Sub-User by reason of any condemnation.

(e) Casualty. In the event of a partial destruction of the Hangar Facility or Sub-User Space, defined as a destruction of twenty percent (20%) or less of same, and the Hangar Facility or Sub-User Space can still be used for Sub-User's essential purpose, Sub-User shall, to the extent of its insurance proceeds, timely and diligently repair the Hangar Facility and Sub-User Space, returning the Hangar Facility and Sub-User Space to the same condition as prior to the partial destruction using available insurance proceeds. In such event, Sub-User shall be entitled to a rent adjustment for the unusable portion of the Hangar Facility and Sub-User Space.

In the event of a total destruction or damages greater than a partial destruction, as defined above, of the Hangar Facility or Sub-User Space, Sub-User may terminate this Sub-Use Agreement or Sub-User may choose to repair or rebuild, in a timely and diligent manner, the Hangar Facility and Sub-User Space, to the same condition as prior to the damage using available insurance proceeds. In the latter case, Sub-User must Sub-Use Agreement the Hangar Facility and Sub-User Space for at least five (5) years after the repair or rebuilding of the Hangar Facility and Sub-User Space is completed, which Sub-Use Agreement shall be at the same rental rate then in effect at the time of the destruction. If Signature repairs or rebuilds, Sub-User shall likewise repair or rebuild all Sub-User improvements. If Sub-User elects to terminate this Sub-Use

Agreement, under this provision, Signature shall be entitled to the insurance proceeds relating to the replacement or repair of the Hangar Facility and Sub-User Space.

42. Consents and Approvals. Notwithstanding anything that may be herein this Sub-Use Agreement contained to the contrary, the Parties represent and agree that each Party and their agents and representatives shall act reasonably and in good faith in making any and all elections, decisions determinations or interpretations hereunder and in taking any action under this Sub-Use Agreement and wherever a consent acceptance or approval is required to be given or required hereunder said consent, acceptance or approval shall not be unreasonably withheld and shall be promptly acted upon.

IN WITNESS WHEREOF, the undersigned Parties have executed this Sub-Use Agreement effective as of the date and year first written above.

(Signature)

SIGNATURE FLIGHT SUPPORT - NEW JERSEY

BY: Douglas H. Crowther

Title: Vice President
General Aviation Operations

Date: 10-2-02

(Sub-User)

DASSAULT FALCON JET CORP.

By: J. Morgan Young

Title: Sr. VP
Sr. VP, Finance and Administration

Date: 10/3/02

APPROVED AS TO FORM:

DG 10/1/02
LEGAL DEPT.

Federal Tax Number: 22-1978098

The Port Authority of New York and New Jersey hereby consents to the terms and conditions of this Sub-Us ... at the Port Authority's Use and Occupan ... ort-New Jersey, Inc. is terminated, the ... se and occupancy of the Sub-User S ... ser under substantially the same terms ... nt.

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3/25/03

Peter spoke with Joe Goldstein and Jo Dettmore. They stated it was not necessary for this to be signed by PA.

ATTEST:

THE STATE OF FLORIDA
COUNTY OF ORANGE

This instrument was acknowledged before me on October 2, 2002 by Douglas H. Crowther, Vice President – General Aviation Operations, of Signature Flight Support – New Jersey, Inc., a New Jersey corporation, and personally known to me, on behalf of said corporation.

NOTARY SEAL

Josephine A. Dettmore
Notary Public, State of Florida

JOSEPHINE A. DETTMORE
Notary Public, State of Florida
My Commission Expires Nov. 8, 2002
Comm No CC782288

Printed or Typed Name of Notary
My Commission Expires:

THE STATE OF NEW JERSEY
COUNTY OF BERGEN

This instrument was acknowledged before me on Oct. 3 2002 by J. Morgan Young, Senior VP, Finance & Admin., of Dassault Falcon Jet Corp., a Delaware corporation, personally known to me on behalf of said corporation.

NOTARY SEAL

Linda B. Gherardi
Notary Public, State of ~~Florida~~ New Jersey

Printed or Typed Name of Notary
My Commission Expires:

LINDA B. GHERARDI
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 23, 2004

EXHIBIT A

USE AND OCCUPANCY AGREEMENT – TA 303
DATED OCTOBER 1, 2000
BETWEEN
SIGNATURE FLIGHT SUPPORT-NEW JERSEY, INC. AND
JOHNSON CONTROLS WORLD SERVICES, INC.

(to be attached)

Use And Occupancy Agreement

COPY of ORIGINAL

USE AND OCCUPANCY AGREEMENT

TA-303

JOHNSON CONTROLS WORLD SERVICES INC.

AND

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

TETERBORO AIRPORT

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Exhibit A-1, A-2 and A-3

Exhibit B

Exhibit C

Teterboro Airport Agreement TA-303

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, dated this first day of October, 2000 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls" or the "Airport Operator"), a Florida corporation, and SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC. (hereinafter called the "User"), a New Jersey corporation.

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called the "Port Authority") is the owner of Teterboro Airport (the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967, as has been or may hereafter be extended or amended, hereinafter called the "Basic Agreement"; and

WHEREAS, pursuant to and in accordance with the terms of the Basic Agreement, the Airport Operator and the User and its predecessors in interest, have entered into the following Use and Occupancy Agreements, with the consent of the Port Authority, for the use of certain Space at Teterboro Airport:

TA-059 dated April 11, 1974:	Hangar 15;
TA-140 dated November 26, 1979:	Hangar 16;
TA-264 dated August 1, 1995:	Hangar 17 and Part of Building 70; and

WHEREAS, the Port Authority, the Airport Operator and the User entered into Consent Agreements of various dates (hereinafter called the "Use and Occupancy Consent Agreements") consenting to each of the above listed Use and Occupancy Agreements, wherein the Port Authority gave its consent to the Use and Occupancy Agreements; and

WHEREAS, the Airport Operator and the User, with the consent of the Port Authority, have entered into an Extension of Agreement for each of the above Use and Occupancy agreements, which, with certain changes, extends the term of each

of the Use and Occupancy Agreements to a date no later than December 30, 2000; and

WHEREAS, the Airport Operator and the User desire to replace the above referenced Use and Occupancy Agreements with a new, consolidated Use and Occupancy Agreement TA-303 (the "Agreement") as hereinafter described; and

WHEREAS, the User desires to construct and Johnson Controls desires to permit the User to construct hangar facilities and additional aircraft parking ramp facilities on the Space provided for in the Agreement, and in consideration of said construction extend the term of the Agreement,

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of August 1, 2000 (the "Effective Date" of this Agreement, unless otherwise stated, as follows:

1. Term

1.1 The Term of this Agreement shall commence on the First day of October, 2000 (hereinafter called the "Effective Date"), and unless sooner terminated in accordance with the terms of this Agreement or as provided for in the Use and Occupancy Consent Agreement, shall terminate on the day before the Twenty (20) year Anniversary of the Completion Date, as defined in subsection 5.9.15 of this Agreement, of the construction described in Section 5.1, Section 5.2 and Section 5.3 of this Agreement, but in no event shall the term extend beyond December 30, 2025. In the event that the construction of all four hangars as described in section 5 of this Agreement, have not been completed by December 30, 2005 or the Adjusted Construction Completion Date ("ACCD") whichever is the latter, the term shall expire on December 30, 2005, or the ACCD, whichever is the latter. The "Adjusted Construction Completion Date" ("ACCD") is defined as a date five years from the Consent to this U & O Agreement, plus allowable delay days. Allowable delay days, if any, will result from (a) the number of days beyond March 1, 2001 before the site of Building 70 is available for demolition work to begin; (b) delays beyond 90 days before an alteration application or a hangar construction application for Phase 1 construction work as identified in Section 5.1 of this Agreement receives Port Authority approval after it is submitted in good form for each hangars specified in Section 5.1, if such delayed approval delays the construction schedule; (c) delays beyond 180 days before an alteration application or a hangar construction application for Phase 2 or Phase 3 construction work as identified in Section 5.2 and 5.3 of this Agreement receives Port Authority approval after it is submitted in good form for each hangars specified in Section 52 and 5.3, if such delayed approval delays the construction schedule; and (c) days delay attributable to force majeure, as approved by the Port Authority.

1.2 The parties acknowledge that the Use and Occupancy Consent Agreement granting the Port Authority's consent to this Agreement and the matters herein set forth shall provide for the termination of this Agreement upon the termination of the Basic Agreement, but with the terms, rights and obligations of this agreement being assumed by the Port Authority itself or an airport operator designated by the Port Authority.

2. Termination of Prior Agreements

2.1 Letters of termination shall be issued on each of the above listed Use and Occupancy Agreements, with the effective date of termination to be coincidental with the Effective Date of the Agreement. All provisions of such agreements, and exhibits attached thereto shall be of no further force or effect subsequent to the Effective Date of the Agreement.

3. Space

3.1 On and after the Effective Date of the Agreement, the Space under the Agreement shall be the area shown as Area 1 on Exhibit A-1, Areas 1 and 2 on Exhibit A-2, and the area set forth in hatching on Exhibit A-3, attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the remainder of the term of this Agreement (hereinafter collectively referred to as the "Space")

3.2 Upon notification to the User by the Airport Operator or the Port Authority that Area 2 on Exhibit A-1 is available for development as the result of the relocation of Taxiway "P" or otherwise, this area shall become a part of the Space. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space. The Space shall become fee-bearing upon notification to the User of its availability.

3.3 Upon notification to the User by the Airport Operator or the Port Authority that Area 4 on Exhibit A-2 is available for development as the result of the relocation of Taxiway "Q" or otherwise, this area shall become a part of the Space. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space. The Space shall become fee-bearing upon notification to the User of its availability.

3.4 The parties hereby acknowledge that the area on the Airport known as Building 70, in which the User occupies Space, is currently also being

occupied by the Federal Aviation Administration ("FAA"). Upon notice to the User by the Airport Operator or the Port Authority that the FAA has established a firm date for vacating the space in Building 70 that they occupy and of the firm date that the building will be available for demolition, the User shall, within six (6) months of said notice, in accordance with Section 5 of the Agreement, submit plans and specifications for the demolition of Building 70 and the construction of the facilities described as Phase 2 construction in Section 5.2 of the Agreement. Upon approval of the User's demolition plan by the Port Authority, the area set forth as Area 3 on Exhibit A-2, shall be added to and become part of the Space as herein defined and shall become fee-bearing at that time.

3.4.1 The Port Authority shall reimburse the User for the cost of the demolition of Building 70 subject to (a) the delivery to the Port Authority a certificate which shall be signed by a responsible fiscal officer of the User, sworn to before a notary public, which shall certify the amounts of actual payments made by the User to its contractors for the work actually performed and labor and materials actually furnished for the demolition work and (b) a maximum reimbursement of Five Hundred Thousand Dollars ($500,000.00).

3.5 When Area 5 of Exhibit A-2 becomes available as a result of the relocation of the temporary Airport Maintenance Facility. Upon notification by the Airport Operator or the Port Authority, this shall become a part of the Space of this Agreement, and shall be fee-bearing upon notification.

4. <u>Use and Occupancy</u>

4.1 The User shall use and occupy the Space as set forth in Section 3 of this Agreement for the following purposes only and for no other purpose whatsoever:

4.1.1 For the storage, maintenance, servicing and repair of aircraft, aircraft assemblies, aircraft accessories and aircraft radio and electronic equipment and any component parts thereof;

4.1.2 For the sale of aircraft assemblies, accessories, aircraft radio and electronic equipment and any component parts thereof;

4.1.3 For the leasing and chartering of general aviation aircraft;

4.1.4 For the parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User; it being understood that the parking of vehicles on areas of the Space shall be subject to the prior and continuing approval of the

Airport Operator;

4.1.5 For the parking of aircraft;

4.1.6 For business and operations offices and terminals in connection with the purposes authorized hereunder;

4.1.7 For the sale of aviation fuel and aviation lubricants and for delivery of such fuel and lubricants to and into aircraft, all in accordance with provisions of other agreements entered into or to be entered into between the Airport Operator and the User specifically regulating such sales and deliveries and providing for the payment of fees therefor.

4.2 Notwithstanding the right granted to User to conduct pilot training hereunder, the Airport Operator hereby reserves the right to restrict or terminate touch and go flight operations and to restrict the time primary flight training operations may be conducted at the Airport when, in its sole judgment, such action is deemed necessary for Airport safety.

4.3 All flight operations conducted at the Airport by the User shall be subject to the Schedule of Charges pertaining thereto in addition to all other fees payable by the User hereunder.

4.4 The uses granted the User in subsection 4.1 above shall not include the right to sell aircraft and utilize the Space for activities associated with the sale of aircraft.

4.5 The User shall have the right to automobile parking spaces contiguous to Building 70 which is a part of the Space, to accommodate its employees, guests and business visitors.

5. <u>Construction by the User</u>

5.1 The User hereby agrees to enter into a Phase 1 Construction project in accordance with the following parameters:

5.1.1 Facilities

5.1.1.1 A new hangar consisting of a minimum of 36,400 sq. ft of hangar area on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.1.1.2 Attached Office/shop space of a minimum of 10,000 sq. ft.

5.1.1.3 Additional Ramp Space of 194,328 sq. ft. on the Space identified as Area 2 of Exhibit A-1 of this Agreement

5.1.2 Schedule

5.1.2.1 Phase 1 construction plans and specification as specified in Section 5.5 of this agreement due not later than six month following the Consent to this Use and Occupancy Agreement by the Port Authority.

5.1.2.2 Construction of Phase 1 buildings to be completed within twelve(12) months of the approval by the Port Authority of the construction plans and specifications for Phase 1 construction.

5.1.2.3 Construction of the Phase 1 ramp space (Item 5.1.1.3) to be completed no later than nine (9) months following the receipt of Port Authority approval of the alteration application for the construction of the ramp of Area 2 as shown on Exhibit A-1 , but not later than the completion date of the Phase 1 buildings as identified in 5.1.2.2.

5.1.3 Penalty provisions

5.1.3.1A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.1.2.1, 5.1.2.2, and 5.1.2.3 are delayed beyond their scheduled dates.

5.1.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.1.4 Minimum financial commitments

5.1.4.1 The Users commits to a financial investment for Phase 1 work at a minimum level of

Exemption (2.a.)

5.2 The User hereby agrees to enter into a Phase 2 construction project in accordance with the following parameters:

5.2.1 Facilities

5.2.1.1 Demolition of Hangars 16 and 17 as identified on areas 1 and 2 of Exhibit A-2 of this Agreement

5.2.1.2 Demolition of Building 70 as identified on area 3 of Exhibit A-2 of this Agreement

5.2.1.3 A new hangar consisting of a minimum of 30,000 sq. ft of hangar area, with attached office/shop space of 9,200 sq. ft, to be built on the spaces identified as Areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.4 A passenger terminal of a minimum of 9,200 square feet to be built on the spaces identified as Areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.5 A new hangar consisting of a minimum of 21,000 sq. ft. with adjoining office/shop space of not less than 12,000 sq. ft. to be built on the space identified as areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.6 Additional Ramp Space to the extent practicable on areas 3 and 4 of Exhibit A-2 of this Agreement

5.2.1.7 Additional Ramp Space to the extent practicable on area 5 of Exhibit A-2 of this Agreement

5.2.2 Schedule of completion dates:

5.2.2.1 Phase 2 construction plans and specification as specified in Section 5.5 of this Agreement due not later than six (6) months following the approval of the Port Authority of the Phase 1 construction plans.

5.2.2.2 Construction of Phase 2 buildings to be completed within twenty-four (24) months of the approval by the Port Authority of the construction plans and specifications for Phase 2 construction.

5.2.2.3 Construction of the Phase 2 ramp space (Item 5.2.1.6) to be completed no later than nine (9) months Port Authority of an alteration application for the ramp construction, but no later than the completion date of the Phase 2 building as per 5.2.2.2 above.

5.2.2.4 An alteration application for the construction of the additional Phase 2 ramp space (Item 5.2.1.7) to be submitted no later than three (3) months following the date upon which the User is notified by the Port Authority that the Space on which the ramp is to be constructed (Areas 5 as shown on Exhibit A-2 of this Agreement) is available for use by the User. The ramp construction is to

be completed within nine month of the date of the approval of the alteration application for the ramp construction work.

5.2.3 Penalty provisions

5.2.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.2.2.1, 5.2.2.2, 5.2.2.3 and 5.2.2.4 are delayed beyond their scheduled dates.

5.2.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.2.4 Minimum financial commitments

5.2.4.1 The Users commits to a financial investment for Phase 2 work at a minimum level of Exemption (2.a.)

5.3 The User hereby agrees to enter into a Phase 3 Construction project in accordance with the following parameters:

5.3.1 Facilities

5.3.1.1 Demolition of Hangar 15 located on the Space identified as Area 1 of Exhibit A-1 of this Agreement

5.3.1.2 A new hangar consisting of a minimum of 30,000 sq. ft of hangar area to be built on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.3.1.3 Attached office/shop space of a minimum of 8,400 sq. ft. to be built on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.3.2 Schedule of completion dates

5.3.2.1 Phase 3 construction plans and specifications as specified in Section 5.5 of this agreement due not later than eighteen (18) months following the approval by the Port Authority of the construction plans and specifications for the Phase 2 construction.

5.3.2.2 Construction of Phase 3 buildings to be completed within twelve (12) months of the approval by the Port Authority of the construction plans and specifications for Phase 3 construction work.

5.3.3 Penalty provisions

5.3.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.3.2.1, and/or 5.3.2.2, are delayed beyond their scheduled dates.

5.3.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.3.4 Minimum financial commitments

5.3.4.1 The User commits to a financial investment for Phase 3 work at a minimum level of Exemption (2.a.)

5.4 Prior to the commencement of construction of the facility set forth in subsections 5.1, 5.2 and 5.3 above, or any part thereof, User shall submit to the Airport Operator a construction application and complete plans and specifications of such proposed construction.

5.5 The plans and specifications shall be submitted by the Airport Operator to the Port Authority for approval and the Airport Operator or the Port Authority may refuse to grant approval if, in their opinion, the proposed facilities as laid out and indicated by the User on such plans, or if constructed according to such plans and specifications, the facilities:

5.5.1 will be structurally unsound or unsafe or hazardous for human occupation or improper for the use and occupancy for which it is designed;

5.5.2 will not comply with all the requirements of this Agreement;

5.5.3 will not comply with the Airport Operator or the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

5.5.4 will not comply with the standards set by the Airport Operator or the Port Authority with respect to utility or rentability;

5.5.5 will be so located that there will not be sufficient clearance in respect to existing or planned projecting aprons, runways, or taxiways adjacent thereto;

5.5.6 is designed for use for purposes other than those for which User is permitted to use the Space under this Agreement;

5.5.7 will be in violation of any local code, OSHA-70, or any other law, ordnance or regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation;

5.5.8 will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

5.5.9 will not provide adequate circulation arteries for vehicular and pedestrian traffic and fire-fighting equipment;

5.5.10 will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

5.6 Upon approval of such plans and specifications by the Airport Operator and the Port Authority, the User shall proceed expeditiously and with all reasonable diligence to construct, at its own expense and cost, the facilities in accordance with such approved plans and specifications.

5.7 The User or User's construction contractor shall furnish The Airport Operator performance and payment bonds in a sum equal to the estimated cost of each phase of the construction, in a form and with sureties satisfactory to the Airport Operator, for the faithful performance by User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of tradespersons, workers and subcontractors. User shall deliver such bonds to the Airport Operator prior to commencement of construction or within thirty (30) days after the award by User of construction contract or contracts, whichever occurs first. The bonds shall remain in effect until the completion of the respective phase of the construction.

5.8 Upon completion of any work to be performed by User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

5.9 All construction work shall be done in accordance with the following terms and conditions:

5.9.1 The User hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of

loss or damage to all property of the Airport Operator and of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the construction work and the property of the Airport Operator or of the Port Authority without cost or expense to the Airport Operator. The User shall itself and shall also require its contractors to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Airport Operator and its subsidiaries and affiliates) arising or alleged to arise out of the performance of the construction work and for all expenses, (whether or not such claims, demands, causes of action, liabilities etc., are made or asserted before or after termination or expiration of this Agreement) incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, (to include reasonable attorney's and other professional fees) direct or consequential, whether they arise out of or from the acts or omissions of the User, of any contractors of the User, of the Airport Operator or of third persons, or from acts of God or of the public enemy, or otherwise (including claims of the Port Authority) against the Airport Operator pursuant to the Basic Agreement whereby the Airport Operator has agreed to indemnify the Port Authority against claims) excepting only claims and demands which result from negligent acts done by the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees subsequent to the commencement of the construction work.

5.9.2 Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to The Airport Operator for its approval. The Airport Operator shall have the right to disapprove any architect who may be reasonably unacceptable to it, and to advise User in writing of The Airport Operator's reason for such disapproval. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by tyhe Airport Operator and the Port Authority prior to the commencement of the construction work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The User shall redo, replace or reconstruct at its own

cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of the Airport Operator made in accordance with this Agreement, so long as the Airport Operator has advised User that the work was not done in accordance with the plans and specifications.

5.9.3 Prior to entering into a contract for any part of the construction work, the User shall submit to the Airport Operator for its approval the names of the contractors to whom the User proposes to award said contracts. The Airport Operator shall have the right to disapprove any contractor who may be unacceptable to it for reasonable cause and to advise User in writing of the Airport Operator's reasons for such disapproval. The User shall include in all such contracts such provisions and conditions as may be required by the Airport Operator, including without limitation thereto, the provision set forth in Exhibit C attached hereto and hereby made a part hereof.

5.9.4 The User shall furnish or require its architect to furnish a resident engineer during the construction period as the Airport Operator may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by the Airport Operator from time to time.

5.9.5. The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same having been approved by the Airport Operator and the Port Authority and notwithstanding the incorporation therein of the Airport Operator or Port Authority recommendations or requirements. Notwithstanding the requirements for approval by the Airport Operator of the contracts to be entered into by the User on the incorporation therein of the Airport Operator requirements or recommendations, and notwithstanding any rights the Airport Operator may have reserved to itself hereunder, the Airport Operator shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges the Port Authority and the Airport Operator, its subsidiaries and affiliates, their commissioners, directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any construction work pursuant to the contracts between the User and its contractors (to include reasonable attorney's and other professional fees).

Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of the Airport Operator and the Port Authority as well as the User.

5.9.6 The Airport Operator shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work, but the taking of samples and testing shall be conducted so as to minimize interference with the construction work, if such minimization of impact can be accomplished without diminishing the effectiveness or accuracy of the samples and or tests.

5.9.7 The User agrees that it shall deliver to the Airport Operator "as built" drawings (capable of being reproduced) of the construction work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications to be made without the Airport Operator's consent.)

5.9.8 The User shall, if requested by the Airport Operator, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the construction work, including but not limited to the fencing of the Space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as the Airport Operator may direct.

5.9.9 The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, tradespersons and workers, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, tradespersons, workman and/or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep the Airport Operator fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful

performance of and also for the payment of all lawful claims of subcontractors, tradespersons and workers arising out of the performance of said construction contract.

5.9.10 The User shall procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the User herein which shall be in addition to all policies of insurance otherwise required under this Agreement or the User may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name the Airport Operator and the Port Authority as additional insured and be in not less than the following amounts:

(i) Bodily Injury Liability:

For injury to or wrongful death to one person..... $3,000,000

For injury or wrongful death to more than
one person for any one occurrence $5,000,000

Aggregate Products Completed Operations $5,000,000

(ii)Property Damage Liability:

For all damage arising out of injury to or
destruction of property in any one occurrence $5,000,000

Aggregate Products Completed Operations $5,000,000

Aggregate Operations $5,000,000

Aggregate Productive $5,000,000

Aggregate Contractual $5,000,000

The insurance required hereunder shall be maintained in effect during the performance of the construction work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to

the Airport Operator at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Airport Operator and the Port Authority. The aforesaid insurance shall be written by a company or companies licensed to conduct business in the State of New Jersey and, approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall become unsatisfactory to the Airport Operator or the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator or the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator and the Port Authority agreeing not to act unreasonably hereunder.

5.9.11 The User shall, prior to the commencement of the construction work, and at all times during the construction work, submit or cause to be submitted to the Airport Operator all engineering studies with respect to the construction work and samples of construction materials as may be reasonably required at any time and from time to time by the Airport Operator.

5.9.12 The User shall procure and maintain or cause to be procured and maintained builder's risk completed value insurance covering the construction work during the performance thereof including material delivered to the construction site but not attached to the realty in an amount and form satisfactory to the Airport Operator. Such insurance shall name the Airport Operator, the Port Authority, the User and its contractors and subcontractors as additional insured and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to the Airport Operator and the Port Authority. The policies or certificates representing this insurance shall be delivered by the User to the Airport Operator prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority and the Airport Operator fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification

of the insurance evidenced by said policy or certificate. The insurance shall be written by companies licensed to conduct business in the State of New Jersey, and approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably and if the Airport Operator disapproves of any insurance company, it shall advise User in writing of the reasons for such disapproval. If at any time any of the insurance policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator agreeing not to act unreasonably hereunder.

5.9.13 Nothing contained herein shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor, or any other person engaged by the User, of any of its contractors in the performance of any part of the construction work, any right of action or claim against the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees or the Port Authority, its commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work.

5.9.14 Nothing contained herein shall create or be deemed to create any relationship between the Airport Operator and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work and neither the Airport Operator nor the Port Authority shall be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

5.9.15 When the construction work is substantially completed and is ready for use by the User, the User shall advise the Airport Operator to such effect and shall deliver to the Airport Operator a certificate executed by an authorized officer of the User certifying that such construction work has been constructed in all material respects in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders, provided that the User shall correct, modify, or redo any item that the Port Authority requires to be corrected, modified or redone. Thereafter, such construction work will be inspected by the Airport Operator and if the same has been completed as specified by the User, a certificate to such effect shall be

delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User, excepting any liability due to the negligence of the Airport Operator. The User shall not use or permit the use of the construction work for the purposes set forth in this Agreement until such certificate is received from the Airport Operator. The date of delivery of the certificate by the Airport Operator shall constitute the completion date for the purposes of this Agreement.

5.9.16 The construction work shall be conducted in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from or arising out of or resulting from the operations of the User under this section. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the construction work hereunder such necessary or appropriate systems to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User and shall be part of the construction work hereunder.

5.9.16.1 Notwithstanding the provisions of the foregoing paragraph and in addition thereto, the Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of subsection 5.9.16.

5.10 The User hereby acknowledges that the Airport Operator has constructed security fencing to secure and prevent inadvertent entry onto the aeronautical areas of the Airport. The User hereby agrees, during all phases of construction work and at all time during the term of this Agreement, to design and construct, at its sole cost and expense, such further fencing as may be necessary to maintain said security fencing.

5.11 All locations, the manner, type and method of construction and the size of any of the provisions of subsections 5.9.16 and 5.10 shall be determined by the Airport Operator. The User shall submit for the Airport Operator's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently

to construct the same. It is expressly agreed that the design and appearance of the construction required by subsections 5.9.16 and 5.10 shall be consistent with the overall design and construction of User's facilities. All other provisions of this Section with respect to the construction work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this paragraph and upon completion of each portion of such work it shall be and become a part of the construction work.

6. Other Construction by the User

6.1 Except as otherwise expressly provided herein, the User shall not erect any structures, make any improvements or do any construction work on the Space, or install any fixtures (other than fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of the Airport Operator through the medium of a construction or alteration application (which application will be approved by the Airport Operator as soon as practicable) and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice to do so, the User will remove the same or at the option of the Airport Operator, cause the same to be changed to the satisfaction of the Airport Operator. In case of any failure on the part of the User to comply with such notice, the Airport Operator may effect the removal or change and User shall pay the cost thereof to the Airport Operator.

7. Fees to the Airport Operator

7.1 The Space as defined in this agreement consists of four building components and a minimum of three (3) land components as identified on Exhibit B. Also identified in Exhibit B 4 additional land use areas which will become a part of the Space upon the occurrence of specific events as identified in notes 1 through 4 of Exhibit B.

7.1.1 Column 2 of Exhibit B provides a general descriptor for each rental component.

7.1.2 Column 3 of Exhibit B provides the total square feet in the land area of the land rental component or the total square feet contained within the building.

7.1.3 Column 4 of Exhibit B is the rental rate per square foot per year of each rental component, with 1999 as the base year.

7.1.4 Column 5 of Exhibit B is the rental rate per square foot per year after applying the escalation factor for the period of time between the base year (1999) and the year 2000. This escalation factor

as derived from the procedure identified in Section 7.3 is 1.02232.

7.1.5 Column 6 of Exhibit B is the annual rental for each rental component for the year 2000, derived by multiplying the rental rate of Column 5 by the square feet of column 3.

7.1.6 Column 7 of Exhibit B is the monthly rent for each rental component for the year 2000, derived by dividing column 6 by twelve.

7.1.7 Column 8 of Exhibit B provides a guide to the footnotes applicable to the various rental components, relative to when abatement in rental amounts are due, and when additional land area rental components become effective.

7.2 The Airport Operator and/or the Port Authority reserve(s) the right to establish new land and building "Basic Rental Rates" for each rental component effective January 1, 2010 and January 1, 2020. New land and building "Basic Rental Rates", if any, will be determined considering real estate appraisals conducted in the year prior to the effective dates of such new "Basic Rental Rates". If such new "Basic Rental Rates" are not established for one or both of these time periods, the "Basic Rental Rates" for the immediately prior period will continue to apply. If such appraisals are performed, the first newly established rates shall hereinafter be referred to as "Basic Rental Rates One", and the second such newly established rates shall be known as "Basic Rental Rates Two".

7.3 All rental rates are determined on an annual calendar year basis, using the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all items, Selected Larger Cities, for the New York – Northeastern New Jersey area as the data source (hereinafter referred to as the "CPI Index"). The "Standard Inflation Adjustment Factor (hereinafter referred to as "SIAF") is defined as the quotient resulting from dividing the CPI for the month of December for the year immediately prior to the year for which the rates are being determined by the CPI for the second year prior to the year for which the rates are being determined. However, if the quotient which results from the computation as described above is less than 1.00, the SIAF for the particular year will be 1.00. Furthermore, if the quotient which results from the computation as described above is greater than 1.06, the SIAF for the particular year will be 1.06. Thus the rates for any year will not be less than those of the immediately prior year, nor exceed the prior year by more than 6%.

7.4 All building and land rental fee amount shall be subject to annual inflation adjustment on a calendar year basis, in accordance with Section 7.3.

7.5 The monthly building and land rental amounts from the effective date until December 31, 2000 are the sum of the rental component monthly fees for the year 2000 for those rental components which are a part of the Space in accordance with Section 3 of this agreement.

7.6 The monthly rental fees for calendar years subsequent to the year 2000 until a new Basic Rental Rates One or Basic Rental Rates Two are established in accordance with Section 7.2 above shall be determined by:

7.6.1 Determine the year rates for the applicable year by multiplying the rates for the immediately prior year by the SIAF as determined in Section 7.3 above.

7.6.2 For each rental component, multiply the rental component square feet as found in column 3 of Exhibit B by the applicable rental rates for each component as determined in subsection 7.6.1 above and dividing the results by twelve.

7.6.3 Determine the monthly annual fee payable by summing all of the applicable rental component fees as determined in subsection 7.6.2,for those rental components which are a part of the Space in accordance with Section 3 of this Agreement.

7.7 In the event that an appraisal is performed in accordance with subsection 7.2 above, from and after January 1, 2010 the rates applicable for determining the fee shall be the greater of (i) the Basic Rental Rate One or (ii) the December 2009 rates multiplied by a quotient derived by dividing the CPI for the month of December 2009 by the CPI for the month of December 2008. In the event that the rates calculated in accordance with (ii) is 15% or higher than the rates determined in accordance with (i) above, then the monthly building and land rental fees payable effective January 1, 2010 would be the greater of (a) the rates effective for January 2000 adjusted annually by ½ of the change in the CPI or (b) the rate determined per (i) above.

7.8 If new Basic Rental Rates have been established in accordance with subsection 7.2 above, effective January 1, 2011 and annually thereafter the rates for determining the building and land rental fee the User shall pay to the Airport Operator shall be determined by taking the rates for the immediately prior year and multiplying them by the SIAF for the appropriate year.

7.9 As each of the buildings identified on Exhibit B as rental components A, B, C, and D are subject to demolition in accordance with the Phase 1, Phase 2 and Phase 3 construction plans, a 100% abatement of the building rental rate will be in effect starting upon the date that the demolition begins for each separate entity and extending to the twentieth (20th) anniversary date of the completion of the construction of the new facility.

7.10 The User shall, from and after the twentieth (20th) anniversary date of the completion date of each of the building being constructed in accordance with the Phase 1, Phase 2 and Phase 3 construction plans, until the expiration of the term of the Agreement, pay to the Airport Operator a monthly building rental fee, subject to annual CPI adjustments. The fee payable at that time will be determined by the Port Authority based on (a) appraised values determined by appraisals conducted in 2009 or 2019, if such appraisals are conducted, or (b) prevailing rates for facilities of similar age and functionality located on Teterboro Airport. Such rates will be subject to annual escalations in accordance with the procedure established in this Agreement.

7.11 If the effective date of an abatement or of a completion occurs on other than the first day of a calendar month, the appropriate fees or abatements will be prorated on the basis of the number of days from the effective date to the end of such month.

7.12 In addition to all other fees set forth in this Section. the User shall pay to the Airport Operator a gross receipts fee of Exemption (2.a.) of the gross receipts (as hereinafter defined) of the User arising during each annual period in excess of Exemption (2.a.) (hereinafter called the "annual exemption amount").

7.12.1 The term "Gross Receipts" as used herein shall mean all monies derived by the User at the Space as such is defined hereunder, provided, however, there shall be excluded from Gross Receipts for the purpose of such fee:

7.12.1.1 any taxes imposed by law which are separately stated by and paid by customer of User and directly remitted by the User to the taxing or tax collection authority, and

7.12.1.2 all monies paid or payable to the User for the sale of aviation fuel or lubricants.

7.12.2 During any annual period of the term of the agreement if the fees pursuant to this section are escalated the exemption amount stipulated in subsection 7.12 hereof shall be increased by an amount equal to twenty times the amount by which the basic fee

or other such fee was escalated. If the escalation of such fee shall become effective other than at the end of an annual period under the Agreement, the increase in the annual exemption amount shall be increased pro rata.

8. Time of Payment and Computation of Amounts

8.1 User shall pay to the Airport Operator the monthly payments of the fee specified in the Section entitled "Fees to the Airport Operator" hereof in advance on the first (1st) day of each and every month, without tender of an invoice by the Airport Operator, until the termination of this Agreement, provided however, if this Agreement is terminated other than the last day of the month the last payment shall be the then effective monthly fee prorated in the same proportion as the number of days the Agreement was effective in the last month bears to the actual number of days in said month.

8.2 For each annual period the User shall pay the gross receipts percentage fee as follows: on the twentieth (20th) day of the first (1st) month following the Effective Date and on the twentieth (20th) day of each and every month thereafter including the month following the end of the annual period, the User shall render to the Airport Operator a statement certified by User's principal financial officer showing its gross receipts for the preceding calendar month and its cumulative gross receipts from the date of commencement of the annual period for which the report is made, through the last day of the preceding calendar month; whenever any such statement shall show that the cumulative gross receipts for the annual period are in excess of the annual exemption amount, the User shall pay to the Airport Operator at the time of rendering the statement an amount equal to five percent (5%) of such excess and shall on the twentieth (20th) day of each month thereafter during the annual period and the month next succeeding that annual period, pay to the Airport Operator an amount equal to five percent (5%) of the gross receipts of each subsequent month during the annual period. At any time that the annual exemption amount is decreased by abatement so that there is an excess of gross receipts as to which such percentage fee has not been paid the same shall be payable to the Airport Operator forthwith.

8.3 Upon any termination of the Agreement, even if stated to have the same effect as expiration, but in no event if termination of the Agreement is due to termination of the Basic Agreement or by the Airport Operator for any reason whatsoever, the User shall, within twenty (20) days of the effective date of such termination, make a payment of such percentage fees computed as follows: (1) the User shall within twenty (20) days after the effective date of termination render to the Airport Operator a statement of Gross Receipts certified by User's principal financial officer for the annual period in which the

effective date of termination falls; and, (2) the payment when due on account of all such percentage fees for the annual period in which the effective date of termination falls shall be the excess for such percentage fees computed as follows, over the total of such percentage fee payments previously made for such annual period: Exemption (2.a.)

of the gross receipts of the User for such annual period which are in excess of the annual exemption amount, said annual exemption amount being multiplied by a fraction, the numerator of which shall be the number of days from the commencement of the annual period to the effective date of termination, and the denominator of which shall be three hundred sixty-five (365).

8.4 Nothing contained in the foregoing shall affect the survival of the obligation of the User as set forth in the Sections of this Agreement covering the survival of the User's obligations.

8.5 The fees specified herein shall be payable at the Office of the Manager of Teterboro Airport, 399 Industrial Avenue, Teterboro, New Jersey 07608, or such other location as may from time to time be substituted therefor.

9. Care, Maintenance and Repair

9.1 The User shall at its own expense at all times keep the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public, in a clean and orderly condition and appearance.

9.2 The User shall, at its own expense, repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

9.3 User shall perform all snow removal from the Space in a manner prescribed by an annual snow removal plan which shall be submitted to the User each year, by the airport manager, prior to start of the snow season.

9.3.1 In the event the User fails to adhere to said plan, the Airport Operator may, at its option, without notice to the User commence corrective action and charge the cost thereof to the User. The amount of such charge to constitute an item of a additional fee.

9.4 Except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof, the User at its own expense shall take good care of the Space, including without limitation paved and unpaved areas, fences, skylights, steelwork, walls,

partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, lights, sewerage, drainage, water supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures.

9.5 The User shall perform all structural and nonstructural maintenance, repairs, replacements and painting at the Space, including walls, ceilings, windows, doors, floors, partitions, glass, electrical, plumbing and heater equipment and fixtures, air conditioning and ventilation equipment that service the Space, regardless of the cause of condition requiring the same, except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof.

9.6 In the event the User fails to commence to so repair, replace, rebuild or paint as required above within a period of ten (10) days after notice from the Airport Operator so to do, or fails diligently to continue to complete the repair, rebuilding, replacement, or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, the Airport Operator 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

10. Services to the User

10.1 The Airport Operator shall supply connections for water, sewerage, electricity, and gas to the Space, if applicable.

10.2 The User shall promptly pay all domestic water, electric, gas and other utility bills covering consumption by the User in the Space. In the event that any such bill or bills remains unpaid for a period of thirty (30) days after the same becomes due and payable, or in the event that any such bill remains unpaid at the expiration or earlier termination of this Agreement, the Airport Operator may pay the same and any interest or penalties thereon, and the total payment or payments at any time so made shall constitute an item of additional fee, payable to the Airport Operator upon demand.

10.3 The User agrees to heat the enclosed portion of the Space to a sufficient temperature so that plumbing, fire protection and sprinkler systems will not be damaged by the cold.

10.4 In the event that the Borough of Teterboro, or the State of New Jersey or any other municipal subdivision, or corporation now furnishing, with or without charge therefor, any services which are beneficial to the User

in its use or occupancy of the Space shall hereafter impose charges or increase existing charges for such services, the User agrees to pay the Airport Operator as an item of additional fee hereunder such of the charges or the increase in charges as may imposed or assessed against the Airport Operator in respect of the Space of the User or its use or occupancy thereof.

10.5 The Airport Operator shall charge the User on an equitable basis for the following services:

10.5.1 Sewer usage, taking into account total usage of others on the same sewer system; and

10.5.2 Standby water charges for fire protection system, taking into account total usage of others on the same systems, if applicable.

11. Insurance

11.1 During the term of this Agreement, the User shall, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction.

11.2 For the Space known as Hangar 15, 16, 17, for a any replacements thereof, and any new hangar which may be build on the site of Building 70, during the term of this Agreement, the Airport Operator shall, for the account of and expense of the User, provide, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the said Hangar facilities against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form

of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction

11.3 The aforesaid insurance coverages and renewals thereof shall insure the Port Authority and the Airport Operator as their interests may appear and shall provide that the loss, if any, shall be adjusted with the Airport Operator and the Port Authority and shall be payable to the Port Authority or The Airport Operator as their interests may appear.

11.4 At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to the Airport Operator and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority and the Airport Operator twenty (20) days advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to the Airport Operator at least twenty (20) days before the expiration of the insurance which such policies are to renew.

11.5 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify the Airport Operator of such casualty and shall thereafter furnish to the Airport Operator such information and data as shall enable the parties to adjust the loss.

11.6 To the extent that any loss is recouped by actual payment to the Port Authority or the Airport Operator, of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by the Airport Operator to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include as itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligation under the Agreement. If the proceeds of any such insurance paid to the Airport Operator exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by the Airport Operator.

11.7 If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space. If the User does not so properly proceed then the Airport Operator may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement

11.8 The User, for its own protection, may separately insure at its own expense such fixtures, equipment or other personal property at the Space as its interests may appear.

12. Ingress and Egress

12.1. The User, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport as may from time to time be designated by the Airport Operator for the use of the public.

12.2 The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

12.3 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Airport Operator may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User.

12.4 The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; the Airport Operator, its subsidiaries and affiliates, their Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

13. Indemnity, Liability Insurance

13.1 The User shall indemnify and hold harmless the Port Authority, its commissioners, officers, employees and representatives; and, except for the gross negligence of the Airport Operator, its subsidiaries and affiliates, their directors, officers, employees and agents (to include reasonable attorney's and other professional fees) from and against all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damage arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on the Space or out of the acts or omissions of others on the Space with the consent of the User whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement.

13.2 In addition to the obligations set forth in the subsection immediately above, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

13.2.1 Combined single limit of $75,000,000 for bodily injury and property damage.

13.2.2 In addition to the obligations set forth in the above subsections, the User in its own name as assured shall maintain personal property insurance covering loss or damage to its property on or at the Space. Such policy shall be in an amount to cover maximum exposure at any time.

13.2.3 The User in its own name as insured shall maintain and pay the premium for a policy of hangar-keeper's legal liability insurance covering loss or damage to aircraft or aircraft parts belonging to others and which are on the Space in the custody of the User for storage, parking, repair, servicing or safekeeping. Such policy shall be in an amount sufficient to cover maximum exposure at any time, but in no event less than $50,000,000 per loss.

13.3 The Airport Operator and the Port Authority shall be named as an additional insured in any policy of insurance required above.

13.4 As to any insurance required by the provisions of this Agreement to be obtained by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders,

together with evidence of the payment of the premium thereon, shall be delivered to the Airport Operator within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to the Airport Operator. A renewal policy shall be delivered to the Airport Operator at least twenty (20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement.

14. Various Obligations of the User

14.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space on the Airport. The User shall take all reasonable measures:

14.1.1 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

14.1.2 to keep the sound level of its operations within acceptable limits as determined by the Airport Operator.

14.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon reasonable objection from the Airport Operator concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If the Airport Operator shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the manager of the Airport.

14.3 It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User will employ the maximum reasonable amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take

all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event the Airport Operator determines that the User has not curbed the prop or jet blast interference, as set forth above, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference subject, however, to the prior written approval of the Airport Operator as to type, manner and method of construction.

14.4 The User shall regularly remove from the Space by means of facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of the Airport Operator. No facilities of the Airport shall be used for such removal unless the Airport Operator consented in writing prior. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space, pursuant to an approved discharge permit issued by Federal, state, county or local government.

14.5 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable federal, state and municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

14.6 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance

with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to the Airport Operator that part of all premiums paid by the Airport Operator which shall have been charged because of such violation or failure by the User.

14.7 In connection with the conduct of User's business the User shall:

14.7.1 use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

14.7.2 not divert, or cause or allow to be diverted, any business from the Airport;

14.7.3 maintain in accordance with accepted accounting practice during the term hereof User's records and books of account recording all transactions at, through or in anywise connected with the airport which records and books of account shall be kept at all times at the User's place of business at the Airport;

14.7.4 permit in ordinary business hours during the term hereof and for one (1) year thereafter the examination and audit, on a non disclosure basis, by the officers, employees or representatives of the Airport Operator of such records and books of account and also any records and books of account of any company owned or controlled by the User if said Company performs services similar to those performed by the User anywhere at the Airport.

14.8 In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by the Airport Operator or the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under this Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. The

Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Airport Operator. The User shall submit for the Airport Operator approval a construction application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

14.8.1 The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that the Airport Operator or the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of the Airport Operator or the Port Authority's recommendations or requirements and notwithstanding that the Airport Operator and the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or the Airport Operator or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to the Airport Operator in entering into this Agreement with the User.

14.9 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Airport Operator shall relieve the User of such responsibility. Both User and the Airport Operator shall use their best efforts to notify the other party of any rules, regulations, orders, of which they may become aware.

14.10 The following terms shall have the following respective meanings as used herein:

14.10.1 "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or

(v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

14.10.2 "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statues, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all governmental agencies, and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various governmental agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

14.10.3 "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

14.10.4 "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

14.11 The User agrees to assume all responsibility for all damages, costs, and expenses of any kind incurred by the Airport Operator or Port Authority caused by the negligent or willful actions of the User, its employees or contractors on the Space or which occur directly as a result of any leak, spill or other discharge of aviation petroleum hydrocarbons or Hazardous Substance(s) which is regulated by any federal, state or local governmental authority from tanks and lines owned or controlled by the User, on the Space and which was caused by the negligent or willful actions of the User, its employees, or contractors, and provided such leak, spill or discharge occurs during the period the User occupied the Space and owned or controlled any tanks and lines on the Space. It is expressly agreed that the foregoing shall not be applicable to any loss, claim, damage or liability arising from any contractual obligations of any third party which the Airport Operator or the Port Authority may assume, shall not be applicable to any damages or losses arising from loss of profits or business opportunity, or any other special or consequential damages, nor shall it be applicable to any attorneys' fees or any fine or penalties levied upon the Airport Operator or the Port Authority. Further, the foregoing shall be applicable only to leaks, spills or discharges which result in a level of contamination exceeding standards required by applicable authorities as of the date of the commencement of this Supplement No. 1 and shall inure only to the Airport Operator or the Port Authority and not to any assigns or successors or to any other person or entity.

15. Prohibited Acts

15.1 The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to employees or the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following(hereinafter called "Vending Machines"):

15.1.1 Hot and cold packaged foods;

15.1.2 Hot and cold beverages;

15.1.3 Candy and chewing gum;

15.1.4 Tobacco and tobacco products;

15.1.5 Newspapers and periodicals;

15.1.6 Telephone services (pay stations)

15.2 If User, installs or causes to be installed, vending machines on the Space for the limited sale of merchandise or services permitted hereunder, User shall have the right to retain the revenues derived therefrom, provided, however, that:

15.2.1 The User shall itself, and shall also require its contractors, to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands of third persons, including employees, (to include reasonable attorney and other professional fees) officers and agents of the Airport Operator and the Port Authority arising or alleged to arise out of the installation, operation or maintenance of the User's vending machines (or consumable obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the User's vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this Agreement.

15.3 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by the Airport Operator at any time during the term of this Agreement upon ninety (90) days notice to the User and the Airport Operator, at any time thereafter, may substitute for the User's Vending Machines other machines selling similar merchandise or services operated by the Airport Operator or by its permittee or concessionaire and thereupon User shall remove its machines.

15.4 Upon installation by the Airport Operator or by its permittee or concessionaire of vending machines in substitution of User's Vending Machines, all revenues derived therefrom shall be retained by the Airport Operator.

15.5 Upon rendering of notice to User of termination of the right to operate Vending Machines, the Airport Operator may elect to permit User's Vending Machines to remain, but in such case, User shall pay or cause to be paid to the Airport Operator each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of the Airport Operator then operating machines at the

Airport for sale to the general public of similar merchandise or rendering of similar services.

15.6 The termination by the Airport Operator of the limited right of User to install Vending Machines at the Space shall be nondiscriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by the Airport Operator User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

15.7 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

15.8 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

15.9 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

15.10 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

15.11 The User shall not do or permit to be done any act or thing upon the Space which:

15.11.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

15.11.2 which, in the opinion of the Airport Operator, may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

15.11.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

15.12 Except persons who have been granted valid permits and/or permission from the Airport Operator, User shall not permit, foster or allow on the Space any persons not related to the User who are:

15.12.1 doing maintenance work on aircraft not owned or operated solely by said persons,

15.12.2 giving flight instruction of any sort unless such persons are members of User's flight instruction staff, or

15.12.3 conducting air taxi, aircraft charter or aircraft leasing of any sort.

16. Rules and Regulations

16.1 User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such rules and regulations of the Airport as are now in effect or as may be promulgated from time to time for the government and conduct of operations of the Airport for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then the Airport Operator will make a copy thereof available to the User at the office of the manager of Airport.

17. Signs

17.1 Except with the prior written approval of the Airport Operator, the User shall not erect, maintain or display any advertising, signs or similar devices at or on the Space.

17.2 Upon demand by the Airport Operator, the User shall remove, obliterate or paint out any and all advertising, signs and similar devices placed by the User on the Space or elsewhere on the Airport without the prior approval of the Airport Operator. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, the Airport Operator may perform the necessary work and the User shall pay the costs thereof to the Airport Operator on demand.

18. Assignment

18.1 The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of the Airport Operator. The Airport Operator may grant or withhold such consent solely in its discretion for any reason.

18.2 If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by

anyone other than the User, the Airport Operator may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by said assignees, sub-user or other user and no such payment shall be deemed a waiver by the Airport Operator of the covenants or agreements contained in this Section nor of acceptance by the Airport Operator of any assignee, claimant or occupant, nor as a release of the User by the Airport Operator from the further performance by the User of the agreements contained herein including but not limited to the payment of fees.

18.3 In the event that the User enters into a sub-use agreement, with the consent of the Airport Operator for the use and occupancy of the entire Space, User agrees to pay to the Airport Operator an amount equal to Exemption (2.a.) of any fees paid by the sub-user to the User in excess of the fees due to the Airport Operator under Section 7 of the Agreement, after deduction of a monthly administrative fee of of the excess fee or Exemption (2.a.) whichever is lower.

19. Condemnation

19.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or the Airport Operator, or its subsidiaries and affiliates for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between the Airport Operator and the User that the Airport Operator shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

19.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be cancelled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired. The Airport Operator shall provide User such advance notice as practicable.

19.3 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rules, regulation, requirement, order or direction, the Airport Operator may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to

deliver possession of all or such portion of Space so required upon the effective date of such termination.

19.3.1 No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or the Airport Operator or its subsidiaries and affiliates for damages, consequential or otherwise.

20. Non-Discrimination

20.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (I) no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 2l, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of l964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between the Airport Operator and the United States Government or otherwise.

20.2 The User assures that it will undertake an affirmative action program as required by l4 CFR Part l52, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in l4 CFR Part l52, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by l4 CFR Part l52, Subpart E, to the same effect.

20.3 The User shall include the provisions of the above subsections in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting the Airport Operator a right to take such action as the United States may direct to enforce such covenant.

20.4 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above non-discrimination provisions, the Airport Operator may take any appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from the Airport Operator, the Airport Operator shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Airport Operator may take such action as the United States may direct.

20.5 The User shall indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates and the Port Authority (to include reasonable attorney's and other professional fees) from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse the Airport Operator and the Port Authority for any loss or expense incurred by reason of such noncompliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this Agreement.

20.6 Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

21. Minority Business Enterprises

21.1 In accordance with the construction required in Section 5 of the Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

22. Right to Recapture Portions of User's Ramp Space

22.1 The User acknowledges that the Airport serves the needs of the public and that the Public Aircraft Facilities should be utilized to the fullest extent possible with airport users afforded fair and reasonable access. The User also acknowledges that the following subsections provide that if the User does not utilize its facilities to the level set forth in stated performance criteria such underutilized facilities may be either recaptured by the Port Authority or required to be offered by the User to another user in accordance with the following:

22.2 It is hereby agreed that, commencing on January 1, 2001, which will be known as the "Start Date", and for each and every calendar year thereafter, the Port Authority may ascertain the User's percentage share (hereinafter referred to as the "User's Current Fuel Share") of the total aircraft fuel gallons sold (hereinafter referred to as "Total Current Fuel Dispensed") at the Airport for the preceding calendar year. The fuel dispensed by the User for the year preceding the Start Date and the year preceding each and every calendar year thereafter during which such calculation is made shall be known as the "User's Current Fuel Dispensed". The User's Current Fuel Share shall be calculated by dividing the User's Current Fuel Dispensed by the Total Current Fuel Dispensed preceding the year during which such calculation is made. The User's Current Fuel Share for the calendar year 1998 shall hereinafter be defined as "the Base Year's Fuel Share" and is shown below:

Teterboro Airport User	Fuel Share in 1998
Exemption (2.a.)	

22.3 As of the Start Date and as of January 1st of each succeeding calendar year, in the event that the User's Current Fuel Share for the respective preceding calendar year is determined to be at least Exemption (2.a.) less than the User's Base Year Fuel Share, the Port Authority shall have the right but not the obligation, upon two (2) month's written notice to the User, to require the User and the User hereby agrees to make ramp space identified as Area 2 off Exhibit A-1 (hereinafter called "Accommodation Space") available to other users, sub-users or the Port Authority in useable increments as directed by the Port Authority in the amount and in the manner and to the extent set forth below:

Percentage of User's Current Fuel Share Divided by User's Base Year Fuel Share	Ramp Space to be Made Available

Exemption (2.a.)

22.4 In the event the User is so notified by the Port Authority it shall either (a) enter into a sub-use and occupancy agreement with another user as determined by the Port Authority or (b) enter into a surrender agreement as directed by the Port Authority. Any such sub-use and occupancy agreement shall be subject to the prior and continuing approval of the Port Authority and the execution by and among the User, the Sub-user, the Airport Operator, and the Port Authority of a Consent Agreement in form satisfactory to the Port Authority. Moreover, and without limiting the foregoing, the User shall provide any and all information to the Airport Operator as may be requested by the Airport Operator from time to time as to all aspects of its accommodation of Sub-user hereunder. Nothing contained herein shall in any way affect the discretion of the Airport Operator or the Port Authority in granting or withholding its consent to a sub-use and occupancy agreement.

22.5 The failure of the Port Authority to exercise its right under this Section during any year in which it may have such a right shall not affect, waive, or limit its rights to exercise such right in any subsequent year during any period of under-utilization. In no event will the Accommodation Space exceed the percentages set forth above.

22.6 The User shall make such ramp space available during the period set forth in the aforesaid notice. The Port Authority shall consider a request by the User to restore the Accommodation Space to the User when the User's Current Fuel Share shall have returned to within Exemption (2.a.) or less of the User's base year fuel share, provided the Accommodation Space is not then covered by a sub-use or other agreement or at such time as the Port Authority deems it is in the best interest of the Airport to restore the Accommodation Space to the User

22.7 The User agrees that all handling, sublease, sub-use and occupancy agreements shall be at reasonable and at non-discriminatory rates, fees and charges and shall be based on the recovery by the User of a pro rata share of the User's costs of (1) operation and maintenance, (2) services provided, and (3) the User's fees and investment in the Accommodation Space.

23. Governmental Requirements

23.1 The User shall procure all licenses, certificates, permits or other

authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

23.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

23.3 The Airport Operator has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction over the airport and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Airport Operator. Unless otherwise directed in writing by the Airport Operator because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to, in fact cover, the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to the Airport Operator but prior to the receipt by the User of a written direction from the Airport Operator, such compliance shall not constitute a breach of this Agreement, although the Airport Operator thereafter notifies the User to refrain from such compliance.

23.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space. Any notice received by the Airport Operator shall be related to User as soon as practicable.

23.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

24. Rights of Entry Reserved

24.1 The Port Authority, by its officers, employees, agents, representatives and contractors and the Airport Operator and its subsidiaries and affiliates by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the

performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or the Airport Operator may be obligated or have the right to do under this Agreement, or otherwise. In the event of a question of a contractors authority, the User shall contact the Airport Operator.

24.2 Without limiting the generality of the foregoing, the Airport Operator and its subsidiaries and affiliates, by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Airport Operator, be deemed necessary or advisable and, from time to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction the Airport Operator shall not unreasonably interfere with the use and occupancy of the Space by the User.

24.3 The exercise of any or all of the foregoing rights by the Port Authority, the Airport Operator or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

24.4 Nothing in this Section shall impose or shall be construed to impose upon the Airport Operator or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

25. Basic Agreement

25.1 In the event the Basic Agreement is terminated, revoked, cancelled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement and such termination, revocation, cancellation or expiration of the Basic Agreement shall not be deemed a breach of this Agreement.

26. Patents, Trademarks

26.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to indemnify and to save and hold the Port Authority, the Airport Operator, its subsidiaries and affiliates, their Commissioners, Directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

27. Additional Fees and Charges

27.1 If the Airport Operator is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 fees thereafter due hereunder, and each and every part of the same shall be and become additional fees, recoverable by the Airport Operator in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to the Airport Operator" hereof.

28. Right of Re-entry

28.1 The Airport Operator shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

29. Surrender

29.1 The User covenants and agrees to yield and deliver peaceably to the Airport Operator possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

30. Termination by the Airport Operator

30.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, the Airport Operator may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

30.1.1 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

30.1.2 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

30.1.3 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

30.1.4 Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of User under this Agreement shall be transferred to, passed to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

30.1.5 The User, if a corporation, shall, without the prior written approval of the Airport Operator, become a successor or merged

corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution, except as it applies to affiliated and subsidiary companies; or

30.1.6 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

30.1.7 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

30.1.8 Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof; or

30.1.9 The User shall fail duly and punctually to pay the fees or to make any other payment required hereunder when due to the Airport Operator and shall persist in its failure for a period of ten (10) days following the receipt of written notice of such default from the Airport Operator; or

30.1.10 The User shall fail to keep, perform and observe each and every material promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within twenty (20) days after receipt of notice of default thereunder from the Airport Operator (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

30.1.11 There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and the Airport Operator at the Airport.

30.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the

User shall not be entitled to enter into possession of the Space, and the Airport Operator upon the occurrence of any such event, or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel this Agreement, such cancellation to be effective upon the date specified in such notice.

30.3 No acceptance by the Airport Operator of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of the Airport Operator to terminate this Agreement.

30.4 No waiver by the Airport Operator of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by the Airport Operator of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

30.5 The rights of termination 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 the Airport Operator would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by the Airport Operator of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User," the sole right of the Airport Operator shall be a right of termination.

31. Survival of the Obligations of the User

31.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, or in the event that the Airport Operator has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Airport Operator to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place the Airport Operator may maintain separate actions each month to recover

the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

31.2 The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's Fee obligations, shall be the sum of the following:

31.2.1 The amount of the total of all installments of fees pursuant to the Section entitled "Fees to The Airport Operator" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (Ist) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month; and an amount equal to all reasonable expenses incurred by the Airport Operator in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to reasonable attorney's fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

32. Use Subsequent to Cancellation or Termination

32.1 The Airport Operator, upon termination or cancellation pursuant to the Section entitled "Termination by the Airport Operator" of this Agreement, or upon any re-entry, regaining or resumption of possession pursuant to the Section entitled "Right of Re-Entry" of this Agreement, may occupy the Space or may enter into an agreement with another User and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be part only of the Space or of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Airport Operator, at its own expense, shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

32.2 In the event either of use by others or of any actual use and occupancy by the Airport Operator, there shall be credited to the account of the User against its survived obligations hereunder any net amount

remaining after deducting from the amount actually received from any User, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as the Airport Operator may itself during such period actually use and occupy, less all reasonable expenses, costs and disbursements incurred or paid by the Airport Operator in connection therewith.

32.3 No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of the Airport Operator hereunder. The Airport Operator will use its best efforts to minimize damages to User under this Section commensurate with its obligations under the Basic Agreement.

33. Services by User

33.1 A principal purpose of the Airport Operator in the making of this Agreement is to make available at the Airport the items and/or services which the User is permitted to sell and/or render hereunder. The User hereby warrants and agrees that it will conduct a first-class operation and will furnish all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and facilities.

33.2 The User shall:

33.2.1 furnish good, prompt and efficient service adequate to meet all reasonable demands therefor at the Space;

33.2.2 furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and

33.2.3 charge fair, reasonable and nondiscriminatory prices for each unit of sale or service, provided that the User may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

33.2.4 As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

33.3 The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Federal Airport Act of 1946 and pursuant to the Airport and Airway Development Act of 1970 (49 U.S.C. 1701), as the same have been amended and supplemented, and the Port Authority may in

the future apply for and receive further such grants. The Airport Operator under its Operating Agreement with the Port Authority for Teterboro Airport, dated September 19, 1967, has assumed certain obligations of the Port Authority under the grant agreement and in connection therewith, the Port Authority and the Airport Operator may in the future undertake certain additional obligations respecting the operation of the Airport and the activities of contractors, lessees and permittees thereon. The performance by the User of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the Airport Operator to enter into this Agreement and the User further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority and/or the Airport Operator in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the User of its obligations under this Agreement, the User will promptly comply therewith, at the time or times when and to the extent that the Airport Operator may direct.

34. Remedies to be Non-exclusive

34.1 Except where otherwise specifically provided, 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 either party at law or in equity.

35. Limitation of Rights and Privileges Granted

35.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

36. Removal of Personal Property

36.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

36.2 If the User shall fail to remove its property on or before the termination or expiration of the term, the Airport Operator may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to the Airport Operator, with any balance remaining to be paid to the User, but if the

expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to the Airport Operator upon demand.

37. Brokerage

37.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Airport Operator its subsidiaries and affiliates of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the User, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees).

38. Obstruction Lights

38.1 The User shall furnish such obstruction lights as the Airport Operator shall direct, of the type and design approved by the Airport Operator, and shall install said lights in the locations on the Space designated by the Airport Operator and shall maintain them in good operating condition at all times.

38.2 The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of said lights, and shall operate the same in accordance with the directions of the Airport Operator. The Airport Operator hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

39. Notices

39.1 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 mail.

Notices to the Airport Operator shall be directed to:

Vice President
Johnson Controls World Services Inc.

7315 North Atlantic Avenue
Cape Canaveral, Florida, 32920

With copy to:

Airport Manager
399 Industrial Avenue
Teterboro Airport, New Jersey 07608

Notices to User shall be directed to:

Regional Vice President
Signature Flight Support
23950 Wind Sock Dr., Suite 2000
Dulles, Virginia, 20166

Director of Contracts
Signature flight Support Corporation
201 S. Orange Avenue, Suite 1100
Orlando, FL 32801

40. Construction and Application of Terms

40.1 The Section and subsection 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 of intent of any provision hereof.

41. Non-Liability of Individuals

41.1 Neither the directors of the Airport Operator, its subsidiaries and affiliates, or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

42. Abatement

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

43. Port Authority Consent

43.1 This Agreement shall become effective upon the execution hereof by all

parties hereto and the execution of a Consent Agreement between and among the Port Authority, the Airport Operator, and the User.

44. Entire Agreement

44.1 This Agreement consists of the following: Sections 1 through 44 inclusive and Exhibits A-1, A-2, A-3 and B and C

44.2 The foregoing constitutes the entire agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by the Airport Operator and the User. The User agrees that no representations or warranties shall be binding upon the Airport Operator unless expressed in writing in this Agreement.

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

JOHNSON CONTROLS WORLD SERVICES INC.
(Airport Operator)

ATTEST:

Laura Conner

By: [signature]

Title: Asst Asst

Title: Vice President (acting)

SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC.
(User)

ATTEST:

[signature]

By: [signature]

Title: Secretary

Title: Vice President Operations

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this _____ day of _____, 2000, before me, the subscriber, a notary public of New York, personally appeared _____ the _____ of the Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD

On this 20th day of October, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders , the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Michelle Trepanier
(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
MICHELLE M. TREPANIER
My Comm Exp. 12/17/2003
No. CC 873037
Personally Known [ ] Other [ ]

STATE OF Florida)
) ss.
COUNTY OF Orange

On this 19th day of October, 2000, before me, the subscriber, a Notary Public personally appeared Keith P. Ryan the Vice President of Signature Flight Support New Jersey Inc who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

NOTARY PUBLIC STATE OF OHIO
FRANCES E. ROSSI
COMMISSION # CC604985
EXPIRES DEC. 3, 2000

Frances E. Rossi

EXHIBIT B

HANGAR FACILITY DEPICTION

(to be attached)

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

EXHIBIT C

LEASED PREMISES DEPICTION

(survey to be attached)

CONTROL POINT
ASSOCIATES, INC.
BOUNDARY & TOPOGRAPHIC SURVEYS • SUBDIVISIONS • CONSTRUCTION STAKEOUT

776 Mountain Boulevard
Watchung, NJ 07069
908.668.0099
908.668.9595 fax
www.cpasurvey.com

MAY 14, 2002
C00404

METES & BOUNDS DESCRIPTION
LEASE AREA FOR BUILDING E2H
PART OF LOT 1, BLOCK 203
BOROUGH OF TETERBORO
BERGEN COUNTY, NEW JERSEY

BEGINNING AT A POINT ON THE NORTHWESTERLY SIDE OF FRED WEHRAN DRIVE (A.K.A. RISER ROAD), SAID POINT ALSO BEING THE NORTHEASTERLY MOST CORNER OF THE HEREIN DESCRIBED LEASE AREA, SAID POINT ALSO HAVING A NEW JERSEY NAD 1983 COORDINATE VALUE OF NORTH 737,427.621, AND EAST 2,169,753.962 BASED UPON THE U.S. DEPARTMENT OF COMMERCE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL OCEAN SURVEY, AIRPORT SURVEY CONTROL MONUMENT NUMBER AP 1965, STATION B2 AND MONUMENT NUMBER ARP 1956 AND FROM SAID BEGINNING POINT RUNNING, THENCE;

1. ALONG THE AFOREMENTIONED NORTHWESTERLY SIDELINE OF FRED WEHRAN DRIVE, SOUTH 24 DEGREES - 50 MINUTES - 55 SECONDS WEST, A DISTANCE OF 649.58 FEET TO A POINT, THENCE; PROCEEDING THROUGH LOT 1, BLOCK 203 (LANDS NOW OR FORMERLY OF PORT OF NEW YORK AUTHORITY), THE FOLLOWING SIX (6) COURSES:

2. NORTH 65 DEGREES - 09 MINUTES - 05 SECONDS WEST, A DISTANCE OF 212.49 FEET TO A POINT, THENCE;

3. NORTH 42 DEGREES - 14 MINUTES - 43 SECONDS WEST, A DISTANCE OF 107.51 FEET TO A POINT, THENCE;

4. NORTH 47 DEGREES - 45 MINUTES - 17 SECONDS EAST, A DISTANCE OF 320.51 FEET TO A POINT, THENCE;

5. SOUTH 65 DEGREES - 09 MINUTES - 05 SECONDS EAST, A DISTANCE OF 49.78 FEET TO A POINT, THENCE;

6. NORTH 24 DEGREES - 50 MINUTES - 55 SECONDS EAST, A DISTANCE OF 312.50 FEET TO A POINT, THENCE;

7. SOUTH 65 DEGREES - 09 MINUTES - 05 SECONDS EAST, A DISTANCE OF 137.00 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 127,335 SQUARE FEET OR 2.923 ACRES

CONTROL POINT
ASSOCIATES INC

THIS DESCRIPTION MAY BE SUBJECT TO ANY RESTRICTIONS, COVENANTS AND/OR EASEMENTS, EITHER WRITTEN OR IMPLIED.

THIS DESCRIPTION IS PREPARED WITH REFERENCE TO A MAP ENTITLED, "TOPOGRAPHIC & LOCATION SURVEY, TETERBORO AIRPORT, PART OF LOT 1, BLOCK 203, BOROUGH OF TETERBORO, BERGEN COUNTY, STATE OF NEW JERSEY", PREPARED BY CONTROL POINT ASSOCIATES, INC. DATED NOVEMBER 3, 2000, LAST REVISED FEBRUARY 13, 2002.

THIS DESCRIPTION IS ALSO PREPARED WITH REFERENCE TO A MAP ENTITLED, "SIGNATURE FLIGHT SUPPORT, PROPOSED HANGAR/OFFICE BUILDINGS, BLOCK 203, PART OF LOT 1, BOROUGH OF TETERBORO, BERGEN COUNTY, NEW JERSEY, EAST SITE", PREPARED BY BOHLER ENGINEERING, P.C. DATED MARCH 20, 2002.

5/14/02
DATE

GREGORY S. GALLAS
NEW JERSEY PROFESSIONAL
LAND SURVEYOR #36244

EMO/gg T:\surveys\GENERAL\2000\C00404\M&D-5-14-02.doc
Reviewed By: GG
Prepared By: EMC

EXHIBIT D

CONSTRUCTION COST ESTIMATE

Construction Cost
Design
Bonds & Insurance
Management Fees

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

Tel 201.288.1880
Fax 201.288.7409

Appendix 1

1

Signature.
FLIGHT SUPPORT

Mr. J. Morgan Young
Senior Vice President, Finance & Administration
Dassault Falcon Jet Corp.
Teterboro Airport, Box 2000
South Hackensack, New Jersey 07606

RE: Sub-Use Agreement [illegible] October 1, 2002 between
Signature Flight Sup[illegible]w Jersey Inc. ("Signature") &
Dassault Falcon Jet [illegible] Dassault")

Dear Jack:

Further to our telephone conversation of December [illegible] this is to confirm our understanding that the reference in Paragraph 3 C. [illegible] Users of Sub User Space, in the above agreement applies to use of the Dassault [illegible] hangar for the purposes of Signature's transient aircraft (including Signature-T[illegible] tenants) at Teterbo[illegible] Airport only. Dassault agrees to abide by Signature's [illegible] angar list as it relates to the priority of aircraft accommodated in Dassault's han[illegible]e discussed. Signature will communicate this information to Dassault in [illegible] fashion regarding the aircraft on that list.

By this letter agreement, the Sub-Use Agreement dated Octob[illegible] between the parties is amended such that Dassault is permitted to lease its [illegible]EB No. 200) hangar space to a subtenant only after prior written approval o[illegible] proposed subtena[illegible] by The Port Authority of New York and New Jersey and Signat[illegible]

Consent by Signature will be contingent on the subtenant's pu[illegible] of a *substantial* quantity of its fuel purchases at Teterboro Airport from Signat[illegible] Dassault agrees not to act in the capacity of or perform services of a fixed based operator at Teterboro Airport to Signature's customer base. In reliance upon the promises herein made by Dassault, Signature waives the fifty-fifty revenue share for the subtenant's based aircraft hangar storage as provided in subparagraph 3c in the Sub-Use Agreement.

Please do not hesitate to call if I may be of further assistance.

Sincerely,

SIGNATURE FLIGHT SUPPORT-NEW JERSEY INC.

Jacqueline O. Vibbert
Area General Manager

Cc: Peter Rothwell, Esq.

AMENDMENT NO. 1
TO SUB-USE AGREEMENT
BETWEEN
SIGNATURE FLIGHT SUPPORT- NEW JERSEY, INC.
AND
DASSAULT FALCON JET CORP.

THIS AMENDMENT NO. 1 ("Amendment No. 1") is entered into as of the 3rd day of ~~February,~~ March 2004 amending and clarifying the Sub-Use Agreement dated October 1, 2002 ("Sub-Use Agreement') entered into by SIGNATURE FLIGHT SUPPORT- NEW JERSEY, INC., a Delaware corporation ("Signature"), a subsidiary of SIGNATURE FLIGHT SUPPORT CORPORATION, and DASSAULT FALCON JET CORP., a Delaware corporation ("Sub-User"), collectively sometimes hereafter referred to as the "Parties".

WHEREAS, under the Sub-Use Agreement, Signature commenced the design and construction of the Hangar Facility in accordance with the information provided by Sub-User; and

WHEREAS, Sub-User desires to plan its anticipated Date of Beneficial Occupancy and cash flow commitments for payments due to Signature under paragraph 3b of the Sub-Use Agreement, the following is agreed to by the Parties; and

WHEREAS, the Parties desire to amend the Sub-Use Agreement as hereinafter stated;

NOW, THEREFORE, the Parties agree as follows:

I. The agreed upon scope of work ("Scope of Work") for the construction of the Hangar Facility is as stated in the construction documents as enumerated in attached Exhibit A to this Amendment No. 1, Contract Documents dated 2/13/04 Building E-2H Hangar. Any future changes or revisions to the Scope of Work will be documented in writing by Sub-User and Signature.

II. The preliminary cost estimates of the Hangar Facility reflected in Exhibit D to the Sub-Use Agreement are now replaced by the Lump Sum Hangar Facility Cost document as stated on Exhibit B to this Amendment No. 1 - Schedule of Values, Building E-2H Hangar.

III. The anticipated cash flow requirements for the Scope of Work is set forth in Exhibit C to this Amendment No. 1 - Cash Flow Requirements.

IV. The Schedule of Work is attached as Exhibit D to this Amendment No. 1 – with an anticipated Date of Beneficial Occupancy of June 15, 2004.

V. Sub-User shall not be responsible for any construction payments, or claims for payments, that are the responsibility of Signature and/or Leighton McGinn, or their subcontractors, provided, however, to the extent any changes are made by Sub-User from the Scope of Work or Schedule of

Work described in Exhibits A or D such changes shall be at the sole cost of Sub-User.

VI. The Sub-Use Agreement, Paragraph 3b,, Construction of Facility, shall be modified by deleting the 5th and 6th subparagraphs and replacing them with the following:

"Signature agrees to construct the Hangar Facility at the sole cost and expense of the Sub-User. The Final Lump Sum Hangar Facility cost is set forth in Exhibit B, which is attached hereto. Costs of Construction to be paid by Sub-User shall include, but not be limited to, engineering and architectural design work, construction costs for the Hangar Facility, removal and installation of new Airport Hangar Facility, removal and installation of new Airport perimeter fencing, vehicle parking area, paving, and evaluation and remediation of any and all hazardous waste contamination used by the construction described herein."

"Signature shall provide, at Sub-User's expense, project management for the construction of the Hangar Facility with the cost included in the Final Lump Sum Hangar Facility Cost as stated in Exhibit B. The Parties shall cooperate with each other in the preparation and design of all construction documents, including the plans and specifications."

VII. Capitalized terms shall have the meaning set forth in the Sub-Use Agreement.

VIII. Except as specifically set forth herein, the Sub-Use Agreement shall remain as written.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to the Sub Use Agreement to be executed by their duly authorized representatives effective as of the date and year first written above.

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

By: [signature]

Title VP Human Resources

Date: 2/27/04

DASSAULT FALCON JET CORP.

By: [signature]

Title Sr. VP

Date: 3/3/04

APPROVED AS TO FORM:

DG 2/27/04

LEGAL DEPT.

EXHIBIT A
CONTRACT DOCUMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

DRAWINGS:	TITLE	DATE	REV#
BOHLER ENGINEERING, P.C. – CIVIL ENGINEERS			
CIVIL			
SHEET 1 OF 18	COVER SHEET	05/27/03	4
SHEET 2 OF 18	OVERALL SITE PLAN (EAST SITE)	05/27/03	4
SHEET 3 OF 18	DEMOLITION PLAN (EAST SITE / PART 1)	05/27/03	4
SHEET 4 OF 18	DEMOLITION PLAN (EAST SITE / PART 2)	05/27/03	4
SHEET 5 OF 18	SITE PLAN (EAST SITE / PART 1)	05/27/03	4
SHEET 6 OF 18	SITE PLAN (EAST SITE / PART 2)	05/27/03	4
SHEET 7 OF 18	GRADING & DRAINAGE PLAN (EAST SITE / PART 1)	05/27/03	4
SHEET 8 OF 18	GRADING & DRAINAGE PLAN (EAST SITE / PART 2)	05/27/03	4
SHEET 9 OF 18	UTILITIES PLAN (EAST SITE / PART 1)	05/27/03	4
SHEET 10 OF 18	UTILITIES PLAN (EAST SITE / PART 2)	05/27/03	4
SHEET 11 OF 18	LIGHTING PLAN (EAST SITE / PART 1)	05/27/03	4
SHEET 12 OF 18	LIGHTING PLAN (EAST SITE / PART 2)	05/27/03	4
SHEET 13 OF 18	SOIL EROSION PLAN (EAST SITE / PART 1)	05/27/03	4
SHEET 14 OF 18	SOIL EROSION PLAN (EAST SITE / PART 2)	05/27/03	4
SHEET 15 OF 18	DETAILS	05/27/03	4
SHEET 16 OF 18	DETAILS	05/27/03	4
SHEET 17 OF 18	DETAILS	05/27/03	4
SHEET 18 OF 18	DETALS	05/27/03	4
LANDSCAPE/IRRIGATION			
SHEET 1 OF 3	EAST SITE PART 1	10/03/03	2
SHEET 2 OF 3	EAST SITE PART 2	10/03/03	2
SHEET 3 OF 3	DETAILS	10/03/03	2
OLIVER GLIDDEN & PARTNERS – ARCHITECT			
ARCHITECTURAL			
CS	COVER SHEET E2H	12/05/03	2
A-0.1	EGRESS PLAN	12/05/03	2
A-1.0	FLOOR PLAN	12/05/03	2
A-1.1	FLOOR PLAN	12/05/03	2
A-1.2	REFLECTED CEILING PLAN	12/05/03	2
A-1.3	FINISH FLOOR PLAN	12/05/03	2
A-2.0	ROOF PLAN	12/05/03	2
A-3.0	BUILDING ELEVATIONS	12/05/03	2
A-3.1	BUILDING ELEVATIONS & BUILDING SECTIONS	12/05/03	2
A-4.0	WALL SECTION(S)	12/05/03	2
A-4.1	WALL SECTIONS & DETAILS	12/05/03	2
A-5.0	DETAILS	12/05/03	2
A-5.1	DETAILS	12/05/03	2
A-6.0	SCHEDULES & ELEVATIONS	12/05/03	2
A-7.0	INTERIOR ELEVATIONS	12/05/03	2

EXHIBIT A
CONTRACT DOCUMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

DRAWINGS:	TITLE	DATE	REV#
STRUCTURAL			
S-1	FOUNDATION PLAN	12/05/03	8
S-2	SECTIONS & DETAILS	10/16/03	6
S-3	GENERAL NOTES & TYPICAL DETAILS	11/14/03	7
MECHANICAL			
H-0.1	HVAC SYMBOLS & NOTES	12/05/03	2
H-0.2	HVAC FLOOR PLAN	12/05/03	2
H-0.3	HVAC SCHEDULES	12/05/03	2
H-0.4	HVAC DETAILS I	12/05/03	2
H-0.5	HVAC DETAILS II	12/05/03	2
PLUMBING			
P-1.1	WASTE AND VENT PIPING PLAN	12/05/03	2
P-2.1	WATER, GAS & AIR PIPING PLAN	12/05/03	2
P-3.1	PLUMBING DETAILS	12/05/03	2
P-4.1	PLUMBING DETAILS, SCHEDULES & RISERS	12/05/03	2
ELECTRICAL			
E-0.1	ELECTRICAL LEGEND, NOTES & ABBREVIATIONS	12/05/03	2
E-0.2	LIGHTING FIXTURE SCHEDULE	12/05/03	2
E-0.3	ELECTRICAL DETAILS	12/05/03	2
E-4.1	LIGHTING PLAN	12/05/03	2
E-4.2	POWER PLAN	12/05/03	2
E-4.3	ELECTRICAL DIAGRAMS	12/05/03	2
E-4.4	ELECTRICAL PANEL SCHEDULES	12/05/03	2
E-4.5	ELECTRICAL SPECIAL SYSTEMS PLAN	12/05/03	2
ES1.1	EAST RAMP SITE LIGHTING & POWER PLAN	12/05/03	2
FIRE PROTECTION			
FP-1	FIRE PROTECTION PLAN	10/14/03	5

EXHIBIT A
CONTRACT DOCUMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

SPECIFICATIONS

REFERENCE NUMBER	TITLE	NO.OF PAGES	DATE
PREPARED BY OLIVER GLIDDEN & PARTNERS - ARCHITECT			
DIVISION 1 - GENERAL REQUIREMENTS			
01000	RELATED DOCUMENTS	2	10/30/03
01010	SUMMARY OF THE WORK	1	10/30/03
01310	LAYOUT AND TESTING	1	10/30/03
01312	SCHEDULES AND REPORTS	1	10/30/03
01340	SAMPLES AND SHOP DRAWINGS	2	10/30/03
01400	QUALITY CONTROL	2	10/30/03
01500	TEMPORARY FACILITIES	1	10/30/03
01605	SUBSTITUTIONS	1	10/30/03
01700	PROJECT CLOSEOUT	1	10/30/03
01710	CLEANING UP	1	10/30/03
01900	OWNER PROVIDED ITEMS	1	10/30/03
DIVISION 2 - SITE WORK			
PREPARED BY BOHLER ENGINEERING, P.C. – CIVIL ENGINEER			
02050	DEMOLITION AND DISPOSAL		01/03
02073	CUTTING, PATCHING, AND REMOVAL		01/03
02145	DEWATERING		01/03
02221	EXCAVATION, BACKFILLING, AND FILLING		01/03
02231	AGGREGATE BASE COURSE		01/03
02274	GEOTEXTILES		01/03
02501	SILANE SEALER		01/03
02510	PORTLAND CEMENT CONCRETE PAVING (FAA)		01/03
02561	ASPHALT CONCRETE PAVING (FAA)		01/03
02571	KERF CUTS FOR ELECTRICAL CONDUITS		01/03
02574	ABRASIVE BLASTING OF PAVEMENTS		01/03
02575	PAVEMENT MILLING		01/03
02578	PAVEMENT JOINT SEALING		01/03
02580	THERMOPLASTIC REFLECTORIZED PAVEMENT MARKINGS		01/03
02582	PREFORMED REMOVABLE RETRO-REFLECTIVE PAVEMENT MARKING TAPE		01/03
02610	EXTERIOR SANITARY SEWER SYSTEM		01/03
02664	EXTERIOR WATER SUPPLY SYSTEM – DUCTILE IRON PIPE		01/03
02720	MANHOLES AND DRAINAGE STRUCTURES		01/03
02722	STORM DRAINAGE SYSTEM (INFILTRATION / EXFILTRATION TESTING NOT REQUIRED)		01/03
02812	AUTOMATIC LANDSCAPING IRRIGATION SYSTEM		01/03
02832	METALLIC-COATED STEEL CHAIN LINK FENCE AND GATES		01/03
02842	TEMPORARY TRAFFIC BARRIERS		01/03
02844	TEMPORARY CONCRETE BARRIERS		01/03
02920	SCREENED TOPSOIL		01/03
02930	SEEDING (HYDRO-MULCH & DUCT RETARDANT) (c7/23/02)		

EXHIBIT A
CONTRACT DOCUMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

REFERENCE NUMBER	TITLE	NO.OF PAGES	DATE
DIVISION 2 – SITE WORK (CONTINUED)			
02954	TREES, SHRUBS AND GROUND COVER (NEW JERSEY)		
02958	TREE REMOVAL AND DISPOSAL		01/03
02960	ADDING COMPOST		01/03
02972	MAINTENANCE OF PERMANENT PLANTING		01/03
02995	GRAVEL MULCH		01/03
DIVISION 3 – CONCRETE			
PREPARED BY BOHLER ENGINEERING			
3200	CONCRETE REINFORCEMENT		01/03
3602	GROUTING (NON-METALLIC)		01/03
DIVIONS 3 – CONCRETE			
PREPARED BY OLIVER GLIDDEN & PARTNERS – ARCHITECT			
03050	CONCRETE TESTING AND CONTROL	5	10/30/03
03100	CONCRETE FORMWORK	6	10/30/03
03200	CONCRETE REINFORCEMENT	5	10/30/03
03300	CAST-IN-PLACE CONCRETE	23	10/30/03
03310	CONCRETE WORK	18	10/30/03
03345	CONCRETE FINISHING	8	10/30/03
DIVISION 4 – MASONRY – NOT APPLICABLE			
DIVISION 5 – METALS			
05120	STRUCTURAL STEEL	9	10/30/03
05310	STEEL DECK	5	10/30/03
05400	COLD – FORMED METAIL FRAMING	5	10/30/03
05450	LIGHT GAUGE METAIL FRAMING	2	10/30/03
DIVISION 6 – WOOD AND PLASTICS			
06100	ROUGH CARPENTRY	2	10/30/03
06200	FINISH CARPENTRY AND MILLWORK	4	10/30/03
DIVISION 7 – THERMAL AND MOISTURE PROTECTION			
07210	BUILDING INSULATION	1	10/30/03
07411	PREFORMED ROOF PANELS	7	10/30/03
07620	FLASHING AND TRIM	2	10/30/03
07900	CAULKING AND SEALANTS	4	10/30/03

EXHIBIT A
CONTRACT DOCUMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

REFERENCE NUMBER	TITLE	NO.OF PAGES	DATE
DIVISION 8 – DOORS AND WINDOWS			
08100	HOLLOW METAL DOORS AND FRAMES	4	10/30/03
08200	WOOD DOORS	1	10/30/03
08305	ACCESS PANELS	2	10/30/03
08330	ROLLING DOORS	4	10/30/03
08342	HANGAR DOORS	10	10/30/03
08410	ALUMINUM STOREFRONT AND WINDOWS	3	10/30/03
08710	FINISH HARDWARE	9	10/30/03
08800	GLASS AND GLAZING	1	10/30/03
DIVISION 9 – FINISHES			
09111	FRAMING SYSTEMS	3	10/30/03
09220	LATH AND PLASTER	3	10/30/03
09250	GYPSUM WALLBOARD	1	10/30/03
09300	TILE WORK	1	10/30/03
09510	ACOUSTICAL TILES	3	10/30/03
09560	RESILIENT FLOORING	2	10/30/03
09700	CARPET	2	10/30/03
09900	PAINTING	8	10/30/03
DIVISION 10 – SPECIALTIES			
10161	PLASTIC LAMINATE TOILET PARTITIONS	3	10/30/03
10200	LOUVERS	1	10/30/03
10520	FIRE PROTECTION DEVICES	1	10/30/03
10800	TOILET ACCESSORIES	3	10/30/03
DIVISION 11 – EQUIPMENT			
11452	APPLIANCES	1	10/30/03
DIVISION 12 – FURNISHINGS – NOT APPLICABLE			
DIVISION 13 – SPECIAL CONSTRUCTION			
13122	METAL BUILDING SYSTEM	21	10/30/03
DIVISION 14 – CONVEYING SYSTEMS – NOT APPLICABLE			

EXHIBIT A
CONTRACT DOCUMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

REFERENCE NUMBER	TITLE	NO.OF PAGES	DATE
DIVISION 15 – MECHANICAL			
15010	BASIC MECHANICAL REQUIREMENTS	6	09/25/03
15050	BASIC MECHANICAL MATERIALS AND METHODS	16	09/25/03
15060	SEISMIC RESTRAINT SPECIFICATIONS	8	09/25/03
15100	VALVES	12	09/25/03
15145	HANGERS AND SUPPORTS	6	09/25/03
15170	MOTORS	4	09/25/03
15290	DUCT INSULATION	10	09/25/03
15326	STANDPIPE AND WET-PIPE SPRINKLER SYSTEMS	22	09/25/03
15410	PLUMBING PIPING	16	09/25/03
15430	PLUMBING SPECIALTIES	18	09/25/03
15440	PLUMBING FIXTURES	12	09/25/03
15453	WATER DISTRIBUTION PUMPS	6	09/25/03
15460	WATER HEATERS	8	09/25/03
15488	NATURAL GAS PIPING SYSTEMS	14	09/25/03
15782	ROOFTOP HEATING AND COOLING UNITS	8	09/25/03
15835	UNIT HEATERS	4	09/25/03
15841	SPLIT AIR CONDITIONING SYSTEM	8	09/25/03
15860	CENTRIFUGAL FANS	8	09/25/03
15870	POWER VENTILATORS	10	09/25/03
15886	AIR FILTERS	6	09/25/03
15891	METAL DUCTWORK	14	09/25/03
15910	DUCT ACCESSORIES	10	09/25/03
15932	AIR OUTLETS AND INLETS	8	09/25/03
15933	AIR TERMINALS	6	09/25/03
15960	RADIANT HEATING SYSTEM	6	09/25/03
15970	HVAC CONTROLS	6	09/25/03
15990	TESTING, ADJUSTING, AND BALANCING	6	09/25/03
DIVISION 16 – ELECTRICAL			
16010	BASIC ELECTRICAL REQUIREMENTS	6	09/25/03
16011	SHORT CIRCUIT/COORDINATION STUDY	4	09/25/03
16050	BASIC ELECTRICAL MATERIALS AND METHODS	10	09/25/03
16100	RACEWAYS BOXES, AND CABINETS	10	09/25/03
16120	WIRES AND CABLES	4	09/25/03
16140	WIRING DEVICES	8	09/25/03
16452	GROUNDING	8	09/25/03
16460	TRANSFORMERS	6	09/25/03
16470	PANEL BOARDS	8	09/25/03
16475	FUSES	4	09/25/03
16476	DISCONNECTS AND CIRCUIT BREAKERS	6	09/25/03
16481	MOTOR CONTROLLERS	10	09/25/03
16515	INTERIOR LIGHTING	10	09/25/03
16525	EXTERIOR LIGHTING	6	09/25/03

EXHIBIT A
CONTRACT DOCUMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

REFERENCE NUMBER	TITLE	NO.OF PAGES	DATE
DIVISION 16 – ELECTRICAL (CONTINUED)			
16670	LIGHTNING PROTECTION SYSTEMS	4	09/25/03
16721	FIRE ALARM SYSTEMS	18	09/25/03
16722	ELECTRICAL TRANSIENT SURGE SUPPRESSION FILTER SYSTEM	10	09/25/03
16740	TELEPHONE RACEWAY SYSTEMS	2	09/25/03
16856	ELECTRICAL HEATING CABLES	6	09/25/03

NOTES

1. Metallic Building Company Drawings:
   a. Tectonic Markups Dated 8-20-03. Metallic Drawing Set Rev. C "For Permit-General Revision Signature Dated 7-21-03"
   b. Tectonic Markups Dated 3-27-03. Metallic Drawing Set Rev. A "For Preliminary" Dated 3-12-03"
2. Metallic Building Company Reactions/Calculations (3/5/03)
3. Geotechnical Report by Craig Testing (10/2/01)
4. Bohler Engineering Light Pole and Structural Calculations (January 2003)
5. C.A. Memos developed on project through 12-5-03
6. As a clarification the phone system will be provided and install by Dassault Falcon Jet. All conduit and outlet boxes will by Signature,
7. As a clarification initial keying to be provided by Signature.
8. As a clarification all work related to the containment, valves, diverter pits, solenoids, Oil Water Separators, etc. as required by the Port Authority and applicable codes and regulations are to be provided under this agreement.
9. As a clarification specifications are considered only "generic in nature" and where quality standard is lesser than what is indicated on the drawings, the higher quality indicated by the drawings will be the standard.
10. On sheet A-0.1 a landing should be placed outside of Door 119
11. On sheet A-1.3: Finish schedule – Under rooms 128,129,137,139 there should be paint above 5' AFF not wallpaper.
12. On sheet A-6.0: Doors where electronic card access was specified in the "Door Function comments dated 11-21-03 will need to be coordinated with Dassault security system installer prior to door shop drawing relesese. Electronic strikes currently called for on drawings.

ALLOWANCES

It is further agreed by the parties that the following allowances are in effect:

A. Door hardware - $375 per door
B. Floor Tile - $8.00 per square foot
C. Window Treatments - $7,200 for all windows

EXHIBIT B
SCHEDULE OF VALUES
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

	DASSAULT FALCON JET		
1	Site Work - DFJ Lease		
2	Building Concrete		
3	Pre-Engineered Bldg		
4	Wood & Plastics		
5	Thermal & Moisture Protection		
6	Doors & Windows		
7	Finishes		
8	Specialty Items		
9	Fire Protection		
10	Foam Containment		
11	Plumbing		
12	Mechanical		
13	Electrical		
14	Design - Building		
15	Design - Site		
16	Permits/Approvals		
17	CA		
18	Construction Testing		
19	General Requirements		
20	CM Fee		
21	Half of Change Order Request Raimondo 1/27/04		
22	Deduct Window Treatment Allowance		
23	Half of Change Order Request for recessed pedestal support		
	GRAND TOTALS		

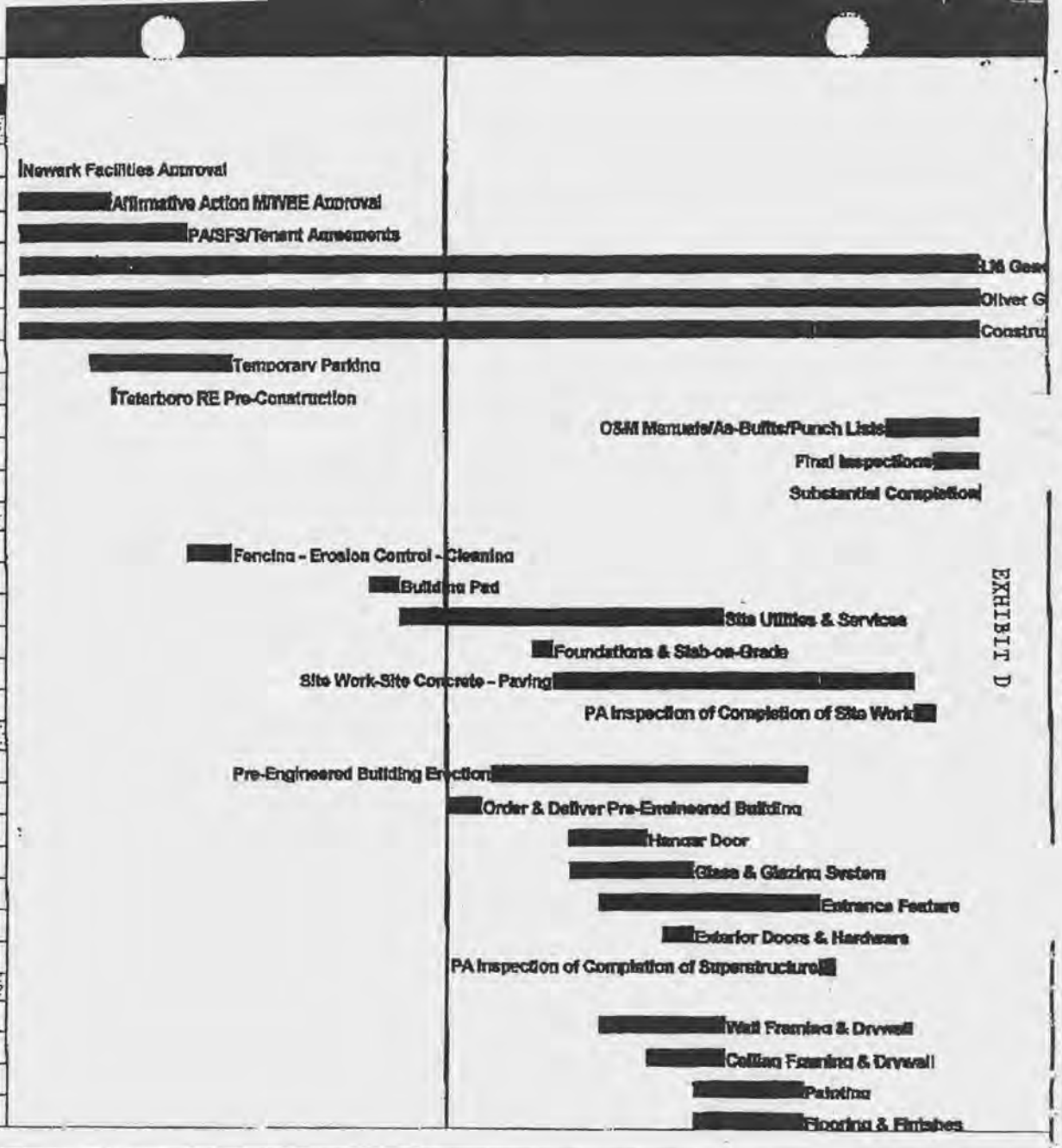
EXHIBIT C
CASH FLOW REQUIREMENTS
DASSAULT FALCON JET / SIGNATURE FLIGHT SUPPORT
TETERBORO, NEW JERSEY

BUILDING E-2H HANGAR

Paid	$	App. No. 1
To Date	$	App. No. 2 revised
February 2004	$	
March 2004	$	
April 2004	$	
May 2004	$	
June 2004	$	
July 2004	$	
	$	

EXHIBIT D

Activity ID	Activity Description	Early Start	Early Finish
Phase 1			
DFJ Facility (E2-H)			
PA NY&NJ TEB-67.00			
WP10041	Newark Facilities Approval	07APR03A	07APR03A
WP10043	Affirmative Action M/WBE Approval	07APR03A	18MAY03A
WP10121	PA/SFS/Tenant Agreements	07APR03A	22JUN03A
WP10125	LM General Conditions	07APR03A	15JUN04
WP10127	Oliver Glidden CA	07APR03A	15JUN04
WP10129	Construction Testing	07APR03A	15JUN04
WP10047	Temporary Parking	09MAY03A	13JUL03A
WP10045	Teterboro RE Pre-Construction	19MAY03A	20MAY03A
WP10119	O&M Manuals/As-Builts/Punch Lists		14JUN04A
WP10115	Final Inspections	26MAY04	14JUN04
WP10117	Substantial Completion	15JUN04	15JUN04
PA NY&NJ TEB 67.01 - Site Work Fdns & Utilities			
WP10049	Fencing - Erosion Control - Cleaning	23JUN03A	13JUL03A
WP10051	Building Pad	15SEP03A	28SEP03A
WP10055	Site Utilities & Services	29SEP03A	22FEB04
WP10053	Foundations & Slab-on-Grade	29NOV03A	07DEC03
WP10057	Site Work-Site Concrete - Paving	08DEC03	16MAY04
WP10059	PA Inspection of Completion of Site Work	17MAY04	25MAY04
PA NY&NJ TEB-67.02 - Superstructure			
WP10063	Pre-Engineered Building Erection	10NOV03A	30MAR04
WP10061	Order & Deliver Pre-Engineered Building		04NOV03A
WP10065	Hangar Door	15DEC03	18JAN04
WP10067	Glass & Glazing System	15DEC03	08FEB04
WP10071	Entrance Feature	29DEC03	04APR04
WP10069	Exterior Doors & Hardware	26JAN04	08FEB04
WP10073	PA Inspection of Completion of	06APR04	11APR04
PA NY&NJ TEB-67.03 Architectural			
WP10075	Wall Framing & Drywall	29DEC03	22FEB04
WP10077	Ceiling Framing & Drywall	19JAN04	22FEB04
WP10079	Painting	09FEB04	28MAR04
WP10081	Flooring & Finishes	09FEB04	28MAR04



Early Bar
Progress Bar
Critical Activity

© Primavera Systems, Inc.

DFJE

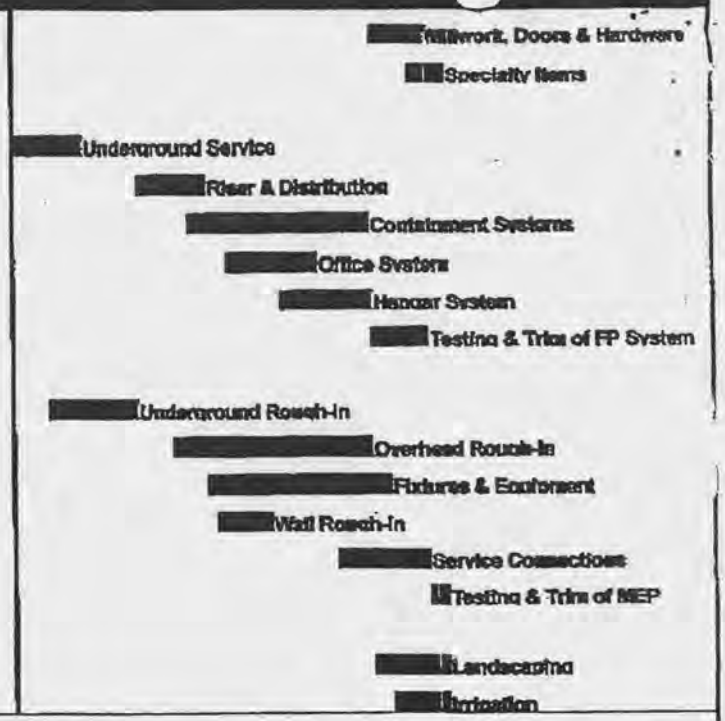
Sheet 1 of 2

Kraus-Manning

Dassault Falcon Jet - Exhibit C

Classic Schedule Layout

Activity ID	Activity Description	Early Start	Early Finish
WP10083	Millwork, Doors & Hardware	08MAR04	28MAR04
WP10085	Specialty Items	22MAR04	04APR04
PA NY&NJ TEB 67.04			
WP10087	Underground Service	20OCT03	16NOV03
WP10091	Riser & Distribution	06DEC03	04JAN04
WP10089	Containment Systems	28DEC03	06MAR04
WP10095	Office System	12JAN04	15FEB04
WP10093	Hangar System	02FEB04	07MAR04
WP10097	Testing & Trim of FP System	08MAR04	28MAR04
PA NY&NJ TEB 67.05 MEP Systems			
WP10099	Underground Rough-In	03NOV03	07DEC03
WP10103	Overhead Rough-In	22DEC03	07MAR04
WP10105	Fixtures & Equipment	05JAN04	14MAR04
WP10101	Wall Rough-In	08JAN04	28JAN04
WP10107	Service Connections	23FEB04	28MAR04
WP10109	Testing & Trim of MEP	29MAR04	04APR04
PA NY&NJ TEB 67.06 Landscaping			
WP10113	Landscaping	08MAR04	04APR04
WP10111	Irrigation	15MAR04	04APR04



Early Bar
Progress Bar
Critical Activity

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DFJE

Sheet 2 of 2

Kraus-Manning

Dassault Falcon Jet - Exhibit C

Classic Schedule Layout

NO. 401 P014

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Port Authority Agreement No. TA-303
Supplement No. 4

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, dated as of August 24, 2007, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **SIGNATURE FLIGHT SUPPORT CORPORATION**, a corporation organized under the laws of the State of Delaware (successor by merger with Signature Flight Support-New Jersey, Inc. and hereinafter called the "User");

WITNESSETH, that:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of November 30, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and made effective as of October 3, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement is hereinafter referred to as the "Agreement"); and

WHEREAS, in addition to the Space as defined in the Agreement, the User desires to use and occupy additional areas at the Airport as hereinafter described, as well as perform certain construction work at the said additional space as hereinafter described; and

WHEREAS, the parties desire to amend the Agreement in certain other respects as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of the dates set forth below, as follows:

1. (a) As used herein, the term "Additional Space Effective Date" shall mean the date upon which the Port Authority shall deliver to the Permittee notice setting forth the date on which the Additional Space shall be available for the use and occupancy by the User, as permitted by the provisions of this Supplemental Agreement.

(b) Effective as of the Additional Space Effective Date, the approximate 55,780 square feet of open area as shown in a broken dotted line on the sketch attached hereto, hereby made a part hereof and marked "Exhibit A-4" shall be added to the Space under the Agreement (such additional space hereinafter referred to as the "Additional Space"). The parties hereto acknowledge that the Additional Space constitutes non-residential real property.

2. The User shall use the Additional Space for the bulk storage of aviation fuel and for the receipt, storage, sale and delivery of aviation fuel and lubricants at the Airport and for no other purpose or purposes whatsoever.

3. The User, prior to the execution of this Supplemental Agreement, has thoroughly examined the Additional Space and determined it to be suitable for the User's operations hereunder and the User restates and continues said determination in connection with its continued occupancy hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Additional Space ~~whether existed prior to~~, on or after the date of its original occupancy of the Additional Space, including, without limitation, all Environmental Requirements and Environmental Damages, as such terms are hereinafter defined, and all soil remediation to the extent required under Environmental Requirements, and to indemnify and hold harmless the Port Authority with respect to third party claims in accordance with Section 15 of the Agreement. Notwithstanding the foregoing, the User shall be responsible for the removal of and remediation of Hazardous Substances, as such term is hereinafter defined, placed, or permitted or caused to be placed on, in or under the Additional Space by the User or by its employees, agents, contractors, or others using or occupying the Additional Space under the Agreement or this Supplemental Agreement.

10/19/07

4. The User acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of the Additional Space for the operations permitted thereon by the Agreement, as herein amended. Without limiting any obligation of the User to commence operations under the Agreement, as herein amended, at the time and in the manner stated elsewhere in this Supplemental Agreement, the User agrees that no portion of the Additional Space will be used initially or at any time during the effective period of the permission granted under the Agreement, as herein amended, which is in a condition unsafe or improper for the conduct of the User's operations therein under the Agreement, as herein amended, so that there is possibility of injury or damage to life or property, and the User further agrees that before any use of the Additional Space, it will immediately correct any such unsafe or improper condition. Without limiting the generality of any of the provisions of the Agreement, as herein amended, or this Supplemental Agreement, the Port Authority shall not be liable to the User for any claims for loss, theft or damage involving any property stored or placed in the Additional Space.

5. (a) In addition to all other fees and charges provided for under the Agreement, as herein amended, from and after the Additional Space Effective Date:

(i) The User shall pay a fee to the Port Authority for the use and occupancy of the Additional Space (hereinafter referred to as the "land fee") at the annual rate of Exemption (2.a.) , payable in advance on the Additional Space Effective Date and on the first day of each and every calendar month thereafter during the term of the Agreement in equal installments of

The land fee shall be subject to adjustment in accordance with the provisions of Section 7 of the Agreement; and Exemption (2.a.)

(ii) Further, the User shall pay a Facility Fee to the Port Authority for the use and occupancy of the Additional Space at the annual rate of Exemption (2.a.) , payable in advance on the Additional Space Effective Date and on the first day of each and every calendar month thereafter during the term of the Agreement in equal installments of Exemption (2.a.)

(b) If the Additional Space Effective Date shall occur on a date other than the first day of a month, the land fee and the Facility Fee due to the Port Authority for the Additional Space for the month in which the Additional Space Effective Date shall occur shall be prorated on the basis of the actual number of days from the Additional Space Effective Date to the end of such month.

(c) (i) In the event that the User shall at any time by the provisions of the Agreement, as herein amended, become entitled to an abatement of the land fee for the Additional Space, then said abatement shall be computed at the following daily land rate, as the same may be adjusted during the term of the Agreement, at the rate of $1.31 for each square foot of area of the Additional Space the use of which is denied to the User.

(ii) In the event that the User shall at any time by the provisions of the Agreement, as herein amended, become entitled to an abatement of the Facility Fee for the Additional Space, then said abatement shall be computed at the following daily rate, as the same may be adjusted during the term of the Agreement, at the rate of for each square foot of area of the Additional Space the use of which is denied to the User.

6. The User hereby agrees to upgrade, improve and refurbish the Space, such upgrades, improvements and refurbishments (hereinafter referred to as the "Upgrade Work") shall consist of, without limitation, paving, installation of state of the art metering equipment, pumps and the installation of equipment to create additional facility capacity. The Upgrade Work shall be performed in accordance with the provisions of Section 5 of the Agreement, have a cost of not less than Exemption (2.a.) and shall be completed within one year of the Additional Space Effective Date. Wheresoever the term "construction work" shall appear in said Section 5, it shall also mean and include the term "Upgrade Work" as defined herein. Upon completion of the Upgrade Work, title thereto shall immediately and without execution of any further instrument vest in the Port Authority, and all such repairs, alterations, improvements or additions shall thereupon become and thereafter be part of the Space.

7. Effective as of the date of this Supplemental Agreement, without in any way limiting any provisions of the Agreement, unless otherwise notified by the Port Authority in writing, in the event the User continues its use and occupancy of the Space after the expiration, revocation or termination of the term of this Agreement, as such term may be extended from time to time, in addition to any damages to which the Port Authority may be entitled under the Agreement or other remedies the Port Authority may have by law or otherwise, the User shall pay to the Port Authority a fee for the period commencing on the day immediately following the date of such expiration or the effective date of such revocation or termination and ending on the date that the User shall surrender and completely vacate the Space at a rate equal to twice the aggregate land fees and the Facility Fees as provided for under the Agreement. Nothing herein contained shall give, or be deemed to give, the User any right to continue its use and occupancy of the Space after the expiration, revocation or

termination of the term of the Agreement. The User acknowledges that the failure of the User to surrender, vacate and yield up the Space to the Port Authority on the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss. The User hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the User hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss.

8. Effective as of the date of this Supplemental Agreement, the User hereby waives its right to trial by jury in any summary proceeding or action that may hereafter be instituted by the Port Authority against the User in respect of the Space and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under the Agreement, as herein amended. The User specifically agrees that it shall not interpose any claims as counterclaims in any summary proceeding or action for non-payment of fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed. The foregoing reference to summary proceedings shall not be construed to mean that a landlord-tenant relationship exists between the Port Authority and the User.

9. No Commissioner, officer, agent or employee of the Port Authority shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

10. Except as otherwise provided herein, all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

11. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the Port Authority and the User have executed these presents as of the date first hereinabove set forth.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____ Secretary

By _____

Name David Kagan
(Please Print Clearly)

(Title) _____
(Seal)

ATTEST:

SIGNATURE FLIGHT SUPPORT CORPORATION

By _____ Secretary
Joseph I. Goldstein

By _____

Name Stephen W. Lee
(Please Print Clearly)

(Title) Vice President Operations
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
	LCL

LCL/ALQ

APPROVED AS TO FORM:
9/19/07
LEGAL DEPT.

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

For the Port Authority

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 6TH day of DECEMBER in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared DAVID KAGAN

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Gail E. Mitchell
(notary seal and stamp)

GAIL E. MITCHELL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MI6026210
Qualified in Queens County
My Commission Expires June 14, 20 11

For the User

STATE OF FLORIDA)
)ss.:
COUNTY OF ORANGE)

On the 30th day of OCTOBER in the year 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared
STEPHEN W. LEE

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Josephine A. Dettmore
(notary seal and stamp)

NOTARY PUBLIC
Josephine A. Dettmore
Commission # DD584091
Expires November 8, 2010
STATE OF FLORIDA
Bonded Troy Fain - Insurance, Inc 800-385-7019

THIS AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Port Authority Permit No. TA-303
Supplement No. 3
Teterboro Airport

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of the 31st day of December 2005 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT CORPORATION, successor by merger with Signature Flight Support–New Jersey, Inc., a corporation organized and existing under the laws of the State of Delaware with an office and place of business at 201 South Orange Avenue, Suite 1290, Orlando, Florida 32801 (hereinafter called the "User"), whose representative is Ms. Wendy McDowell.

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey;

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement");

WHEREAS, a use and occupancy agreement, bearing file No. TA-303 and dated October 1, 2000, was entered into between Johnson Controls and Signature Flight Support-New Jersey, Inc. for the use and occupancy of certain space, as defined therein, at Teterboro Airport (which use and occupancy agreement, as the same has been heretofore amended, is hereinafter referred to as the "Agreement");

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of November 30, 2000;

WHEREAS, effective from and after December 1, 2000 the Port Authority has been the operator of the Airport in the place and stead of Johnson Controls and, together with Signature Flight Support- New Jersey, Inc., has provided for the continuation of the Agreement; and

WHEREAS, the Port Authority and the User desire to amend the Agreement in certain other respects as hereinafter set forth;

NOW, THEREFORE, for and in consideration of the foregoing, and of the covenants and agreements herein contained, the Port Authority and the User hereby agree as follows:

1. Effective as of the December 1, 2005, the following changes shall be deemed made to the Agreement:

(a) Subsection 39.2 shall be deemed inserted in Section 39 of the Agreement and shall read as follows:

"39.2 Any notice or communication which the Port Authority may desire to give the User shall be deemed sufficiently rendered or given if the same be in writing and sent by registered or certified mail addressed to the User at the address specified on in this Section 39 hereof or at the latest address that the User may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the User's Representative, and the time of rendition of such statement and of the giving of such notice or communication shall be deemed to be the time when the same is mailed, left or delivered as herein provided. Any notice from the User to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, N.Y. 10003 or at such other address as the Port Authority shall hereafter designate by notice to the User."

(b) Section 8.5 shall be deemed deleted and the following new Section 8.5 shall be substituted in lieu thereof.

"8.5. All fee payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
P.O. BOX 95000-1517
PHILADELPHIA, PENNSYLVANIA 19195-1517

or via the following wire transfer instructions:
Bank: Commerce Bank
Bank ABA Number: 026013673
Account Number: Exemption (1/4)

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the User."

(c) The following new Section 43B shall be deemed added to the Agreement:

"43B Security

43B.1 Upon the execution of Supplemental Agreement No. 3 of this Agreement by the User and delivery thereof to the Port Authority, the User shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the User, all of the terms, provisions, covenants and conditions of this Agreement on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority , and payable in the Port of New York District in the amount of One Hundred Fifty Thousand Dollars and No Cents ($150,000.00). The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective term of the period of the permission under this Agreement and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is a appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the User agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission, under this Agreement, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit shall be deemed to be a breach of this Agreement on the part of the User. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the User on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to waiver of any default by the User under the terms of this Agreement and all remedies of the Agreement and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

43B.2 The User hereby certifies that its Federal Tax Identification Number is 59-3030932 for the purposes of this Section 43B.

43B.3 The User acknowledges and agrees that the Port Authority reserves the right, at its sole discretion, to adjust at any time and from time to time upon fifteen (15) days notice to the User, the security deposit amount as set forth in 43B.1. Not later than the effective date set forth in said notice the User shall deposit with the Port Authority the new security deposit amount as set forth in and in such form as requested by said notice which new amount (including without limitation an amendment to or a replacement of the letter of credit) shall thereafter constitute the security deposit subject to this Section 43B."

2. Effective as of October 13, 2005, the following amendments shall be deemed made to the Agreement:

(a) The following new subsection 31.3 shall be deemed inserted in the Agreement:

"31.3 An amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such termination, including without limitation any re-entry, regaining or resumption of possession, collecting all amounts due to the Port Authority, the restoration of any space which may be used and occupied under this Agreement (on failure of the User to have it restored), preparing such space for use by a succeeding user, the care and maintenance of such space during any period of non-use of the space, the foregoing to include, without limitation, personnel costs and legal expenses (including but not limited to the cost to the Port Authority of in-house legal services), repairing and altering the space and putting the space in order (such as but not limited to cleaning and decorating the same)."

(b) The following new Section 8.6 shall be deemed added to the Agreement:

"8.6 <u>Late Charges</u>

8.6.1 If the User should fail to pay any amount required under this Agreement when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts

found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including without limitation the Port Authority's rights set forth in Section 30 of this Agreement or (ii) any obligations of the User under this Agreement. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Agreement shall be payable instead at such legal maximum.

8.6.2 In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the User, the User shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the User under this Agreement or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including, without limitation, the Port Authority's rights to terminate this Agreement or (ii) any obligations of the User under this Agreement."

3. No Commissioner, officer, agent or employee of the Port Authority shall be charged personally by the User with any liability or held liable to any of them under any term or provision of this Agreement, or because of its execution, or because of any breach or attempted or alleged breach thereof.

4. As hereby amended, all the provisions of the Agreement shall be and remain in full force and effect.

IN WITNESS WHEREOF, the Port Authority and the User have executed these presents as of the date first hereinabove set forth.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____

(Title) Assistant Director Business, Properties & Airport Development

(Seal)

USER:

ATTEST:

Secretary

SIGNATURE FLIGHT SUPPORT CORPORATION

By _____

Print Name: STEPHEN W. LEE

(Title) Chief Operating Officer

(Corporate Seal)

APPROVED AS TO FORM:
11/26/08
LEGAL DEPT.

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

PDN/dmt

For The Port Authority of New York & New Jersey

STATE OF NEW YORK)
) :ss
COUNTY OF NEW YORK)

On this 10 day of March, ~~2006~~ 2007, before me, the subscriber, a notary public of New York, personally appeared David Kagan the Asst Dir Bus Props. & Airport Dev. of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him/her the contents thereof, he/she did acknowledge that he/she signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Peggy M. Spinelli
(notarial seal and stamp)

PEGGY M SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2008 7

For Signature Flight Support Corporation

STATE OF FLORIDA)
) :ss
COUNTY OF ORANGE)

On the 1ST day of DECEMBER, 2006, before me the subscriber a ,personally appeared STEPHEN W. LEE CHIEF OPERATING OFFICER of Signature Flight Support Corporation, who I am satisfied is the person who has signed the within instrument; and I having first made known to him/her the contents thereof, he/she did acknowledge that he/she signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Josephine A. Dettmore
(notarial seal and stamp)

NOTARY PUBLIC
STATE OF FLORIDA
Josephine A. Dettmore
Commission # DD584091
Expires November 8, 2010
Bonded Troy Fain - Insurance, Inc 800-385-7019

THIS AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER AND BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Use And Occupancy Agreement No. TA-303
Supplement No. 2

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of October 1, 2004, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT - NEW JERSEY INC. (hereinafter called the "User"),

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and dated October 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space, as defined therein, at Teterboro Airport (which Use and Occupancy Agreement is hereinafter called the "Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of November 30, 2000; and

WHEREAS, effective from and after December 1, 2000 the Port Authority has been the operator of the Airport and, together with the User, has provided for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement; and

WHEREAS, the parties desire to amend the Agreement in certain other respects as hereinafter provided;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority and the User hereby agree as follows:

1. Effective as of November 1, 2003, the following amendments are made to Section 5 of the Agreement:

(a) Subsection 5.1.1 shall be deleted in its entirety and the following new subsection 5.1.1. shall be substituted in lieu thereof:

"5.1.1. Facilities

5.1.1.1 A new terminal building consisting of a minimum of 9,200 square feet of space (hereinafter called "Area 1") to be built on the area as indicated on Exhibit A-1.

5.1.1.2 A new hangar consisting of a minimum of 22,500 square feet of space (hereinafter called "Area 3") to be built on the area as indicated on Exhibit A-2.

5.1.1.3 New office/shop space consisting of a minimum of 10,000 square feet of space (hereinafter called "Area ~~2~~ 3") to be built on the area as indicated on Exhibit A-2.

INITIAL VTG 12/17/0

5.1.1.4 Upon written notification to User by the Port Authority that Area 2 on Exhibit A-1, consisting of 194,327 square feet of space, is available for development as a result of the relocation of Taxiway P, or otherwise, the area shall become part of the Space. The User shall proceed expeditiously and with all reasonable diligence in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space so as to have a continuous connection of ramp paving to the new service road being installed by the Port Authority. Hereinafter Area 1, Area 2, Area 3 and Area 4 shall collectively be referred to as the "Phase 1 Construction."

(b) Subsection 5.1.2.1 and 5.1.2.2 shall be deleted in their entirety and the following new subsections 5.1.2.1 and 5.1.2.2 shall be substituted in lieu thereof

"5.1.2.1 The Phase 1 Construction plans and specifications as specified in Section 5.5 of the Agreement are to be submitted no later than October 6, 2002, excluding plans and specifications for the work described in subsections 5.1.1.4..

5.1.2.2 Phase 1 Construction, excluding the work required under 5.1.1.4, shall be completed within twelve (12) months of the approval of each building by the Port Authority of the construction plans and specifications for the Phase 1 Construction."

deleted VTG 12/14/04

(c) Section 5.2 shall be ~~deemed~~ in its entirety and the following new Section 5.2 shall be substituted in lieu thereof and shall read as follows:

"5.2 The User hereby agrees to enter into a Phase 2 Construction project in accordance with the following parameters:

5.2.1 Facilities

5.2.1.1 Demolition of Hangar 15 located on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.2.1.2 A new hangar consisting of a minimum of 36,000 square feet area of hangar area to be built on the Space identified as Area 1 of Exhibit A-1 of the Agreement.

5.2.1.3 Attached office/shop space of a minimum of 10,400 square feet to be built on the Space identified as Area A of Exhibit A-1 of the Agreement.

5.2.2 Schedule of completion dates

5.2.2.1 Phase 2 construction plans and specifications as specified in Section 5.5 of the Agreement are be submitted no later than May 29, 2004 to the Port Authority.

5.2.2.2 The User acknowledges and agrees that the construction of Phase 2 buildings shall be completed no later than January 1, 2006 (hereinafter called the "Phase 2 Construction Completion Date").

5.2.3 Penalty provisions

5.2.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual Phase 2 Construction Completion Date is delayed.

5.2.3.2 The Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided that the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.2.4 Minimum financial commitments

5.2.4.1 The User commits to a financial investment for Phase 2 work at a minimum level of

Exemption (2.a.)

(d) Section 5.3 shall be deemed in its entirety and the following new Section 5.3 shall be substituted in lieu thereof and shall read as follows:

"5.3 The User hereby agrees to enter into a Phase 3 construction project in accordance with the following parameters:

5.3.1 Facilities

5.3.1.1 Demolition of Hangar 16 and Hangar 17 as shown on area 1 and area 2 of Exhibit A-2 of the Agreement.

5.3.1.2 Demolition of Building 70 as identified on area 3 of Exhibit A-2 of the Agreement.

5.3.1.3 Construction of a new hangar consisting of a minimum of 30,000 square feet, with attached office/shop space of 9,200 square feet (hereinafter the new hangar and attached office space shall be collectively called the "New Hangar 16") to be built on the spaces identified as Areas 1, 2 and 3 of Exhibit A-2 of the Agreement.

5.3.1.4 Construction of a new hangar consisting of a minimum of 30,000 square feet with attached office/shop space of a minimum of 8,400 square feet (hereinafter called the "New Hangar 17") to be built on space identified as Area 1 of Exhibit A-2 of the Agreement.

5.3.1.5 Hereinafter the New Hangar 16 and the New Hangar 17 shall be collectively referred to as the "Phase 3 Construction".

5.3.2 Schedule of Completion Dates

5.3.2.1 Prior to July 20, 2004, the User shall submit to the Port Authority, for Port Authority review and approval, plans and specifications for the Phase 3 Construction.

5.3.2.2 The User acknowledges and agrees that the Phase 3 Construction shall be completed no later than March 4, 2007 (hereinafter called the "Phase 3 Construction Completion Date").

5.3.3 Penalty Provisions

5.3.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion date of the Phase 3 Construction is delayed beyond the Phase 3 Construction Completion Date.

5.3.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.3.4 Minimum financial commitments

5.3.4.1 The User commits to a financial investment for Phase 3 Construction work at a minimum level of Five Million Five Hundred Thousand Dollars and No Cents ($5,500,000.00)."

2. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

3. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

[THE REMINDER OF THIS PAGE WAS INTENTIONALY LEFT BLANK]

4. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the Port Authority, and the User have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) FRANCIS A. DIMOLA ASSISTANT DIRECTOR AVIATION DEPT.

(Seal)

ATTEST:

Secretary

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

By

(Title) President

(Corporate Seal)

APPROVED: FORM TERMS

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

For the Port Authority of NY & NJ

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 3rd day of February in the year ~~2004,~~ 2005 before me, the undersigned, a Notary Public in and for said state, personally appeared FRANCIS A. DiROLA, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Peggy M. Spinelli
(notarial seal and stamp)

PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2007

For Signature Flight Support – New Jersey Inc.

STATE OF FLORIDA)
) ss.
COUNTY OF ORANGE)

On the 21st day of December in the year 2004, before me, the undersigned, a Notary Public in and for said state, personally appeared JOHN G. FARMER, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Josephine A. Dettmore
(notarial seal and stamp)

Josephine A. Dettmore
MY COMMISSION # DD158466 EXPIRES
November 8, 2006
BONDED THRU TROY FAIN INSURANCE INC.

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-303
Supplement No. 1

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 10th day of February, 2001 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and SIGNATURE FLIGHT SUPPORT-NEW JERSEY INC. (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of Teterboro Airport and had the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. (hereinafter called "Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and made effective as of October 1, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as "the Agreement"); and

WHEREAS, Johnson Controls and the Port Authority terminated the Basic Agreement effective as of the Termination Date, as hereinafter defined; and

WHEREAS, effective from and after the Termination Date the Port Authority will be the operator of the Airport and now desires, together with the User, to provide for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the

parties hereto, the parties hereby agree, as of November 30, 2000, as follows:

1. The parties hereby acknowledge that the Basic Agreement shall be terminated as of November 30, 2000, such date being herein referred to as the "Termination Date." From and after the Termination Date, the term of the Agreement shall continue thereafter as provided in the Agreement with the Port Authority as the Airport Operator thereunder and with the Port Authority succeeding to all the rights and obligations of Johnson Controls under the Agreement from and after the Termination Date. The obligations and liabilities of Johnson Controls to the User arising under the Agreement prior to the Termination Date shall be and remain the obligations and liabilities of Johnson Controls and the Port Authority shall have no responsibility therefor.

2. As between the Port Authority and the User, this substitution of the Port Authority shall not in any way whatsoever affect or impair the liability of Johnson Controls to the User or to the Port Authority to perform all the terms, provisions and conditions of the Agreement on the part of Johnson Controls to be performed, for the period from the effective date of the Agreement to and including the Termination Date and the obligation to comply with all requirements of the Port Authority and appropriate federal, state and local governmental agencies arising from any environmental condition of the Space.

3. From and after the Termination Date, the Port Authority shall assume all the rights, obligations and duties of Johnson Controls under the Agreement as well as the performance of, and does hereby agree to perform, all the terms, provisions and conditions of the Agreement on the part of the Airport Operator thereunder to be performed. The execution of this instrument by the Port Authority does not constitute a representation by it that Johnson Controls has performed or fulfilled every obligation required by the Agreement; as to such matters the User agrees to look solely to Johnson Controls.

4. No provision of the Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Agreement covering actions which shall or may be undertaken by the User or the Airport Operator, including but not limited to, construction on the Space covered by the Agreement, be deemed to imply or infer that Port Authority consent or approval thereto has been or shall be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the

Port Authority with respect to its discretion as to matters and provisions in the Agreement which are not specifically referred to herein.

5. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

7. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the parties hereto have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

(Seal)

ATTEST:

Secretary

SIGNATURE FLIGHT SUPPORT-NEW JERSEY INC.

By:

DOUGLAS H. CROWTHER

Title: Vice President-Operations ~~President~~

(Corporate Seal)

APPROVED:
FORM | TERMS

CSL-61273; - Ack. N.J.; Corp. & Corp.

STATE OF ~~NEW JERSEY~~ NEW YORK)
) ss.
COUNTY OF New York)

On this 2nd day of May, 2001, before me, the subscriber, a notary public of New York, personally appeared FRANCIS A. DiMola the Assistant Director, Avia. Dept. of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate and delivered the same as such officer aforesaid and the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

WILLIAM HERNANDEZ
Notary Public, State of New York
No. 01HE6049028
Qualified in New York County
Commission Expires October 02, 2002

STATE OF FLORIDA)
) ss.
COUNTY OF ORANGE)

On this 16th day of March, 2001, before me, the subscriber, a Notary Public of Florida personally appeared Douglas A. Crouther the Vice — President of **SIGNATUARE FLIGHT SUPPORT-NEW JERSEY INC.**, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate and delivered the same as such officer aforesaid and the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

Tonya A Miller
My Commission CC865950
Expires January 22, 2002

AVIATION DEPT.
FILE COPY

USE AND OCCUPANCY AGREEMENT

TA-303

JOHNSON CONTROLS WORLD SERVICES INC.

AND

SIGNATURE FLIGHT SUPPORT - NEW JERSEY, INC.

TETERBORO AIRPORT

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Exhibit A-1, A-2 and A-3

Exhibit B

Exhibit C

Teterboro Airport Agreement TA-303

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, dated this first day of October, 2000 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls" or the "Airport Operator"), a Florida corporation, and SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC. (hereinafter called the "User"), a New Jersey corporation.

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called the "Port Authority") is the owner of Teterboro Airport (the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967, as has been or may hereafter be extended or amended, hereinafter called the "Basic Agreement"; and

WHEREAS, pursuant to and in accordance with the terms of the Basic Agreement, the Airport Operator and the User and its predecessors in interest, have entered into the following Use and Occupancy Agreements, with the consent of the Port Authority, for the use of certain Space at Teterboro Airport:

TA-059 dated April 11, 1974:	Hangar 15;
TA-140 dated November 26, 1979:	Hangar 16;
TA-264 dated August 1, 1995:	Hangar 17 and Part of Building 70; and

WHEREAS, the Port Authority, the Airport Operator and the User entered into Consent Agreements of various dates (hereinafter called the "Use and Occupancy Consent Agreements") consenting to each of the above listed Use and Occupancy Agreements, wherein the Port Authority gave its consent to the Use and Occupancy Agreements; and

WHEREAS, the Airport Operator and the User, with the consent of the Port Authority, have entered into an Extension of Agreement for each of the above Use and Occupancy agreements, which, with certain changes, extends the term of each

of the Use and Occupancy Agreements to a date no later than December 30, 2000; and

WHEREAS, the Airport Operator and the User desire to replace the above referenced Use and Occupancy Agreements with a new, consolidated Use and Occupancy Agreement TA-303 (the "Agreement") as hereinafter described; and

WHEREAS, the User desires to construct and Johnson Controls desires to permit the User to construct hangar facilities and additional aircraft parking ramp facilities on the Space provided for in the Agreement, and in consideration of said construction extend the term of the Agreement,

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of August 1, 2000 (the "Effective Date" of this Agreement, unless otherwise stated, as follows:

1. Term

1.1 The Term of this Agreement shall commence on the First day of October, 2000 (hereinafter called the "Effective Date"), and unless sooner terminated in accordance with the terms of this Agreement or as provided for in the Use and Occupancy Consent Agreement, shall terminate on the day before the Twenty (20) year Anniversary of the Completion Date, as defined in subsection 5.9.15 of this Agreement, of the construction described in Section 5.1, Section 5.2 and Section 5.3 of this Agreement, but in no event shall the term extend beyond December 30, 2025. In the event that the construction of all four hangars as described in section 5 of this Agreement, have not been completed by December 30, 2005 or the Adjusted Construction Completion Date ("ACCD") whichever is the latter, the term shall expire on December 30, 2005, or the ACCD, whichever is the latter. The "Adjusted Construction Completion Date" ("ACCD") is defined as a date five years from the Consent to this U & O Agreement, plus allowable delay days. Allowable delay days, if any, will result from (a) the number of days beyond March 1, 2001 before the site of Building 70 is available for demolition work to begin; (b) delays beyond 90 days before an alteration application or a hangar construction application for Phase 1 construction work as identified in Section 5.1 of this Agreement receives Port Authority approval after it is submitted in good form for each hangars specified in Section 5.1, if such delayed approval delays the construction schedule; (c) delays beyond 180 days before an alteration application or a hangar construction application for Phase 2 or Phase 3 construction work as identified in Section 5.2 and 5.3 of this Agreement receives Port Authority approval after it is submitted in good form for each hangars specified in Section 52 and 5.3, if such delayed approval delays the construction schedule; and (c) days delay attributable to force majeure, as approved by the Port Authority.

1.2 The parties acknowledge that the Use and Occupancy Consent Agreement granting the Port Authority's consent to this Agreement and the matters herein set forth shall provide for the termination of this Agreement upon the termination of the Basic Agreement, but with the terms, rights and obligations of this agreement being assumed by the Port Authority itself or an airport operator designated by the Port Authority.

2. Termination of Prior Agreements

2.1 Letters of termination shall be issued on each of the above listed Use and Occupancy Agreements, with the effective date of termination to be coincidental with the Effective Date of the Agreement. All provisions of such agreements, and exhibits attached thereto shall be of no further force or effect subsequent to the Effective Date of the Agreement.

3. Space

3.1 On and after the Effective Date of the Agreement, the Space under the Agreement shall be the area shown as Area 1 on Exhibit A-1, Areas 1 and 2 on Exhibit A-2, and the area set forth in hatching on Exhibit A-3, attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the remainder of the term of this Agreement (hereinafter collectively referred to as the "Space")

3.2 Upon notification to the User by the Airport Operator or the Port Authority that Area 2 on Exhibit A-1 is available for development as the result of the relocation of Taxiway "P" or otherwise, this area shall become a part of the Space. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space. The Space shall become fee-bearing upon notification to the User of its availability.

3.3 Upon notification to the User by the Airport Operator or the Port Authority that Area 4 on Exhibit A-2 is available for development as the result of the relocation of Taxiway "Q" or otherwise, this area shall become a part of the Space. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 5 of the Agreement, to pave and construct an aircraft parking ramp on the Space. The Space shall become fee-bearing upon notification to the User of its availability.

3.4 The parties hereby acknowledge that the area on the Airport known as Building 70, in which the User occupies Space, is currently also being

occupied by the Federal Aviation Administration ("FAA"). Upon notice to the User by the Airport Operator or the Port Authority that the FAA has established a firm date for vacating the space in Building 70 that they occupy and of the firm date that the building will be available for demolition, the User shall, within six (6) months of said notice, in accordance with Section 5 of the Agreement, submit plans and specifications for the demolition of Building 70 and the construction of the facilities described as Phase 2 construction in Section 5.2 of the Agreement. Upon approval of the User's demolition plan by the Port Authority, the area set forth as Area 3 on Exhibit A-2, shall be added to and become part of the Space as herein defined and shall become fee-bearing at that time.

3.4.1 The Port Authority shall reimburse the User for the cost of the demolition of Building 70 subject to (a) the delivery to the Port Authority a certificate which shall be signed by a responsible fiscal officer of the User, sworn to before a notary public, which shall certify the amounts of actual payments made by the User to its contractors for the work actually performed and labor and materials actually furnished for the demolition work and (b) a maximum reimbursement of Five Hundred Thousand Dollars ($500,000.00).

3.5 When Area 5 of Exhibit A-2 becomes available as a result of the relocation of the temporary Airport Maintenance Facility. Upon notification by the Airport Operator or the Port Authority, this shall become a part of the Space of this Agreement, and shall be fee-bearing upon notification.

4. Use and Occupancy

4.1 The User shall use and occupy the Space as set forth in Section 3 of this Agreement for the following purposes only and for no other purpose whatsoever:

4.1.1 For the storage, maintenance, servicing and repair of aircraft, aircraft assemblies, aircraft accessories and aircraft radio and electronic equipment and any component parts thereof;

4.1.2 For the sale of aircraft assemblies, accessories, aircraft radio and electronic equipment and any component parts thereof;

4.1.3 For the leasing and chartering of general aviation aircraft;

4.1.4 For the parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User; it being understood that the parking of vehicles on areas of the Space shall be subject to the prior and continuing approval of the

Airport Operator;

4.1.5 For the parking of aircraft;

4.1.6 For business and operations offices and terminals in connection with the purposes authorized hereunder;

4.1.7 For the sale of aviation fuel and aviation lubricants and for delivery of such fuel and lubricants to and into aircraft, all in accordance with provisions of other agreements entered into or to be entered into between the Airport Operator and the User specifically regulating such sales and deliveries and providing for the payment of fees therefor.

4.2 Notwithstanding the right granted to User to conduct pilot training hereunder, the Airport Operator hereby reserves the right to restrict or terminate touch and go flight operations and to restrict the time primary flight training operations may be conducted at the Airport when, in its sole judgment, such action is deemed necessary for Airport safety.

4.3 All flight operations conducted at the Airport by the User shall be subject to the Schedule of Charges pertaining thereto in addition to all other fees payable by the User hereunder.

4.4 The uses granted the User in subsection 4.1 above shall not include the right to sell aircraft and utilize the Space for activities associated with the sale of aircraft.

4.5 The User shall have the right to automobile parking spaces contiguous to Building 70 which is a part of the Space, to accommodate its employees, guests and business visitors.

5. <u>Construction by the User</u>

5.1 The User hereby agrees to enter into a Phase 1 Construction project in accordance with the following parameters:

5.1.1 Facilities

5.1.1.1 A new hangar consisting of a minimum of 36,400 sq. ft of hangar area on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.1.1.2 Attached Office/shop space of a minimum of 10,000 sq. ft.

5.1.1.3 Additional Ramp Space of 194,328 sq. ft. on the Space identified as Area 2 of Exhibit A-1 of this Agreement

5.1.2 Schedule

5.1.2.1 Phase 1 construction plans and specification as specified in Section 5.5 of this agreement due not later than six month following the Consent to this Use and Occupancy Agreement by the Port Authority.

5.1.2.2 Construction of Phase 1 buildings to be completed within twelve(12) months of the approval by the Port Authority of the construction plans and specifications for Phase 1 construction.

5.1.2.3 Construction of the Phase 1 ramp space (Item 5.1.1.3) to be completed no later than nine (9) months following the receipt of Port Authority approval of the alteration application for the construction of the ramp of Area 2 as shown on Exhibit A-1 , but not later than the completion date of the Phase 1 buildings as identified in 5.1.2.2.

5.1.3 Penalty provisions

5.1.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.1.2.1, 5.1.2.2, and 5.1.2.3 are delayed beyond their scheduled dates.

5.1.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.1.4 Minimum financial commitments

5.1.4.1 The Users commits to a financial investment for Phase 1 work at a minimum level of Exemption (2.a.)

5.2 The User hereby agrees to enter into a Phase 2 construction project in accordance with the following parameters:

5.2.1 Facilities

5.2.1.1 Demolition of Hangars 16 and 17 as identified on areas 1 and 2 of Exhibit A-2 of this Agreement

5.2.1.2 Demolition of Building 70 as identified on area 3 of Exhibit A-2 of this Agreement

5.2.1.3 A new hangar consisting of a minimum of 30,000 sq. ft of hangar area, with attached office/shop space of 9,200 sq. ft, to be built on the spaces identified as Areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.4 A passenger terminal of a minimum of 9,200 square feet to be built on the spaces identified as Areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.5 A new hangar consisting of a minimum of 21,000 sq. ft. with adjoining office/shop space of not less than 12,000 sq. ft. to be built on the space identified as areas 1, 2, and 3 of Exhibit A-2 of this Agreement.

5.2.1.6 Additional Ramp Space to the extent practicable on areas 3 and 4 of Exhibit A-2 of this Agreement

5.2.1.7 Additional Ramp Space to the extent practicable on area 5 of Exhibit A-2 of this Agreement

5.2.2 Schedule of completion dates:

5.2.2.1 Phase 2 construction plans and specification as specified in Section 5.5 of this Agreement due not later than six (6) months following the approval of the Port Authority of the Phase 1 construction plans.

5.2.2.2 Construction of Phase 2 buildings to be completed within twenty-four (24) months of the approval by the Port Authority of the construction plans and specifications for Phase 2 construction.

5.2.2.3 Construction of the Phase 2 ramp space (Item 5.2.1.6) to be completed no later than nine (9) months Port Authority of an alteration application for the ramp construction, but no later than the completion date of the Phase 2 building as per 5.2.2.2 above.

5.2.2.4 An alteration application for the construction of the additional Phase 2 ramp space (Item 5.2.1.7) to be submitted no later than three (3) months following the date upon which the User is notified by the Port Authority that the Space on which the ramp is to be constructed (Areas 5 as shown on Exhibit A-2 of this Agreement) is available for use by the User. The ramp construction is to

be completed within nine month of the date of the approval of the alteration application for the ramp construction work.

5.2.3 Penalty provisions

5.2.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.2.2.1, 5.2.2.2, 5.2.2.3 and 5.2.2.4 are delayed beyond their scheduled dates.

5.2.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.2.4 Minimum financial commitments

5.2.4.1 The Users commits to a financial investment for Phase 2 work at a minimum level of Exemption (2.a.)

5.3 The User hereby agrees to enter into a Phase 3 Construction project in accordance with the following parameters:

5.3.1 Facilities

5.3.1.1 Demolition of Hangar 15 located on the Space identified as Area 1 of Exhibit A-1 of this Agreement

5.3.1.2 A new hangar consisting of a minimum of 30,000 sq. ft of hangar area to be built on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.3.1.3 Attached office/shop space of a minimum of 8,400 sq. ft. to be built on the Space identified as Area 1 of Exhibit A-1 of this Agreement.

5.3.2 Schedule of completion dates

5.3.2.1 Phase 3 construction plans and specifications as specified in Section 5.5 of this agreement due not later than eighteen (18) months following the approval by the Port Authority of the construction plans and specifications for the Phase 2 construction.

5.3.2.2 Construction of Phase 3 buildings to be completed within twelve (12) months of the approval by the Port Authority of the construction plans and specifications for Phase 3 construction work.

5.3.3 Penalty provisions

5.3.3.1 A penalty in the form of an additional land rent fee of $10,000 per month for each month or fraction thereof by which the actual completion dates of section 5.3.2.1, and/or 5.3.2.2, are delayed beyond their scheduled dates.

5.3.3.2 Penalty payments shall not be charged for any delays due to an act of God, or other delays beyond the control of the User, provided the Port Authority has certified that such causes of delay were, in fact, beyond the control of the User.

5.3.4 Minimum financial commitments

5.3.4.1 The User commits to a financial investment for Phase 3 work at a minimum level of Exemption (2.a.)

5.4 Prior to the commencement of construction of the facility set forth in subsections 5.1, 5.2 and 5.3 above, or any part thereof, User shall submit to the Airport Operator a construction application and complete plans and specifications of such proposed construction.

5.5 The plans and specifications shall be submitted by the Airport Operator to the Port Authority for approval and the Airport Operator or the Port Authority may refuse to grant approval if, in their opinion, the proposed facilities as laid out and indicated by the User on such plans, or if constructed according to such plans and specifications, the facilities:

5.5.1 will be structurally unsound or unsafe or hazardous for human occupation or improper for the use and occupancy for which it is designed;

5.5.2 will not comply with all the requirements of this Agreement;

5.5.3 will not comply with the Airport Operator or the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

5.5.4 will not comply with the standards set by the Airport Operator or the Port Authority with respect to utility or rentability;

5.5.5 will be so located that there will not be sufficient clearance in respect to existing or planned projecting aprons, runways, or taxiways adjacent thereto;

5.5.6 is designed for use for purposes other than those for which User is permitted to use the Space under this Agreement;

5.5.7 will be in violation of any local code, OSHA-70, or any other law, ordnance or regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation;

5.5.8 will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

5.5.9 will not provide adequate circulation arteries for vehicular and pedestrian traffic and fire-fighting equipment;

5.5.10 will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

5.6 Upon approval of such plans and specifications by the Airport Operator and the Port Authority, the User shall proceed expeditiously and with all reasonable diligence to construct, at its own expense and cost, the facilities in accordance with such approved plans and specifications.

5.7 The User or User's construction contractor shall furnish The Airport Operator performance and payment bonds in a sum equal to the estimated cost of each phase of the construction, in a form and with sureties satisfactory to the Airport Operator, for the faithful performance by User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of tradespersons, workers and subcontractors. User shall deliver such bonds to the Airport Operator prior to commencement of construction or within thirty (30) days after the award by User of construction contract or contracts, whichever occurs first. The bonds shall remain in effect until the completion of the respective phase of the construction.

5.8 Upon completion of any work to be performed by User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

5.9 All construction work shall be done in accordance with the following terms and conditions:

5.9.1 The User hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of

loss or damage to all property of the Airport Operator and of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the construction work and the property of the Airport Operator or of the Port Authority without cost or expense to the Airport Operator. The User shall itself and shall also require its contractors to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Airport Operator and its subsidiaries and affiliates) arising or alleged to arise out of the performance of the construction work and for all expenses, (whether or not such claims, demands, causes of action, liabilities etc., are made or asserted before or after termination or expiration of this Agreement) incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, (to include reasonable attorney's and other professional fees) direct or consequential, whether they arise out of or from the acts or omissions of the User, of any contractors of the User, of the Airport Operator or of third persons, or from acts of God or of the public enemy, or otherwise (including claims of the Port Authority) against the Airport Operator pursuant to the Basic Agreement whereby the Airport Operator has agreed to indemnify the Port Authority against claims) excepting only claims and demands which result from negligent acts done by the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees subsequent to the commencement of the construction work.

5.9.2 Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to The Airport Operator for its approval. The Airport Operator shall have the right to disapprove any architect who may be reasonably unacceptable to it, and to advise User in writing of The Airport Operator's reason for such disapproval. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by tyhe Airport Operator and the Port Authority prior to the commencement of the construction work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The User shall redo, replace or reconstruct at its own

cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of the Airport Operator made in accordance with this Agreement, so long as the Airport Operator has advised User that the work was not done in accordance with the plans and specifications.

5.9.3 Prior to entering into a contract for any part of the construction work, the User shall submit to the Airport Operator for its approval the names of the contractors to whom the User proposes to award said contracts. The Airport Operator shall have the right to disapprove any contractor who may be unacceptable to it for reasonable cause and to advise User in writing of the Airport Operator's reasons for such disapproval. The User shall include in all such contracts such provisions and conditions as may be required by the Airport Operator, including without limitation thereto, the provision set forth in Exhibit C attached hereto and hereby made a part hereof.

5.9.4 The User shall furnish or require its architect to furnish a resident engineer during the construction period as the Airport Operator may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by the Airport Operator from time to time.

5.9.5. The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same having been approved by the Airport Operator and the Port Authority and notwithstanding the incorporation therein of the Airport Operator or Port Authority recommendations or requirements. Notwithstanding the requirements for approval by the Airport Operator of the contracts to be entered into by the User on the incorporation therein of the Airport Operator requirements or recommendations, and notwithstanding any rights the Airport Operator may have reserved to itself hereunder, the Airport Operator shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges the Port Authority and the Airport Operator, its subsidiaries and affiliates, their commissioners, directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any construction work pursuant to the contracts between the User and its contractors (to include reasonable attorney's and other professional fees).

Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of the Airport Operator and the Port Authority as well as the User.

5.9.6 The Airport Operator shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work, but the taking of samples and testing shall be conducted so as to minimize interference with the construction work, if such minimization of impact can be accomplished without diminishing the effectiveness or accuracy of the samples and or tests.

5.9.7 The User agrees that it shall deliver to the Airport Operator "as built" drawings (capable of being reproduced) of the construction work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications to be made without the Airport Operator's consent.)

5.9.8 The User shall, if requested by the Airport Operator, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the construction work, including but not limited to the fencing of the Space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as the Airport Operator may direct.

5.9.9 The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, tradespersons and workers, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, tradespersons, workman and/or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep the Airport Operator fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful

performance of and also for the payment of all lawful claims of subcontractors, tradespersons and workers arising out of the performance of said construction contract.

5.9.10 The User shall procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the User herein which shall be in addition to all policies of insurance otherwise required under this Agreement or the User may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name the Airport Operator and the Port Authority as additional insured and be in not less than the following amounts:

(i) Bodily Injury Liability:

For injury to or wrongful death to one person..... $3,000,000

For injury or wrongful death to more than
one person for any one occurrence $5,000,000

Aggregate Products Completed Operations $5,000,000

(ii)Property Damage Liability:

For all damage arising out of injury to or
destruction of property in any one occurrence $5,000,000

Aggregate Products Completed Operations $5,000,000

Aggregate Operations $5,000,000

Aggregate Productive $5,000,000

Aggregate Contractual $5,000,000

The insurance required hereunder shall be maintained in effect during the performance of the construction work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to

the Airport Operator at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Airport Operator and the Port Authority. The aforesaid insurance shall be written by a company or companies licensed to conduct business in the State of New Jersey and, approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall become unsatisfactory to the Airport Operator or the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator or the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator and the Port Authority agreeing not to act unreasonably hereunder.

5.9.11 The User shall, prior to the commencement of the construction work, and at all times during the construction work, submit or cause to be submitted to the Airport Operator all engineering studies with respect to the construction work and samples of construction materials as may be reasonably required at any time and from time to time by the Airport Operator.

5.9.12 The User shall procure and maintain or cause to be procured and maintained builder's risk completed value insurance covering the construction work during the performance thereof including material delivered to the construction site but not attached to the realty in an amount and form satisfactory to the Airport Operator. Such insurance shall name the Airport Operator, the Port Authority, the User and its contractors and subcontractors as additional insured and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to the Airport Operator and the Port Authority. The policies or certificates representing this insurance shall be delivered by the User to the Airport Operator prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority and the Airport Operator fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification

of the insurance evidenced by said policy or certificate. The insurance shall be written by companies licensed to conduct business in the State of New Jersey, and approved by the Airport Operator, the Airport Operator agreeing not to withhold its approval unreasonably and if the Airport Operator disapproves of any insurance company, it shall advise User in writing of the reasons for such disapproval. If at any time any of the insurance policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement, the Airport Operator agreeing not to act unreasonably hereunder.

5.9.13 Nothing contained herein shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor, or any other person engaged by the User, of any of its contractors in the performance of any part of the construction work, any right of action or claim against the Airport Operator, its subsidiaries and affiliates, their directors, officers, agents and employees or the Port Authority, its commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work.

5.9.14 Nothing contained herein shall create or be deemed to create any relationship between the Airport Operator and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work and neither the Airport Operator nor the Port Authority shall be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

5.9.15 When the construction work is substantially completed and is ready for use by the User, the User shall advise the Airport Operator to such effect and shall deliver to the Airport Operator a certificate executed by an authorized officer of the User certifying that such construction work has been constructed in all material respects in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders, provided that the User shall correct, modify, or redo any item that the Port Authority requires to be corrected, modified or redone. Thereafter, such construction work will be inspected by the Airport Operator and if the same has been completed as specified by the User, a certificate to such effect shall be

delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User, excepting any liability due to the negligence of the Airport Operator. The User shall not use or permit the use of the construction work for the purposes set forth in this Agreement until such certificate is received from the Airport Operator. The date of delivery of the certificate by the Airport Operator shall constitute the completion date for the purposes of this Agreement.

5.9.16 The construction work shall be conducted in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from or arising out of or resulting from the operations of the User under this section. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the construction work hereunder such necessary or appropriate systems to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User and shall be part of the construction work hereunder.

5.9.16.1 Notwithstanding the provisions of the foregoing paragraph and in addition thereto, the Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of subsection 5.9.16.

5.10 The User hereby acknowledges that the Airport Operator has constructed security fencing to secure and prevent inadvertent entry onto the aeronautical areas of the Airport. The User hereby agrees, during all phases of construction work and at all time during the term of this Agreement, to design and construct, at its sole cost and expense, such further fencing as may be necessary to maintain said security fencing.

5.11 All locations, the manner, type and method of construction and the size of any of the provisions of subsections 5.9.16 and 5.10 shall be determined by the Airport Operator. The User shall submit for the Airport Operator's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently

to construct the same. It is expressly agreed that the design and appearance of the construction required by subsections 5.9.16 and 5.10 shall be consistent with the overall design and construction of User's facilities. All other provisions of this Section with respect to the construction work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this paragraph and upon completion of each portion of such work it shall be and become a part of the construction work.

6. Other Construction by the User

6.1 Except as otherwise expressly provided herein, the User shall not erect any structures, make any improvements or do any construction work on the Space, or install any fixtures (other than fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of the Airport Operator through the medium of a construction or alteration application (which application will be approved by the Airport Operator as soon as practicable) and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice to do so, the User will remove the same or at the option of the Airport Operator, cause the same to be changed to the satisfaction of the Airport Operator. In case of any failure on the part of the User to comply with such notice, the Airport Operator may effect the removal or change and User shall pay the cost thereof to the Airport Operator.

7. Fees to the Airport Operator

7.1 The Space as defined in this agreement consists of four building components and a minimum of three (3) land components as identified on Exhibit B. Also identified in Exhibit B 4 additional land use areas which will become a part of the Space upon the occurrence of specific events as identified in notes 1 through 4 of Exhibit B.

7.1.1 Column 2 of Exhibit B provides a general descriptor for each rental component.

7.1.2 Column 3 of Exhibit B provides the total square feet in the land area of the land rental component or the total square feet contained within the building.

7.1.3 Column 4 of Exhibit B is the rental rate per square foot per year of each rental component, with 1999 as the base year.

7.1.4 Column 5 of Exhibit B is the rental rate per square foot per year after applying the escalation factor for the period of time between the base year (1999) and the year 2000. This escalation factor

as derived from the procedure identified in Section 7.3 is 1.02232.

7.1.5 Column 6 of Exhibit B is the annual rental for each rental component for the year 2000, derived by multiplying the rental rate of Column 5 by the square feet of column 3.

7.1.6 Column 7 of Exhibit B is the monthly rent for each rental component for the year 2000, derived by dividing column 6 by twelve.

7.1.7 Column 8 of Exhibit B provides a guide to the footnotes applicable to the various rental components, relative to when abatement in rental amounts are due, and when additional land area rental components become effective.

7.2 The Airport Operator and/or the Port Authority reserve(s) the right to establish new land and building "Basic Rental Rates" for each rental component effective January 1, 2010 and January 1, 2020. New land and building "Basic Rental Rates", if any, will be determined considering real estate appraisals conducted in the year prior to the effective dates of such new "Basic Rental Rates". If such new "Basic Rental Rates" are not established for one or both of these time periods, the "Basic Rental Rates" for the immediately prior period will continue to apply. If such appraisals are performed, the first newly established rates shall hereinafter be referred to as "Basic Rental Rates One", and the second such newly established rates shall be known as "Basic Rental Rates Two".

7.3 All rental rates are determined on an annual calendar year basis, using the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all items, Selected Larger Cities, for the New York – Northeastern New Jersey area as the data source (hereinafter referred to as the "CPI Index"). The "Standard Inflation Adjustment Factor (hereinafter referred to as "SIAF") is defined as the quotient resulting from dividing the CPI for the month of December for the year immediately prior to the year for which the rates are being determined by the CPI for the second year prior to the year for which the rates are being determined. However, if the quotient which results from the computation as described above is less than 1.00, the SIAF for the particular year will be 1.00. Furthermore, if the quotient which results from the computation as described above is greater than 1.06, the SIAF for the particular year will be 1.06. Thus the rates for any year will not be less than those of the immediately prior year, nor exceed the prior year by more than 6%.

7.4 All building and land rental fee amount shall be subject to annual inflation adjustment on a calendar year basis, in accordance with Section 7.3.

7.5 The monthly building and land rental amounts from the effective date until December 31, 2000 are the sum of the rental component monthly fees for the year 2000 for those rental components which are a part of the Space in accordance with Section 3 of this agreement.

7.6 The monthly rental fees for calendar years subsequent to the year 2000 until a new Basic Rental Rates One or Basic Rental Rates Two are established in accordance with Section 7.2 above shall be determined by:

7.6.1 Determine the year rates for the applicable year by multiplying the rates for the immediately prior year by the SIAF as determined in Section 7.3 above.

7.6.2 For each rental component, multiply the rental component square feet as found in column 3 of Exhibit B by the applicable rental rates for each component as determined in subsection 7.6.1 above and dividing the results by twelve.

7.6.3 Determine the monthly annual fee payable by summing all of the applicable rental component fees as determined in subsection 7.6.2,for those rental components which are a part of the Space in accordance with Section 3 of this Agreement.

7.7 In the event that an appraisal is performed in accordance with subsection 7.2 above, from and after January 1, 2010 the rates applicable for determining the fee shall be the greater of (i) the Basic Rental Rate One or (ii) the December 2009 rates multiplied by a quotient derived by dividing the CPI for the month of December 2009 by the CPI for the month of December 2008. In the event that the rates calculated in accordance with (ii) is 15% or higher than the rates determined in accordance with (i) above, then the monthly building and land rental fees payable effective January 1, 2010 would be the greater of (a) the rates effective for January 2000 adjusted annually by ½ of the change in the CPI or (b) the rate determined per (i) above.

7.8 If new Basic Rental Rates have been established in accordance with subsection 7.2 above, effective January 1, 2011 and annually thereafter the rates for determining the building and land rental fee the User shall pay to the Airport Operator shall be determined by taking the rates for the immediately prior year and multiplying them by the SIAF for the appropriate year.

7.9 As each of the buildings identified on Exhibit B as rental components A, B, C, and D are subject to demolition in accordance with the Phase 1, Phase 2 and Phase 3 construction plans, a 100% abatement of the building rental rate will be in effect starting upon the date that the demolition begins for each separate entity and extending to the twentieth (20th) anniversary date of the completion of the construction of the new facility.

7.10 The User shall, from and after the twentieth (20th) anniversary date of the completion date of each of the building being constructed in accordance with the Phase 1, Phase 2 and Phase 3 construction plans, until the expiration of the term of the Agreement, pay to the Airport Operator a monthly building rental fee, subject to annual CPI adjustments. The fee payable at that time will be determined by the Port Authority based on (a) appraised values determined by appraisals conducted in 2009 or 2019, if such appraisals are conducted, or (b) prevailing rates for facilities of similar age and functionality located on Teterboro Airport. Such rates will be subject to annual escalations in accordance with the procedure established in this Agreement.

7.11 If the effective date of an abatement or of a completion occurs on other than the first day of a calendar month, the appropriate fees or abatements will be prorated on the basis of the number of days from the effective date to the end of such month.

7.12 In addition to all other fees set forth in this Section, the User shall pay to the Airport Operator a gross receipts fee of five percent (5%) of the gross receipts (as hereinafter defined) of the User arising during each annual period in excess of thirty two million dollars ($32,000,000), (hereinafter called the "annual exemption amount").

7.12.1 The term "Gross Receipts" as used herein shall mean all monies derived by the User at the Space as such is defined hereunder, provided, however, there shall be excluded from Gross Receipts for the purpose of such fee:

7.12.1.1 any taxes imposed by law which are separately stated by and paid by customer of User and directly remitted by the User to the taxing or tax collection authority, and

7.12.1.2 all monies paid or payable to the User for the sale of aviation fuel or lubricants.

7.12.2 During any annual period of the term of the agreement if the fees pursuant to this section are escalated the exemption amount stipulated in subsection 7.12 hereof shall be increased by an amount equal to twenty times the amount by which the basic fee

or other such fee was escalated. If the escalation of such fee shall become effective other than at the end of an annual period under the Agreement, the increase in the annual exemption amount shall be increased pro rata.

8. Time of Payment and Computation of Amounts

8.1 User shall pay to the Airport Operator the monthly payments of the fee specified in the Section entitled "Fees to the Airport Operator" hereof in advance on the first (1st) day of each and every month, without tender of an invoice by the Airport Operator, until the termination of this Agreement, provided however, if this Agreement is terminated other than the last day of the month the last payment shall be the then effective monthly fee prorated in the same proportion as the number of days the Agreement was effective in the last month bears to the actual number of days in said month.

8.2 For each annual period the User shall pay the gross receipts percentage fee as follows: on the twentieth (20th) day of the first (1st) month following the Effective Date and on the twentieth (20th) day of each and every month thereafter including the month following the end of the annual period, the User shall render to the Airport Operator a statement certified by User's principal financial officer showing its gross receipts for the preceding calendar month and its cumulative gross receipts from the date of commencement of the annual period for which the report is made, through the last day of the preceding calendar month; whenever any such statement shall show that the cumulative gross receipts for the annual period are in excess of the annual exemption amount, the User shall pay to the Airport Operator at the time of rendering the statement an amount equal to five percent (5%) of such excess and shall on the twentieth (20th) day of each month thereafter during the annual period and the month next succeeding that annual period, pay to the Airport Operator an amount equal to five percent (5%) of the gross receipts of each subsequent month during the annual period. At any time that the annual exemption amount is decreased by abatement so that there is an excess of gross receipts as to which such percentage fee has not been paid the same shall be payable to the Airport Operator forthwith.

8.3 Upon any termination of the Agreement, even if stated to have the same effect as expiration, but in no event if termination of the Agreement is due to termination of the Basic Agreement or by the Airport Operator for any reason whatsoever, the User shall, within twenty (20) days of the effective date of such termination, make a payment of such percentage fees computed as follows: (1) the User shall within twenty (20) days after the effective date of termination render to the Airport Operator a statement of Gross Receipts certified by User's principal financial officer for the annual period in which the

effective date of termination falls; and, (2) the payment when due on account of all such percentage fees for the annual period in which the effective date of termination falls shall be the excess for such percentage fees computed as follows, over the total of such percentage fee payments previously made for such annual period: five percent (5%) of the gross receipts of the User for such annual period which are in excess of the annual exemption amount, said annual exemption amount being multiplied by a fraction, the numerator of which shall be the number of days from the commencement of the annual period to the effective date of termination, and the denominator of which shall be three hundred sixty-five (365).

8.4 Nothing contained in the foregoing shall affect the survival of the obligation of the User as set forth in the Sections of this Agreement covering the survival of the User's obligations.

8.5 The fees specified herein shall be payable at the Office of the Manager of Teterboro Airport, 399 Industrial Avenue, Teterboro, New Jersey 07608, or such other location as may from time to time be substituted therefor.

9. Care, Maintenance and Repair

9.1 The User shall at its own expense at all times keep the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public, in a clean and orderly condition and appearance.

9.2 The User shall, at its own expense, repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

9.3 User shall perform all snow removal from the Space in a manner prescribed by an annual snow removal plan which shall be submitted to the User each year, by the airport manager, prior to start of the snow season.

9.3.1 In the event the User fails to adhere to said plan, the Airport Operator may, at its option, without notice to the User commence corrective action and charge the cost thereof to the User. The amount of such charge to constitute an item of a additional fee.

9.4 Except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof, the User at its own expense shall take good care of the Space, including without limitation paved and unpaved areas, fences, skylights, steelwork, walls,

partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, lights, sewerage, drainage, water supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures.

9.5 The User shall perform all structural and nonstructural maintenance, repairs, replacements and painting at the Space, including walls, ceilings, windows, doors, floors, partitions, glass, electrical, plumbing and heater equipment and fixtures, air conditioning and ventilation equipment that service the Space, regardless of the cause of condition requiring the same, except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof.

9.6 In the event the User fails to commence to so repair, replace, rebuild or paint as required above within a period of ten (10) days after notice from the Airport Operator so to do, or fails diligently to continue to complete the repair, rebuilding, replacement, or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, the Airport Operator 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

10. Services to the User

10.1 The Airport Operator shall supply connections for water, sewerage, electricity, and gas to the Space, if applicable.

10.2 The User shall promptly pay all domestic water, electric, gas and other utility bills covering consumption by the User in the Space. In the event that any such bill or bills remains unpaid for a period of thirty (30) days after the same becomes due and payable, or in the event that any such bill remains unpaid at the expiration or earlier termination of this Agreement, the Airport Operator may pay the same and any interest or penalties thereon, and the total payment or payments at any time so made shall constitute an item of additional fee, payable to the Airport Operator upon demand.

10.3 The User agrees to heat the enclosed portion of the Space to a sufficient temperature so that plumbing, fire protection and sprinkler systems will not be damaged by the cold.

10.4 In the event that the Borough of Teterboro, or the State of New Jersey or any other municipal subdivision, or corporation now furnishing, with or without charge therefor, any services which are beneficial to the User

in its use or occupancy of the Space shall hereafter impose charges or increase existing charges for such services, the User agrees to pay the Airport Operator as an item of additional fee hereunder such of the charges or the increase in charges as may imposed or assessed against the Airport Operator in respect of the Space of the User or its use or occupancy thereof.

10.5 The Airport Operator shall charge the User on an equitable basis for the following services:

10.5.1 Sewer usage, taking into account total usage of others on the same sewer system; and

10.5.2 Standby water charges for fire protection system, taking into account total usage of others on the same systems, if applicable.

11. Insurance

11.1 During the term of this Agreement, the User shall, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction.

11.2 For the Space known as Hangar 15, 16, 17, for a any replacements thereof, and any new hangar which may be build on the site of Building 70, during the term of this Agreement, the Airport Operator shall, for the account of and expense of the User, provide, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the said Hangar facilities against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form

of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction

11.3 The aforesaid insurance coverages and renewals thereof shall insure the Port Authority and the Airport Operator as their interests may appear and shall provide that the loss, if any, shall be adjusted with the Airport Operator and the Port Authority and shall be payable to the Port Authority or The Airport Operator as their interests may appear.

11.4 At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to the Airport Operator and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority and the Airport Operator twenty (20) days advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to the Airport Operator at least twenty (20) days before the expiration of the insurance which such policies are to renew.

11.5 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify the Airport Operator of such casualty and shall thereafter furnish to the Airport Operator such information and data as shall enable the parties to adjust the loss.

11.6 To the extent that any loss is recouped by actual payment to the Port Authority or the Airport Operator, of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by the Airport Operator to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include as itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligation under the Agreement. If the proceeds of any such insurance paid to the Airport Operator exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by the Airport Operator.

11.7 If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space. If the User does not so properly proceed then the Airport Operator may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement

11.8 The User, for its own protection, may separately insure at its own expense such fixtures, equipment or other personal property at the Space as its interests may appear.

12. Ingress and Egress

12.1. The User, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport as may from time to time be designated by the Airport Operator for the use of the public.

12.2 The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

12.3 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Airport Operator may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User.

12.4 The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; the Airport Operator, its subsidiaries and affiliates, their Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

13. Indemnity, Liability Insurance

13.1 The User shall indemnify and hold harmless the Port Authority, its commissioners, officers, employees and representatives; and, except for the gross negligence of the Airport Operator, its subsidiaries and affiliates, their directors, officers, employees and agents (to include reasonable attorney's and other professional fees) from and against all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damage arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on the Space or out of the acts or omissions of others on the Space with the consent of the User whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement.

13.2 In addition to the obligations set forth in the subsection immediately above, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

13.2.1 Combined single limit of $75,000,000 for bodily injury and property damage.

13.2.2 In addition to the obligations set forth in the above subsections, the User in its own name as assured shall maintain personal property insurance covering loss or damage to its property on or at the Space. Such policy shall be in an amount to cover maximum exposure at any time.

13.2.3 The User in its own name as insured shall maintain and pay the premium for a policy of hangar-keeper's legal liability insurance covering loss or damage to aircraft or aircraft parts belonging to others and which are on the Space in the custody of the User for storage, parking, repair, servicing or safekeeping. Such policy shall be in an amount sufficient to cover maximum exposure at any time, but in no event less than $50,000,000 per loss.

13.3 The Airport Operator and the Port Authority shall be named as an additional insured in any policy of insurance required above.

13.4 As to any insurance required by the provisions of this Agreement to be obtained by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders,

together with evidence of the payment of the premium thereon, shall be delivered to the Airport Operator within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to the Airport Operator. A renewal policy shall be delivered to the Airport Operator at least twenty (20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or become unsatisfactory to the Airport Operator as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Airport Operator, the User shall promptly obtain a new and satisfactory policy in replacement.

14. Various Obligations of the User

14.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space on the Airport. The User shall take all reasonable measures:

14.1.1 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

14.1.2 to keep the sound level of its operations within acceptable limits as determined by the Airport Operator.

14.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon reasonable objection from the Airport Operator concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If the Airport Operator shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the manager of the Airport.

14.3 It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User will employ the maximum reasonable amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take

all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event the Airport Operator determines that the User has not curbed the prop or jet blast interference, as set forth above, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference subject, however, to the prior written approval of the Airport Operator as to type, manner and method of construction.

14.4 The User shall regularly remove from the Space by means of facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of the Airport Operator. No facilities of the Airport shall be used for such removal unless the Airport Operator consented in writing prior. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space, pursuant to an approved discharge permit issued by Federal, state, county or local government.

14.5 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable federal, state and municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

14.6 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance

with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to the Airport Operator that part of all premiums paid by the Airport Operator which shall have been charged because of such violation or failure by the User.

14.7 In connection with the conduct of User's business the User shall:

14.7.1 use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

14.7.2 not divert, or cause or allow to be diverted, any business from the Airport;

14.7.3 maintain in accordance with accepted accounting practice during the term hereof User's records and books of account recording all transactions at, through or in anywise connected with the airport which records and books of account shall be kept at all times at the User's place of business at the Airport;

14.7.4 permit in ordinary business hours during the term hereof and for one (1) year thereafter the examination and audit, on a non disclosure basis, by the officers, employees or representatives of the Airport Operator of such records and books of account and also any records and books of account of any company owned or controlled by the User if said Company performs services similar to those performed by the User anywhere at the Airport.

14.8 In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by the Airport Operator or the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under this Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. The

Airport Operator hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Airport Operator. The User shall submit for the Airport Operator approval a construction application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

14.8.1 The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that the Airport Operator or the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of the Airport Operator or the Port Authority's recommendations or requirements and notwithstanding that the Airport Operator and the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or the Airport Operator or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to the Airport Operator in entering into this Agreement with the User.

14.9 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Airport Operator shall relieve the User of such responsibility. Both User and the Airport Operator shall use their best efforts to notify the other party of any rules, regulations, orders, of which they may become aware.

14.10 The following terms shall have the following respective meanings as used herein:

14.10.1 "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or

(v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

14.10.2 "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statues, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all governmental agencies, and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various governmental agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

14.10.3 "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

14.10.4 "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

14.11 The User agrees to assume all responsibility for all damages, costs, and expenses of any kind incurred by the Airport Operator or Port Authority caused by the negligent or willful actions of the User, its employees or contractors on the Space or which occur directly as a result of any leak, spill or other discharge of aviation petroleum hydrocarbons or Hazardous Substance(s) which is regulated by any federal, state or local governmental authority from tanks and lines owned or controlled by the User, on the Space and which was caused by the negligent or willful actions of the User, its employees, or contractors, and provided such leak, spill or discharge occurs during the period the User occupied the Space and owned or controlled any tanks and lines on the Space. It is expressly agreed that the foregoing shall not be applicable to any loss, claim, damage or liability arising from any contractual obligations of any third party which the Airport Operator or the Port Authority may assume, shall not be applicable to any damages or losses arising from loss of profits or business opportunity, or any other special or consequential damages, nor shall it be applicable to any attorneys' fees or any fine or penalties levied upon the Airport Operator or the Port Authority. Further, the foregoing shall be applicable only to leaks, spills or discharges which result in a level of contamination exceeding standards required by applicable authorities as of the date of the commencement of this Supplement No. 1 and shall inure only to the Airport Operator or the Port Authority and not to any assigns or successors or to any other person or entity.

15. Prohibited Acts

15.1 The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to employees or the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following(hereinafter called "Vending Machines"):

15.1.1 Hot and cold packaged foods;

15.1.2 Hot and cold beverages;

15.1.3 Candy and chewing gum;

15.1.4 Tobacco and tobacco products;

15.1.5 Newspapers and periodicals;

15.1.6 Telephone services (pay stations)

15.2 If User, installs or causes to be installed, vending machines on the Space for the limited sale of merchandise or services permitted hereunder, User shall have the right to retain the revenues derived therefrom, provided, however, that:

15.2.1 The User shall itself, and shall also require its contractors, to indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates, their Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands of third persons, including employees, (to include reasonable attorney and other professional fees) officers and agents of the Airport Operator and the Port Authority arising or alleged to arise out of the installation, operation or maintenance of the User's vending machines (or consumable obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the User's vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this Agreement.

15.3 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by the Airport Operator at any time during the term of this Agreement upon ninety (90) days notice to the User and the Airport Operator, at any time thereafter, may substitute for the User's Vending Machines other machines selling similar merchandise or services operated by the Airport Operator or by its permittee or concessionaire and thereupon User shall remove its machines.

15.4 Upon installation by the Airport Operator or by its permittee or concessionaire of vending machines in substitution of User's Vending Machines, all revenues derived therefrom shall be retained by the Airport Operator.

15.5 Upon rendering of notice to User of termination of the right to operate Vending Machines, the Airport Operator may elect to permit User's Vending Machines to remain, but in such case, User shall pay or cause to be paid to the Airport Operator each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of the Airport Operator then operating machines at the

Airport for sale to the general public of similar merchandise or rendering of similar services.

15.6 The termination by the Airport Operator of the limited right of User to install Vending Machines at the Space shall be nondiscriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by the Airport Operator User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

15.7 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

15.8 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

15.9 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

15.10 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

15.11 The User shall not do or permit to be done any act or thing upon the Space which:

15.11.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

15.11.2 which, in the opinion of the Airport Operator, may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

15.11.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

15.12 Except persons who have been granted valid permits and/or permission from the Airport Operator, User shall not permit, foster or allow on the Space any persons not related to the User who are:

15.12.1 doing maintenance work on aircraft not owned or operated solely by said persons,

15.12.2 giving flight instruction of any sort unless such persons are members of User's flight instruction staff, or

15.12.3 conducting air taxi, aircraft charter or aircraft leasing of any sort.

16. Rules and Regulations

16.1 User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such rules and regulations of the Airport as are now in effect or as may be promulgated from time to time for the government and conduct of operations of the Airport for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then the Airport Operator will make a copy thereof available to the User at the office of the manager of Airport.

17. Signs

17.1 Except with the prior written approval of the Airport Operator, the User shall not erect, maintain or display any advertising, signs or similar devices at or on the Space.

17.2 Upon demand by the Airport Operator, the User shall remove, obliterate or paint out any and all advertising, signs and similar devices placed by the User on the Space or elsewhere on the Airport without the prior approval of the Airport Operator. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, the Airport Operator may perform the necessary work and the User shall pay the costs thereof to the Airport Operator on demand.

18. Assignment

18.1 The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of the Airport Operator. The Airport Operator may grant or withhold such consent solely in its discretion for any reason.

18.2 If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by

anyone other than the User, the Airport Operator may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by said assignees, sub-user or other user and no such payment shall be deemed a waiver by the Airport Operator of the covenants or agreements contained in this Section nor of acceptance by the Airport Operator of any assignee, claimant or occupant, nor as a release of the User by the Airport Operator from the further performance by the User of the agreements contained herein including but not limited to the payment of fees.

18.3 In the event that the User enters into a sub-use agreement, with the consent of the Airport Operator for the use and occupancy of the entire Space, User agrees to pay to the Airport Operator an amount equal to forty-five percent (45%) of any fees paid by the sub-user to the User in excess of the fees due to the Airport Operator under Section 7 of the Agreement, after deduction of a monthly administrative fee of ten percent (10%) of the excess fee or two hundred and fifty dollars ($250.00), whichever is lower.

19. Condemnation

19.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or the Airport Operator, or its subsidiaries and affiliates for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between the Airport Operator and the User that the Airport Operator shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

19.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be cancelled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired. The Airport Operator shall provide User such advance notice as practicable.

19.3 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rules, regulation, requirement, order or direction, the Airport Operator may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to

deliver possession of all or such portion of Space so required upon the effective date of such termination.

19.3.1 No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or the Airport Operator or its subsidiaries and affiliates for damages, consequential or otherwise.

20. Non-Discrimination

20.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (I) no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 2I, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of I964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between the Airport Operator and the United States Government or otherwise.

20.2 The User assures that it will undertake an affirmative action program as required by I4 CFR Part I52, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in I4 CFR Part I52, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by I4 CFR Part I52, Subpart E, to the same effect.

20.3 The User shall include the provisions of the above subsections in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting the Airport Operator a right to take such action as the United States may direct to enforce such covenant.

20.4 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above non-discrimination provisions, the Airport Operator may take any appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from the Airport Operator, the Airport Operator shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Airport Operator may take such action as the United States may direct.

20.5 The User shall indemnify and hold harmless the Airport Operator, its subsidiaries and affiliates and the Port Authority (to include reasonable attorney's and other professional fees) from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse the Airport Operator and the Port Authority for any loss or expense incurred by reason of such noncompliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this Agreement.

20.6 Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

21. Minority Business Enterprises

21.1 In accordance with the construction required in Section 5 of the Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

22. Right to Recapture Portions of User's Ramp Space

22.1 The User acknowledges that the Airport serves the needs of the public and that the Public Aircraft Facilities should be utilized to the fullest extent possible with airport users afforded fair and reasonable access. The User also acknowledges that the following subsections provide that if the User does not utilize its facilities to the level set forth in stated performance criteria such underutilized facilities may be either recaptured by the Port Authority or required to be offered by the User to another user in accordance with the following:

22.2 It is hereby agreed that, commencing on January 1, 2001, which will be known as the "Start Date", and for each and every calendar year thereafter, the Port Authority may ascertain the User's percentage share (hereinafter referred to as the "User's Current Fuel Share") of the total aircraft fuel gallons sold (hereinafter referred to as "Total Current Fuel Dispensed") at the Airport for the preceding calendar year. The fuel dispensed by the User for the year preceding the Start Date and the year preceding each and every calendar year thereafter during which such calculation is made shall be known as the "User's Current Fuel Dispensed". The User's Current Fuel Share shall be calculated by dividing the User's Current Fuel Dispensed by the Total Current Fuel Dispensed preceding the year during which such calculation is made. The User's Current Fuel Share for the calendar year 1998 shall hereinafter be defined as "the Base Year's Fuel Share" and is shown below:

Teterboro Airport User	Fuel Share in 1998

Exemption (2.a.)

22.3 As of the Start Date and as of January 1st of each succeeding calendar year, in the event that the User's Current Fuel Share for the respective preceding calendar year is determined to be at least the User's Base Year Fuel Share, the Port Authority shall have the right but not the obligation, upon two (2) month's written notice to the User, to require the User and the User hereby agrees to make ramp space identified as Area 2 off Exhibit A-1 (hereinafter called "Accommodation Space") available to other users, sub-users or the Port Authority in useable increments as directed by the Port Authority in the amount and in the manner and to the extent set forth below:

Percentage of User's Current Fuel Share Divided by User's Base Year Fuel Share	Ramp Space to be Made Available

Exemption (2.a.)

22.4 In the event the User is so notified by the Port Authority it shall either (a) enter into a sub-use and occupancy agreement with another user as determined by the Port Authority or (b) enter into a surrender agreement as directed by the Port Authority. Any such sub-use and occupancy agreement shall be subject to the prior and continuing approval of the Port Authority and the execution by and among the User, the Sub-user, the Airport Operator, and the Port Authority of a Consent Agreement in form satisfactory to the Port Authority. Moreover, and without limiting the foregoing, the User shall provide any and all information to the Airport Operator as may be requested by the Airport Operator from time to time as to all aspects of its accommodation of Sub-user hereunder. Nothing contained herein shall in any way affect the discretion of the Airport Operator or the Port Authority in granting or withholding its consent to a sub-use and occupancy agreement.

22.5 The failure of the Port Authority to exercise its right under this Section during any year in which it may have such a right shall not affect, waive, or limit its rights to exercise such right in any subsequent year during any period of under-utilization. In no event will the Accommodation Space exceed the percentages set forth above.

22.6 The User shall make such ramp space available during the period set forth in the aforesaid notice. The Port Authority shall consider a request by the User to restore the Accommodation Space to the User when the User's Current Fuel Share shall have returned to within or less of the User's base year fuel share, provided the Accommodation Space is not then covered by a sub-use or other agreement or at such time as the Port Authority deems it is in the best interest of the Airport to restore the Accommodation Space to the User

22.7 The User agrees that all handling, sublease, sub-use and occupancy agreements shall be at reasonable and at non-discriminatory rates, fees and charges and shall be based on the recovery by the User of a pro rata share of the User's costs of (1) operation and maintenance, (2) services provided, and (3) the User's fees and investment in the Accommodation Space.

23. Governmental Requirements

23.1 The User shall procure all licenses, certificates, permits or other

authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

23.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

23.3 The Airport Operator has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction over the airport and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Airport Operator. Unless otherwise directed in writing by the Airport Operator because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to, in fact cover, the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to the Airport Operator but prior to the receipt by the User of a written direction from the Airport Operator, such compliance shall not constitute a breach of this Agreement, although the Airport Operator thereafter notifies the User to refrain from such compliance.

23.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space. Any notice received by the Airport Operator shall be related to User as soon as practicable.

23.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

24. Rights of Entry Reserved

24.1 The Port Authority, by its officers, employees, agents, representatives and contractors and the Airport Operator and its subsidiaries and affiliates by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the

performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or the Airport Operator may be obligated or have the right to do under this Agreement, or otherwise. In the event of a question of a contractors authority, the User shall contact the Airport Operator.

24.2 Without limiting the generality of the foregoing, the Airport Operator and its subsidiaries and affiliates, by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Airport Operator, be deemed necessary or advisable and, from time to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction the Airport Operator shall not unreasonably interfere with the use and occupancy of the Space by the User.

24.3 The exercise of any or all of the foregoing rights by the Port Authority, the Airport Operator or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

24.4 Nothing in this Section shall impose or shall be construed to impose upon the Airport Operator or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

25. Basic Agreement

25.1 In the event the Basic Agreement is terminated, revoked, cancelled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement and such termination, revocation, cancellation or expiration of the Basic Agreement shall not be deemed a breach of this Agreement.

26. Patents, Trademarks

26.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to indemnify and to save and hold the Port Authority, the Airport Operator, its subsidiaries and affiliates, their Commissioners, Directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

27. Additional Fees and Charges

27.1 If the Airport Operator is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 fees thereafter due hereunder, and each and every part of the same shall be and become additional fees, recoverable by the Airport Operator in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to the Airport Operator" hereof.

28. Right of Re-entry

28.1 The Airport Operator shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

29. Surrender

29.1 The User covenants and agrees to yield and deliver peaceably to the Airport Operator possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

30. Termination by the Airport Operator

30.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, the Airport Operator may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

30.1.1 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

30.1.2 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

30.1.3 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

30.1.4 Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of User under this Agreement shall be transferred to, passed to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

30.1.5 The User, if a corporation, shall, without the prior written approval of the Airport Operator, become a successor or merged

corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution, except as it applies to affiliated and subsidiary companies; or

30.1.6 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

30.1.7 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

30.1.8 Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof; or

30.1.9 The User shall fail duly and punctually to pay the fees or to make any other payment required hereunder when due to the Airport Operator and shall persist in its failure for a period of ten (l0) days following the receipt of written notice of such default from the Airport Operator; or

30.1.10 The User shall fail to keep, perform and observe each and every material promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within twenty (20) days after receipt of notice of default thereunder from the Airport Operator (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within ten (l0) days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

30.1.11 There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and the Airport Operator at the Airport.

30.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the

User shall not be entitled to enter into possession of the Space, and the Airport Operator upon the occurrence of any such event, or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel this Agreement, such cancellation to be effective upon the date specified in such notice.

30.3 No acceptance by the Airport Operator of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of the Airport Operator to terminate this Agreement.

30.4 No waiver by the Airport Operator of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by the Airport Operator of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

30.5 The rights of termination 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 the Airport Operator would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by the Airport Operator of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User," the sole right of the Airport Operator shall be a right of termination.

31. Survival of the Obligations of the User

31.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by the Airport Operator" hereof, or in the event that the Airport Operator has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Airport Operator to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place the Airport Operator may maintain separate actions each month to recover

the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

31.2 The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's Fee obligations, shall be the sum of the following:

31.2.1 The amount of the total of all installments of fees pursuant to the Section entitled "Fees to The Airport Operator" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (lst) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month; and an amount equal to all reasonable expenses incurred by the Airport Operator in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to reasonable attorney's fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

32. Use Subsequent to Cancellation or Termination

32.1 The Airport Operator, upon termination or cancellation pursuant to the Section entitled "Termination by the Airport Operator" of this Agreement, or upon any re-entry, regaining or resumption of possession pursuant to the Section entitled "Right of Re-Entry" of this Agreement, may occupy the Space or may enter into an agreement with another User and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be part only of the Space or of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Airport Operator, at its own expense, shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

32.2 In the event either of use by others or of any actual use and occupancy by the Airport Operator, there shall be credited to the account of the User against its survived obligations hereunder any net amount

remaining after deducting from the amount actually received from any User, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as the Airport Operator may itself during such period actually use and occupy, less all reasonable expenses, costs and disbursements incurred or paid by the Airport Operator in connection therewith.

32.3 No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of the Airport Operator hereunder. The Airport Operator will use its best efforts to minimize damages to User under this Section commensurate with its obligations under the Basic Agreement.

33. Services by User

33.1 A principal purpose of the Airport Operator in the making of this Agreement is to make available at the Airport the items and/or services which the User is permitted to sell and/or render hereunder. The User hereby warrants and agrees that it will conduct a first-class operation and will furnish all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and facilities.

33.2 The User shall:

33.2.1 furnish good, prompt and efficient service adequate to meet all reasonable demands therefor at the Space;

33.2.2 furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and

33.2.3 charge fair, reasonable and nondiscriminatory prices for each unit of sale or service, provided that the User may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

33.2.4 As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

33.3 The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Federal Airport Act of 1946 and pursuant to the Airport and Airway Development Act of 1970 (49 U.S.C. 1701), as the same have been amended and supplemented, and the Port Authority may in

the future apply for and receive further such grants. The Airport Operator under its Operating Agreement with the Port Authority for Teterboro Airport, dated September 19, 1967, has assumed certain obligations of the Port Authority under the grant agreement and in connection therewith, the Port Authority and the Airport Operator may in the future undertake certain additional obligations respecting the operation of the Airport and the activities of contractors, lessees and permittees thereon. The performance by the User of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the Airport Operator to enter into this Agreement and the User further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority and/or the Airport Operator in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the User of its obligations under this Agreement, the User will promptly comply therewith, at the time or times when and to the extent that the Airport Operator may direct.

34. Remedies to be Non-exclusive

34.1 Except where otherwise specifically provided, 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 either party at law or in equity.

35. Limitation of Rights and Privileges Granted

35.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

36. Removal of Personal Property

36.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

36.2 If the User shall fail to remove its property on or before the termination or expiration of the term, the Airport Operator may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to the Airport Operator, with any balance remaining to be paid to the User, but if the

expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to the Airport Operator upon demand.

37. Brokerage

37.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Airport Operator its subsidiaries and affiliates of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the User, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees).

38. Obstruction Lights

38.1 The User shall furnish such obstruction lights as the Airport Operator shall direct, of the type and design approved by the Airport Operator, and shall install said lights in the locations on the Space designated by the Airport Operator and shall maintain them in good operating condition at all times.

38.2 The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of said lights, and shall operate the same in accordance with the directions of the Airport Operator. The Airport Operator hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

39. Notices

39.1 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 mail.

Notices to the Airport Operator shall be directed to:

Vice President
Johnson Controls World Services Inc.

7315 North Atlantic Avenue
Cape Canaveral, Florida, 32920

With copy to:

Airport Manager
399 Industrial Avenue
Teterboro Airport, New Jersey 07608

Notices to User shall be directed to:

Regional Vice President
Signature Flight Support
23950 Wind Sock Dr., Suite 2000
Dulles, Virginia, 20166

Director of Contracts
Signature flight Support Corporation
201 S. Orange Avenue, Suite 1100
Orlando, FL 32801

40. Construction and Application of Terms

40.1 The Section and subsection 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 of intent of any provision hereof.

41. Non-Liability of Individuals

41.1 Neither the directors of the Airport Operator, its subsidiaries and affiliates, or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

42. Abatement

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

43. Port Authority Consent

43.1 This Agreement shall become effective upon the execution hereof by all

parties hereto and the execution of a Consent Agreement between and among the Port Authority, the Airport Operator, and the User.

44. Entire Agreement

44.1 This Agreement consists of the following: Sections 1 through 44 inclusive and Exhibits A-1, A-2, A-3 and B and C

44.2 The foregoing constitutes the entire agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by the Airport Operator and the User. The User agrees that no representations or warranties shall be binding upon the Airport Operator unless expressed in writing in this Agreement.

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

JOHNSON CONTROLS WORLD SERVICES INC.
(Airport Operator)

ATTEST:

Laura Conner

Title: Asst Asst

By: [illegible]

Title: Vice President (acting)

SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC.
(User)

ATTEST:

Title: Secretary

By: [illegible]

Title: Vice President Operations

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

TA-303 EXHIBIT B
SIGNATURE FLIGHT SUPPORT - FEE SCHEDULE

Exemption (2.a.)

EXHIBIT C

If (i) the Contractor fails to perform any of its obligations under the Contract, including its obligations to the User to pay any claims lawfully made against the Contractor by any material supplier, subcontractor or worker or any other third person which arises out of or in connection with the performance of the Contract or (ii) any claim (just or unjust) which arises out of or in connection with the Contract is made against the User or (iii) any subcontractor under the Contract fails to pay any claims lawfully made against the subcontractor by any material supplier, subcontractor, worker or other third person which arises out of or in connection with the Contract or if in the User's opinion any of the aforesaid contingencies is likely to arise, then the User shall have the right, in its discretion, to withhold out any payment (final or otherwise and even though such payments have already been certified as due) such sums as the User may deem ample to protect it against any delay or loss or to assume the payment of just claims of third persons, and to apply such sums in such manner as the User may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the User to withhold out of any payment, final or otherwise, a sum for any of the above contingencies even though such contingency has occurred at the time of such payment shall not be deemed to indicate that the User does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the User to withhold and apply monies nor any exercise, or attempted exercise of, or omission to exercise such rights by the User shall create any obligation of any kind to such material supplier, subcontractor, worker, or other third persons. Until actual payment is made to the Contractor, its rights to any amount to be paid under the Contract (even thought such amounts has already been certified as due) shall be subordinate to the rights of the User under this provision.

The User shall file with the Airport Operator a copy of its contracts with its contractors prior to the start of the construction work.

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this _____ day of _____, 2000, before me, the subscriber, a notary public of New York, personally appeared _____ the _____ of the Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD

On this 20th day of October, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders , the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Michelle Trepanier
(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
MICHELLE M. TREPANIER
My Comm Exp. 12/17/2003
No. CC 873037
[X] Personally Known [ ] Other ID

STATE OF Florida)
) ss.
COUNTY OF Orange

On this 19th day of October 2000, before me, the subscriber, a Notary Public personally appeared Keith P. Ryan the Vice President of ~~Signature Flight Support~~ New Jersey Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

NOTARY PUBLIC STATE OF OHIO
FRANCES E. ROSSI
COMMISSION # CC604985
EXPIRES DEC. 3, 2000

Frances E. Rossi

Teterboro Airport
Use & Occupancy
Agreement TA-303

CONSENT AGREEMENT

THIS AGREEMENT, dated as of January 1, 2000 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (herein after called "The Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "the Airport Operator") and SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC. (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator and the User and its predecessors in interest, have entered into the following Use and Occupancy Agreements, with the consent of the Port Authority:

TA-059 dated April 11, 1974:	Hangar 15;
TA-140 dated November 26, 1979:	Hangar 16;
TA-264 dated August 1, 1995:	Hangar 17 and Part of Building 70; and

WHEREAS, the Port Authority, the Airport Operator and the User entered into Consent Agreements of various dates (hereinafter called "the Use and Occupancy Consent Agreements") consenting to each of the above listed Use and Occupancy Agreements, wherein the Port Authority gave its consent to the Use and Occupancy Agreements; and

WHEREAS, the Airport Operator and the User, with the consent of the Port Authority, have entered into an Extension of Agreement for each of the above Use and Occupancy agreements, which , with certain changes, extends the term of each of Use and Occupancy agreements to a date no later than December 30, 2000; and

WHEREAS, the Airport Operator and the User desire to replace the above referenced Use and Occupancy Agreements, as extended, with a new, consolidated Use and Occupancy Agreement TA-303 as attached hereto, made a part hereof and hereafter called "the Agreement", subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority.

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements contained, the Port Authority, the Airport Operator and the User hereby agree effective as of the effective date of the Supplement as follows:

1. On the terms and condition hereinafter set forth, the Port Authority consents to the Agreement.

2. (a) If the Main Agreement shall terminate (whether through the expiration of its term or by earlier termination as provided in the Main Agreement) before the expiration date of TA-303, TA-303 shall terminate as hereinafter provided and, if the User is in occupancy and using the Space, the Port Authority or a successor airport operator selected by the Port Authority shall enter into a use and occupancy agreement with the User covering the use and occupancy of the Space, with the term thereof commencing as of the expiration or earlier termination of TA-303, the permitted uses of the Space, the fees and charges thereunder being set forth in TA-303, and on substantially the same remaining terms and conditions as set forth in TA-303 and such additional terms as may be necessary or appropriate.

   (b) Any successor airport operator that may be selected by the Port Authority shall be required to assume all Port Authority obligations hereunder and under any successor use and occupancy agreement and relieve the Port Authority of same.

   (c) The expiration date as referenced in Section 1, "Term" of TA-303 shall expire, unless sooner terminated in accordance with other terms and conditions of TA-303, on a date twenty (20) from the completion of the new construction identified in Section 5 of TA-303.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by TA-303 if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. TA-303 is an agreement between the Airport Operator and the User with respect

to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of TA-303 shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of TA-303, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of TA-303 to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

4. No provision of TA-303 including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of TA-303 covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the Space covered by TA-303, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Main Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in TA-303 which are not specifically referred to herein.

5. The User, in its operations under or in connection with TA-303 and in its occupancy of the Space covered by TA-303, shall be subject to the applicable terms, provisions, covenants and conditions of the Main Agreement. Without in any way affecting the obligations of the Airport Operator under the Main Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Main Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or

be deemed to be in default of the Main Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

6. TA-303 shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

7. If the Airport Operator shall at any time be in default of its obligations under the Main Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Main Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Main Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Main Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Main Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

8. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or TA-303 or of any rights under either of them, whether in whole or in part.

9. In the event of any default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days (or such longer period as is required in the reasonable opinion of the Port Authority, to correct such default, provided the User promptly commences and diligently continues to effectuate a cure) after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Main Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Main Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate TA-303.

10. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the Space covered by TA-303 or elsewhere on the Airport with the consent of the User.

11. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

Daniel D. Bergstein

Title: Secretary
The Port Authority of NY & NJ

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

JOHNSON CONTROLS WORLD SERVICES INC.
(Airport Operator)

ATTEST:

Title: Asst Asst

Title: Vice President (acting)

SIGNATURE FLIGHT SUPPORT – NEW JERSEY, INC.
(User)

ATTEST:

Title: Secretary

Title: Vice President Operations

APPROVED FOR
FORM
LEGAL

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 7th day of December, 2000, before me, the subscriber, a notary public of New York, personally appeared Francis A. D. Mela the Asst. Director of the Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

LINDA C. HANDEL
Notary Public, State of New York
No. 01HA6035589
Qualified in New York County
Commission Expires January 3, 2002

(notarial seal and stamp)

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD)

On this 20th day of October, 2000, before me, the subscriber, a Notary Public, personally appeared C. Robert Borders , the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Michelle Trepanier

(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
MICHELLE M. TREPANIER
My Comm Exp. 12/17/2003
No. CC 873037
[ ] Personally Known [ ] Other I.D.

STATE OF Florida)
) ss.
COUNTY OF Orange

On this 23rd day of October 2000, before me, the subscriber, a Notary Public, personally appeared Keith P. Ryan the Vice President of Signature Flight Support New Jersey Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

NOTARY PUBLIC STATE OF FLORIDA
FRANCES E. ROSSI
COMMISSION # CC604985
EXPIRES DEC. 3, 2000

NOTARY PUBLIC STATE OF FLORIDA
FRANCES E. ROSSI

Frances E. Rossi

THIS SUPPLEMENTAL AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER AND SUBUSER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Agreement No. TA-303
Teterboro Airport
Supplement No. 1 to Consent to Subuse Agreement
with The Air Group, Inc.

SUPPLEMENTAL AGREEMENT TO CONSENT TO SUBUSE AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, made as of October 29, 2007, by and among **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **SIGNATURE FLIGHT SUPPORT CORPORATION** (successor by merger with Signature Flight Support-New Jersey, Inc. and hereinafter called the "User") and **THE AIR GROUP, INC.** (hereinafter called the "Subuser");

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of November 30, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-303 and made effective as of October 3, 2000, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement is hereinafter referred to as the "Agreement"); and

WHEREAS, the Port Authority, the User and the Subuser heretofore and as of June 23, 2005 entered into a consent to subuse agreement (which consent to subuse agreement, as the same may have been heretofore supplemented and amended, is hereinafter called the "Consent"), whereby the Port Authority gave its consent to that certain hangar sub-use agreement entered into by and between the User and the Subuser providing for the use and occupancy by the Subuser of a portion of its Space under the Agreement; and

WHEREAS, further, the User and the Subuser heretofore and by virtue of that certain letter, dated August 26, 2005, from the User to the Subuser entered into a first amendment of the Subuse Agreement, which the User and the Subuser represent constitutes the first amendment of the Subuse Agreement (which amendment is hereinafter called the "First

Amendment" and a copy of which is attached hereto and hereby made a part hereof), whereby the User and the Subuser amended the rents payable by the Subuser under the Subuse Agreement; and

WHEREAS, further, the User and the Subuser heretofore and by virtue of that certain agreement, dated as of October, 2007, entered into a second amendment of the Subuse Agreement, which the User and the Subuser represent constitutes the second amendment of the Subuse Agreement (which amendment is hereinafter called the "Second Amendment" and a copy of which is attached hereto and hereby made a part hereof), whereby the User and the Subuser further defined the Subuser's use and occupancy of a portion of the Space permitted under the Subuse Agreement and its fee obligations in connection therewith; and

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the User and the Subuser hereby agree as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the First Amendment and to the Second Amendment.

2. The User and the Subuser each hereby waives its right to trial by jury in any summary proceeding or action that may hereafter be instituted by the Port Authority against the User and/or the Subuser, as the case may be, in respect of the Space and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under the Agreement. The User and the Subuser each specifically agrees that it shall not interpose any claims as counterclaims in any summary proceeding or in any action for non-payment of fees or other amounts which may be brought by the Port Authority, unless such claims would be deemed waived if not so interposed. The foregoing reference to summary proceedings shall not be construed to mean that a landlord-tenant relationship exists between the Port Authority and the User and/or the Subuser.

3. As hereby amended, all the provisions of the Consent shall be and remain in full force and effect.

4. No Commissioner, officer, agent or employee of the Port Authority shall be charged personally by the User or the Subuser with any liability, or held liable to the User or the Subuser, under any term or provision of this Supplement, or because of its execution or attempted execution, or because of any breach thereof. The User and the Subuser agree that no representations or warranties with respect to this Supplement shall be binding upon the Port Authority unless expressed in writing herein.

IN WITNESS WHEREOF, the Port Authority, the User and the Subuser have executed these presents.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____ Asst. Secretary

By _____

Name David Kagan
(Please Print Clearly)

Assistant Director
Business, Properties & Airport Development

(Title) _____

(Seal)

ATTEST:

SIGNATURE FLIGHT SUPPORT CORPORATION, User

By _____
Secretary

By _____

Name Bruce Van Allen
(Please Print Clearly)

APPROVED AS TO FORM:
Feb 02 08 08
LEGAL DEPT.

(Title) President
(Corporate Seal)

ATTEST:

THE AIR GROUP, INC., Subuser

By _____ Secretary

By _____

Name Jon Whitney
(Please Print Clearly)

(Title) President
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

MG/ALQ

Signature Flight Support
Corporate Headquarters
201 South Orange Avenue
Suite 1100
Orlando, Florida 32801

Tel 407.648.7200
Fax 407.648.7351

John "Cy" Farmer
Vice President of Operations

26 August 2005

FLIGHT SUPPORT

Mr. Jon R. Winthrop
Chairman and CEO
The Air Group, Inc.
7426 Hayvenhurst Avenue
Van Nuys, California 91406

Re: The Air Group, Inc. - Teterboro Airport

Dear Jon:

This confirms our meeting of August 9, 2005, with Haskell Company representatives in your offices to review and comment on design progress to date. In order to proceed to the next design phase promptly, Signature Flight Support Corporation ("Signature") requires The Air Group, Inc.'s ("Air Group") review and approval of preliminary drawings, pricing, and schedule established to date for the design and construction of the improvements.

The documents requiring Signature and Air Group review and approval are as follows:

- Drawings as identified in the enclosed Drawing List. Signature and Air Group have noted comments on the Drawings and have initialed each page;
- Premium Cost Summary for Additional Hangar Improvement Costs in the amount of $470,500.00, payable by The Air Group. The Premium Cost Summary is subject to increase by change orders, a copy of the summary being attached;
- Revised schedule, a copy of which is attached.

Before Signature can proceed with construction, Air Group will provide its Letter of Credit in the amount of $470,500.00 on the form acceptable to your bank and subject to Signature approval. The Letter of Credit shall include the following provision:

> *This letter of credit shall not be presented for payment or paid unless accompanied by an affidavit signed by Signature, stating that (i) Air Group is in material default of paragraph 17 of that certain Sub Use Agreement between Signature and Air Group; (ii) Signature has delivered written notice to the Air Group describing the event or condition of default in reasonable detail; (iii) the applicable cure period has expired, and the Air Group has failed or refused to cure the default. In the alternative, Signature's affidavit may state that (i) the Sub Use Agreement is in full force and effect; (ii) the letter of credit will expire in less than ten (10) days; and (iii) Air Group has failed to renew or extend the letter of credit pursuant to the terms of paragraph 17e of the Sub Use Agreement.*

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In consideration of the capital investment made by Air Group, Signature will credit the rent charged to Air Group according to the following schedule:

Exemption (2.a.)

Further, Air Group has agreed that Signature shall provide a survey of the Air Group premises on or before September 15, 2005, which is not required to conform with ATLA standards.

We appreciate your cooperation regarding this matter. We all continue to look forward to a successful project completion.

Regards,

Enclosures

AGREED AND ACCEPTED:
The Air Group, Inc.

Jon R. Winthrop
President and CEO

Dated: Sept 12, 2005

Signature FLIGHT SUPPORT

Premium Cost Summary
Air Group Build-Out
August 17, 2005

Description	Total Cost
Construction of Entry Canopy	68,100
Alucabond Exterior Wall Panels	158,600
Curtain Wall Exterior Window System	127,500
Installation of Elevator	39,300
Fall Protection System (in both E3-H and E4-H) ($18,000 / hangar)	38,000
800 s.f. Additional Shop Space	24,000
Exterior Signage Allowance	15,000
TOTAL	**$470,500**

THE HASKELL COMPANY
AMERICA'S DESIGN-BUILD LEADER

SECOND AMENDMENT

to

SUB-USE AGREEMENT

by and between

SIGNATURE FLIGHT SUPPORT CORPORATION

and

THE AIR GROUP, INC.

covering real property located at

Teterboro Airport
Teterboro, New Jersey

SECOND AMENDMENT
HANGAR SUB-USE AGREEMENT

This Second Amendment to Hangar Sub-Use Agreement ("Second Amendment") is made and entered into as of the ___ day of October, 2007, by and between Signature Flight Support Corporation, a Delaware corporation, f/k/a Signature Flight Support – New Jersey, Inc., with its principal offices located at 201 South Orange Avenue, Suite 1100, Orlando, Florida 32801 ("Signature") and The Air Group, Inc., a California corporation, with its principal offices located at 7426 Hayvenhurst Avenue, Van Nuys, California 91406 ("Air Group" or "Sub-User"). For purposes of this Second Amendment, Signature and Air Group may from time to time be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, on the 23rd of June 2005, Signature and Air Group entered into a Hangar Sub-Use Agreement as amended by the First Amendment thereto dated August 26, 2005 ("Original Agreement") at Teterboro Airport in Teterboro, New Jersey, and,

WHEREAS, the Parties desire to amend the Original Agreement on the terms set forth below, with the understanding that the Parties retain any and all rights or remedies available to them under the Original Agreement, at law or equity; and

WHEREAS, Air Group shall remain liable for all of its obligations under the Original Agreement and nothing in this Second Amendment shall change the intent of the Original Agreement to be interpreted and construed as a triple net lease; and

WHEREAS, this Second Amendment shall serve to define Air Group's obligations to the space it currently occupies without waiving or releasing Air Group from any of the obligations for the entire Premises under the Original Agreement; and

WHEREAS, effectiveness of this Second Amendment is subject to consent of The Port Authority of New York and New Jersey ("Port Authority"); and

WHEREAS, capitalized terms used but not defined herein shall have the meanings ascribed to them in the Original Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties hereby agree as follows:

1. **Fees:** Air Group and Signature agree that Section 4(a)(1) of the Original Agreement is hereby amended only to the extent that the Basic Fee for Office and Shop Space in the E3H Hangar shall be reduced from $3.50 per square foot to $2.35 per square foot.

2. **Air Group's Assigned Space:** Air Group's occupation of the Premises shall be limited to the following areas ("Assigned Space"):

A). The entire second floor of the Executive Terminal Building consisting of six thousand one hundred forty-seven (6,147) square feet.

B). Space in the E3H Hangar (Hangar 202) as described in the Original Agreement at Section 1(A) limited to fifteen thousand (15,000) non-dedicated square feet to store aircraft.

C). Office/Shop space attached to the E3H Hangar consisting of one thousand seventy-two (1,072) square feet comprised of Parts Room #204 and sub-divided gated portion (500 square feet) of Work Room #201.

D). Use of fifteen thousand (15,000) non-dedicated square feet of the ramp immediately in front (airside) of E3H ("E3H Ramp Space") provided, however, all Transient Aircraft (meaning aircraft not managed, owned or leased by Air Group) parking on the E3H Ramp Space shall be subject to Signature's then applicable parking and handling fees. Air Group's Managed Aircraft (as defined in Section 5 of the Original Agreement) shall not be parked on the E3H Ramp Space in excess of ten (10) consecutive days (or a total of two hundred forty (240) hours in any thirty (30) day period.

E). Vehicle parking space, adjacent to the E3H Hangar, consisting of fifteen (15) of the sixty (60) parking spaces ("Vehicle Parking Spaces") described in the Original Agreement in Section 1(G). Signature shall select and assign the Vehicle Parking Spaces dedicated to Air Group's use.

F). Access across the E3H Common Use ramp.

Any change in Air Group's use or occupation of the Premises shall be permitted only upon a written Amendment duly executed by the parties and with consent of the Port Authority.

3. **Basic Fees for Assigned Space:**

A. For the entire second floor of the Executive Terminal Building:

Exemption (2.a.)

B. For the E3H Hangar: Exemption (2.a.)

C. For the E3H Office and Shop: Exemption (2.a.)

D. For fifteen (15) dedicated vehicle parking spaces: Exemption (2.a.)

In addition to the Basic Fees as listed in A-D above, Air Group shall continue to pay its pro-rata share of Supplemental Fees covering utilities and any other charges (other than charges for security) contained in Section 4, Fees, of the Original Agreement.

4. **First Floor of Executive Terminal Building**: Air Group shall enjoy the same use and entitlement of the first floor common areas of the Executive Terminal Building as any other Sub-User or Permittee of Signature. The common areas in the Executive Terminal Building consist of:

A.) Lobby;

B.) Seating/Waiting Area;

C.) Restrooms;

D.) Flight Planning Room;

E.) Kitchen/Galley Area; and

F.) IT and Electrical Rooms.

5. **Basic Fees and Supplemental Fees for Assigned Space:**

A. For Use and Occupation of Assigned Space:

1. Air Group shall pay Signature Basic Fees of Exemption (2.a.)

2. Air Group shall pay Signature Supplemental Fees in the amount of Exemption (2.a.) which may vary going forward as the need for snow removal and other services arises.

3. The total amount of Basic and Supplemental Fees ("Aggregate Fees") for May, June, July, August, September and October of

2007 is Exemption (2.a.)

B. Security Deposit:

The Security Deposit shall be one month's Basic Fees in the amount of

C. For Construction Costs:

Air Group has accrued Four Hundred Twenty-Eight Thousand Four Hundred Twenty-Two Dollars ($428,422) in Construction Costs.

6. **Credits:**

The Parties agree to certain credits to Air Group as follows:

A. Rent Credits:

Air Group's Assigned Space pursuant to this Second Amendment is Exemption (2.a.) of the Premises.

1. Air Group will receive a Rent Credit in 2007 of against Basic Fees. This credit represents Exemption (2.a.) Rent Credit described in the First Amendment to the Original Agreement.

2. Air Group will receive a Rent Credit in 2008 of against Basic Fees. This credit Exemption (2.a.) Rent Credit described in the First Amendment to the Original Agreement.

B. Construction Credits:

1. Air Group shall receive a credit against Construction Costs of Exemption (2.a.) based on the following:

a. representing the remaining Exemption (2.a.) of the 2007 Rent Credit for 2007 as provided in the First Amendment.

b. representing the remaining Exemption (2.a.) of the 2008 Rent Credit for 2008 as provided in the First Amendment.

Air Group shall pay the net amount of [redacted] in Sixty (60) equal monthly installments without notice in the amount of [redacted] with the first payment due on or before the first of each month beginning upon execution of this Second Amendment.

C. Other Credits Totaling [redacted]

Air Group has made:

1. Two payments of [redacted] Exemption (2.a.) [redacted] that have been held by Signature, which shall be applied against Basic and Supplemental Fees for Air Group's Assigned Space upon execution of this Second Amendment.

2. One payment of [redacted] Exemption (2.a.) [redacted] which has been held by Signature which shall be applied against Basic and Supplemental Fees for Air Group's Assigned Space upon execution of this Second Amendment.

3. One payment of [redacted] Exemption (2.a.) [redacted] which has been held by Signature which shall be applied against Basic and Supplemental Fees for Air Group's Assigned Space upon execution of this Second Amendment.

4. One payment of [redacted] Exemption (2.a.) [redacted] which has been held by Signature which shall be applied against Basic and Supplemental Fees for Air Group's Assigned Space upon execution of this Second Amendment.

7. **Signature's Space**: Signature shall retain control of the remainder of the Premises and may market and obtain other Sub-Users or Permittees at its sole discretion to occupy the remaining Premises as described in the Original Agreement. To the extent Signature is able to obtain other Sub-Users or Permittees, then to the extent of revenues received exclusively from property management (and not fuel, deicing and other ad hoc services), net of expenses in obtaining such other Sub-Users or Permittees, Signature will off-set such net amounts against accrued and unpaid obligations of Air Group to Signature under the Original Agreement.

BY EXECUTION OF THIS SECOND AMENDMENT, AIR GROUP CONSENTS TO AND AUTHORIZES SIGNATURE TO RETAIN CONTROL OF THE REMAINDER OF THE PREMISES, TO MARKET AND OBTAIN OTHER SUB-USERS AND PERMITTEES TO OCCUPY THE REMAINING PREMISES, AND TO EXECUTE SUCH OTHER SUB-USE AGREEMENTS WITH SUCH OTHER SUB-USERS OR PERMITTEES. IF, IN ORDER TO ENTER INTO SUCH OTHER SUB-USE AGREEMENTS, SIGNATURE AND AIR GROUP WILL BE REQUIRED TO EXECUTE A PARTIAL TERMINATION OF SPACE OR PARTIAL RELEASE OF SPACE COVERING THE PORTION OF THE PREMISES TO BE OCCUPIED BY SUCH OTHER PARTY, AIR GROUP ACKNOWLEDGES THAT ANY SUCH PARTIAL TERMINATION OF SPACE OR PARTIAL RELEASE OF SPACE SHALL NOT AFFECT, REDUCE, ALTER OR AMELIORATE ANY OF AIR GROUP'S OBLIGATIONS OR LIABILITIES UNDER THE ORIGINAL AGREEMENT EXCEPT TO THE EXTENT THAT ANY MONETARY OBLIGATIONS MAY BE CREDITED BY NET REVENUE RECEIVED BY SIGNATURE FROM THIRD PARTIES PURSUANT TO THE FIRST SUBPARAGRAPH OF THIS SECTION. WHILE NO FURTHER WRITING SHALL BE NECESSARY TO EFFECTUATE THIS SUBPARAGRAPH, AIR GROUP WILL EXECUTE SUCH OTHER DOCUMENTATION AS SIGNATURE SHALL REQUEST IN ORDER TO EFFECTUATE SUCH OTHER SUB-USES AND/OR OTHER ARRANGEMENTS, INCLUDING WITHOUT LIMITATION ONE OR MORE GUARANTY/SURETYSHIP AGREEMENTS.

8. **Right of First Offer for Hangar Space:**

A. Air Group shall have a right of first offer for contiguous Hangar Space (the "Right of First Offer") during the first five (5) years of the term of the Original Agreement to occupy any portion of contiguous Hangar Space the remainder of the Premises which becomes available for occupancy under a lease or sub-use agreement. Contiguous Hangar Space shall be defined as hangar space that shares a common boundary with any of Air Group's assigned E3H Hangar space as defined in Section 1.B above and excluding Office and Shop space.

1. The Right of First offer for Contiguous Hangar Space shall be subordinate to any and all sub-use agreements, leases, rights of first refusal, rights of first offer, options to lease, options to renew, options to expand and must-take agreements which Signature has granted to any other person prior to the date hereof or by which Signature is otherwise presently bound, and the Right of First Offer shall not apply to any amendment executed by Signature and any such person, or such person's assignee, in connection with the exercise of any such right.

2. Signature shall deliver a written notice (the "First Offer Notice") to Air Group of the availability of any portion of the remainder of Contiguous Hangar Space in the Premises (The "First Offer Space") as soon as

Signature becomes aware of its availability for occupancy. The First Offer Notice shall constitute an offer by Signature to occupy the entire First Offer Space to Air Group on the terms (except for Basic Fees) set forth in the Original Agreement and this Second Amendment. Within five (5) business days following Air Group's receipt of the written First Offer Notice, the parties shall attempt to execute an appropriate amendment to the Original Agreement. If Air Group declines the offer, or the parties fail to execute such amendment, the Right of First Offer herein shall be deemed null and void and of no further force and effect.

B. The amendment herein described shall be on the same terms and conditions as the Original Agreement, except that (i) the commencement date for such First Offer Space shall be thirty (30) calendar days after the date that Air Group executes such amendment (but the expiration of the term therefore shall be the same as under the Original Agreement), and (ii) the Basic Fees shall be based upon market rates determined by solely by Signature at the time of Air Group's exercise of the Right of First Offer.

9. **Original Agreement**:

In all other particulars and respects, the Original Agreement shall remain in full force and effect except as amended by this Second Amendment.

10. **Signage:**

Air Group shall promptly remove its sign from the Executive Terminal Building and may then place its sign at the E3H facility subject to approval by Signature and consent of Port Authority.

11. **Air Group's Right to Operate a 145 Repair Station Facility:**

Air Group may operate a 145 Repair Station Facility for managed aircraft only so long as it conforms to a Permitted Use or Uses of the Premises under the Original Agreement and adheres to all applicable laws, rules and regulations of governing authorities as exist today or may be amended and revised in the future. Air Group may operate a 145 Repair Station Facility for Air Group's managed aircraft only, subject to approval and consent of the Port Authority.

12. **Consent of Authority:**

The effective date of this Second Amendment shall be the date the last Party has affixed its signature and the Port Authority has executed its Consent to this Second Amendment.

13. **Counterparts:**

Several copies of this Second Amendment may be executed by the Parties in counterparts. All executed copies constitute one and the same Second Amendment, binding upon all parties.

14. **Severability:**

If any provision of this Second Amendment or portions thereof shall be held to be invalid, void or unenforceable, the remaining provisions of this Second Amendment or portions thereof shall in no way be affected or impaired and such remaining provisions or portions thereof shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to be executed in their names and on their behalf by their respective officers thereunto duly authorized.

SIGNATURE FLIGHT SUPPORT CORPORATION	THE AIR GROUP, INC.
By: Stephen W. Lee	By:
Printed Name: Stephen W. Lee	Printed Name: Jon R. Winthrop
Title: Vice President Operations	Title: Chairman & CEO
Date: 10/25/07	Date: 10-23-07

APPROVED AS TO FORM:
10/28/07
LEGAL DEPT.

State of Florida

County of Orange

This instrument was acknowledged before me on this 29th day of October 2007 by Stephen W. Lee, Vice President Operations of Signature Flight Support Corporation, a Delaware corporation, who has produced _____ as identification or who is personally known to me.

NOTARY STAMP/SEAL

Susan Coates Scott
Notary Public, State of Florida

SUSAN COATES SCOTT
Comm# DD0424351
Expires 5/1/2009
Bonded thru (800)432-4254
Florida Notary Assn., Inc

Susan Coates Scott
Printed or typed Name of Notary
My commission expires:

10/23/07-scs

On October 26, 2007 before me, personally appeared Jon R Winthrop, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her /their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed this instrument.

WITNESS my hand and official seal.

Jodie B. Fidel (seal)

Signature

JODIE B. FIDEL
Commission # 1644152
Notary Public - California
Los Angeles County
My Comm. Expires Feb 9, 2010

10/23/07-scs

CONSENT OF PORT AUTHORITY

The Port Authority or New York and New Jersey, hereby consents to the terms and conditions of this Second Amendment.

ATTEST:

FOR AND ON BEHALF OF THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY:

_____ _____

Title: _____

Date: _____

APPROVED AS TO FORM & LEGALITY:

RECOMMENDED BY:

_____ _____

Legal Counsel

10/23/07-scs

(Port Authority Acknowledgment)

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 25th day of April in the year 2008, before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(~~s~~) whose name(~~s~~) is (are) subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/the~~ir capacity(~~ies~~), and that by his/her/their signature(~~s~~) on the instrument, the individual(~~s~~), or the person upon behalf of which the individual(~~s~~) acted, executed the instrument.

(Signature of Notary Public)

Marie M. Edwards
Notary Public, State of New York
No. 01ED4959693
Qualified in ~~Kings~~ Richmond County
Commission Expires 2/9/2010

(User Acknowledgment)

STATE OF Florida)
)ss.:
COUNTY OF Orange)

On the 12 day of February in the year 2008, before me, the undersigned, a Notary Public in and for said state, personally appeared Bruce Van Allen

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(Signature of Notary Public)

MARILYN S. GAYE
MY COMMISSION # DD 608258
EXPIRES: February 24, 2011
Bonded Thru Notary Public Underwriters

(Subuser Acknowledgment)

STATE OF California)
)ss.:
COUNTY OF Los Angeles)

On the 29th day of January in the year 2008, before me, the undersigned, a Notary Public in and for said state, personally appeared JON WINTHROP

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(~~s~~) whose name(~~s~~) is (~~are~~) subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ capacity(~~ies~~), and that by his/~~her/their~~ signature(~~s~~) on the instrument, the individual(~~s~~), or the person upon behalf of which the individual(~~s~~) acted, executed the instrument.

JODIE B. FIDEL
Commission # 1644152
Notary Public - California
Los Angeles County
My Comm. Expires Feb 9, 2010

Jodie B Fidel
(Signature of Notary Public)

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-301
Supplement No. 2

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated as of January 1, 2002 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and JET AVIATION TETERBORO, L.P., a New Jersey limited partnership (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-301 and made effective as of December 1, 2001, was entered into between the Port Authority and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as the "Agreement"); and

WHEREAS, the User desires to amend the Agreement in certain respects as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of January 1, 2002 unless otherwise stated, as follows:

1. The last two (2) lines of subparagraph (a) (3) of Section 8 of the Agreement shall be deemed amended to read as follows:

"monthly payments for said building only shall be abated during the period from November 12, 2001 to and including November 11, 2021."

2. The first five (5) lines of subparagraph (a) (8) of Section 8 of the Agreement shall be deemed amended to read as follows:

"(8) From and after January 1, 2002, the date upon which Hangar 120 becomes a part of the Space hereunder – at the annual rate of Exemption (2.a.), payable in advance on January 1, 2002 and on the first day of each and".

3. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

4. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

5. The User represents and warrants that no broker has been concerned in the negotiation of this Supplemental Agreement and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Port Authority for and from any and all claims for commission or brokerage made by any and all persons, firms or corporations whatsoever for services in connection with the negotiation and execution of this Supplemental Agreement.

6. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter,

and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

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

ATTEST:

ACTING SECRETARY
Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Title: FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

(Seal)

ATTEST:

Secretary

JET AVIATION TETERBORO, L.P

By: Jet Aviation of America, Inc.,
a Maryland corporation, The General Partner

By:

Title: President

(Corporate Seal)

AMELIA TALLIS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 9, 2007

APPROVED:
FORM | TERMS

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 25th day of FEBRUARY, 2002, before me, the subscriber, a notary public of New York, personally appeared FRANCIS A. DiMOLA the ASSISTANT DIRECTOR, AVIATION DEPARTMENT of THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Peggy M. Spinelli
(Notarial seal and stamp)

PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP5057870
Qualified in New York County
Commission Expires April 30, 2003

STATE OF NJ)
)ss.:
COUNTY OF BERGEN)

On this 22 day of JAN, 2002, before me, the subscriber, a NOTARY PUBLIC OF NEW JERSEY, personally appeared TERRANCE P. KELLEY, who I am satisfied is the President of Jet Aviation of America, Inc., the General Partner of **JET AVIATION TETERBORO, L.P.**, the partnership described in and which executed the foregoing instrument, and said General Partner acknowledged that he executed the foregoing instrument for and on behalf of said partnership.

AMELIA TALLIS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 9, 2007

Amelia Tallis
(Notarial seal and stamp)

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-301
Supplement No. 1

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated as of September 1, 2001 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and JET AVIATION TETERBORO, L.P., a New Jersey limited partnership (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

TPK GL

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-301 and made effective as of December 1, 2000, was entered into between the Port Authority and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as the "Agreement"); and

WHEREAS, the User desires to perform certain construction work at the Space as hereinafter described and to amend the Agreement in other respects as hereinafter provided;

TPK GL

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of ~~February 1, 2001~~ December 1, 2000 unless otherwise stated, as follows:

1. The term of this Agreement shall commence on December 1, 2000 and, unless sooner terminated in accordance with the terms of this Agreement, shall expire on December 31, 2022.

2. (a) In addition to the New Facility (hereinafter called "Project No. 1"), as defined in Section 6 of the Agreement, the User shall also design, construct and install a new 39,750 square foot or more infield hangar approximately within the new infield portion of the Space together with all infield paving, shall relocate and construct Taxiway M approximately as shown east of the new infield portion of the Space as shown on Exhibit A hereof, and shall design, construct and install a new landside parking lot south of the west parking area as shown on Exhibit A hereof to be and become a part of the Space under the Agreement (hereinafter called "Project No. 2"), all of the foregoing to be part of the Construction Work and to be constructed in accordance with the provisions of Section 6 of the Agreement. Project No. 1 shall be substantially completed no later than ~~September 30, 2001~~ November 30, 2001 and Project No. 2 shall be substantially completed no later than September 30, 2002. TPK

(b) Upon completion of the relocation and construction of the new Taxiway M, approximately 235,841 square feet of ramp area, as shown in orange on Exhibit A hereof, shall be added to the Space hereunder. The User shall pay to the Port Authoritv an annual fee, based on a 2001 base rate of per square foot, of in equal monthly installments of Exemption (2.a.) , which amounts shall be subject to escation in accordance with the terms and conditions set forth in Section 8 of the Ageement.

(c) The parties hereby acknowledge that a survey is being performed with respect to the areas of the Space and that the above square footages and fee amounts are subject to the finalization of said survey and recomputation in accordance therewith.

3. (a) The following terms as used in this Supplemental Agreement shall have the respective meanings given below, it being understood that all of the following shall apply to Project No. 1 and to Project No. 2:

(1) Each payment.made by the Port Authority to the User is herein referred to as a "Construction Advance." The date each Construction Advance is made is herein referred to as a "Construction Advance Date."

(2) The term the "Final Date" shall be applied both to the construction of Project No. 1 and to Project No. 2. With respect to each, as used herein the term shall mean the respective date three (3) months after the respective Completion Date of Project No. 1 and to Project No. 2.

(3) The term "the Construction Advance Amount" shall mean the sum of the first Construction Advance and each additional further Construction Advance paid by the Port Authority to the User pursuant to paragraphs (a) and (b) hereof.

(4) The term "the Cost of the Construction Work" shall mean the sum of the following amounts, and such amounts only, actually paid by the User to the extent that the inclusion of the same is permitted by sound accounting practices consistently applied:

(i) Amounts equal to payments actually paid by the User to independent third party contractors for work actually performed and labor and materials actually furnished in connection with the construction of the Construction Work, plus

(ii) Amounts actually paid by the User in connection with the Construction Work for engineering, architectural, professional, consulting services and supervision of construction (as defined below) , provided, however, payments under this subitem (ii) shall not exceed fifteen percent (15%) of the amounts paid under subitem (i) above.

(b) The Port Authority shall reimburse the User for the Cost of the Construction Work as follows: on the tenth (l0th) day of each calendar month following the commencement of the Construction Work, the User shall, but not more often than once a month, deliver to the Port Authority a certificate signed by a responsible fiscal officer of the User, which certificate shall certify the sum of the (i) amounts equal to payments actually paid by the User to independent third party contractors for work actually performed and labor and materials actually furnished in connection with the construction of the Construction Work and (ii) amounts actually paid by the User in connection with the Construction Work for engineering, architectural, professional, consulting services and supervision of construction, which amounts under items (i) and (ii) of this paragraph (b) shall he determined and limited as provided in item (4) of subparagraph (a) above (it being understood that payments under this item [ii] shall not exceed fifteen percent [15%] of the amounts paid under item [i] above and shall only apply to payments not included in a prior certificate). Any reimbursement by the Port Authority which may exceed the limitations set forth in subitems (a) (4) (i) and (ii) above shall be promptly refunded to the Port Authority upon demand. Each such certificate shall: first, set forth, in reasonable detail, the amounts paid to specified independent third party contractors and the payments made to other specified persons separately listed for each of the User's contractors and by trade breakdown for the Construction Work covered by each such certificate which have not previously been reported in certificates delivered to the Port Authority; second, have attached thereto reproduction copies or duplicate originals of the invoices of such independent third party contractors and other persons; and third, set forth, in such detail as shall be required by the Port Authority, the amounts of the costs incurred by the User which have not previously been reported in certificates delivered to the Port Authority; and fourth, certify that the amounts, payments and costs therein set forth constitute portions of the Cost of the Construction Work. Each such certificate shall also set forth the total cumulative payments made by the User for the entire Construction Work and for each phase of the construction broken down by trade as reported in certificates submitted to the Port Authority from the commencement of the Construction Work to the date of the certificate, and each such certificate shall also contain a certification by the User that each portion of the Construction Work covered by said certificate has been performed strictly in accordance with the terms of the Agreement. The Port Authority shall pay to the User the amounts paid by the User during the period covered by such certificate, as certified in such

certificate, but only to the extent that such amounts or costs or any portion thereof have not theretofore been included in a Construction Advance, provided, however, in the event the Agreement is not in full force and effect 'or if the User shall be under a notice of termination of the Agreement or in default under any term or provision thereof, the Port Authority shall have the right, in its discretion, to withhold the payment of the Construction Advance to the User, provided, further, that no payment or withholding of a Construction Advance shall waive or be deemed to have waived any rights of the Port Authority with respect to the termination of the Agreement or to a default by the User under any term or provision thereof or to the withholding or payment of future Construction Advances. The Port Authority shall have the right to make payments directly to contractors upon the submission of appropriate invoices. In the event the Port Authority elects to make any direct payment to a contractor of the User, each such direct payment shall be deemed to have been made to the User and to the extent of such payment by the Port Authority the Port Authority shall be released of such obligation to the User, and the Port Authority shall send to the User at the time of making such direct payment a notice thereof setting forth the name of the contractor to whom payment was made and the amount of such the payment. It is further understood that at the election of the Port Authority no payment will be made if the Port Authority's inspection or audit does not substantiate the contents of said certificate and until such matters have been resolved to the satisfaction of the Port Authority, but the Port Authority shall have no obligation to conduct any such inspection or audit at such time. The certificate shall also contain such further information and documentation with respect to the Cost of the Construction Work as the Port Authority may from time to time require, which information, documentation and certification shall be given on such forms as may be adopted by the Port Authority. The User shall mark as "Final" its final certificate covering the Construction Work. The said Final Certificate shall be sworn to before a Notary Public and certified by a responsible fiscal officer of the User. After submitting the said Final Certificate the User shall submit no further certificate hereunder.

(c) The entire obligation of the Port Authority under paragraph (b) hereof to make payments to the User for the Cost of the Construction Work shall be limited in amount to a total of Six Million Five Hundred Thousand Dollars and No Cents ($6,500,000.00) for each of Project No. 1 and Project No. 2, provided that such obligation shall be further limited in time to Construction Work covered by certificates as set forth in said paragraph (b) duly submitted to the Port Authority on or prior to the respective Final Date for each of the two portions of the Construction Work.

(d) The User shall promptly submit to the Port Authority further information, including but not limited to, its estimate of the amounts and times of the various payments it will be making and costs it will be incurring in connection with the Cost of the Construction Work as the Port Authority may from time to time and at any time request.

(e) The Port Authority shall have the right at any time and from time to time by its agents, employees and representatives to audit and inspect during regular business hours the books, records and other data of the User relating to the Cost of the Construction Work, it being understood that the Port Authority shall not be bound by any prior audit conducted by it. The User agrees to keep such books, records and other data within the Port of New York District,

but the User shall not be required to maintain any of such books, records and other data for more than five (5) years after the User has delivered the certificates marked "Final" called for under paragraph (h) above.

4. (a) It is hereby understood and agreed by the parties that the following terms shall be applied in the same manner to the construction of Project No. 1 and Project No. 2 and, as used in both cases in this Supplemental Agreement, shall have the respective meanings given below:

(1) "Monthly Additional Fee Commencement Date" shall mean the first day of the month following the month during which the Completion Date occurs.

(2) "Final Cost of the Construction Work" shall mean the amount set forth in the Final certificates submitted by the User to the Port Authority under paragraph (b) of Paragraph 3 hereof.

(3) "Monthly Additional Fee Factor" shall mean the factor or factors derived in accordance herewith from time to time by the application of the following formula:

$$\frac{i}{1 - \frac{1}{i\ (1+i)^t}} = \text{Monthly Additional Fee Factor}$$

Where i equals the sum of (i) the annual interest rate expressed in decimal form of the "25-Bond Revenue Index" appearing in the issue of "The Bond Buyer" published on the Friday occurring immediately after the Completion Date plus (ii) three Hundred (300) basis points, divided by twelve.

Where t (a power) equals the number of calendar months or parts thereof occurring during the Monthly Additional Fee Period.

(4) (i) The term "Accrued Amount" shall mean the monthly amount, calculated on the last day of each calendar month, equal to the product obtained by multiplying (A) the then-established Port Authority cost of capital by (B) all amounts constituting portions of the Construction Advance Amount (including any previously calculated Accrued Amounts) paid up to and including the last day of the previous month, for each month during the period commencing on the first Construction Advance Date and ending on the day immediately preceding the Monthly Additional Fee Commencement Date, the parties hereto acknowledging that the Final Cost of the Construction Work shall not be determined until after

the sublission of the Final certificate, upon which determination all Accrued Amounts shall be recalculated for purposes of paying the Monthly Additional Fee, as hereinafter defined.

(ii) As a part of the payment of each Accrued Amount due as provided in subitem (i) hereof and in addition to the foregoing, the User shall pay to the Port Authority an amount equal to the product obtained by multiplying (A) the then-established Port Authority cost of capital by (B) the amount of the Construction Advance Amount made on other than the last day of such month, and (C) the number of days in the period from the date such portion of the Construction Advance Amount is made to and including the last day of the calendar month in which such portion of the Construction Advance Amount is made, for each month during the period commencing on the first Construction Advance Date and ending on the day immediately preceding the Monthly Additional Fee Commencement Date, the parties hereto acknowledging that the Final Cost of the Construction Work shall not be determined until after the submission of the Final certificate, upon which determination all Accrued Amounts, if any, shall be recalculated for purposes of paying the Monthly Additional Fee.

(5) The term the "Reimbursement Amount" shall mean the sum of all Construction Advances and all Accrued Amounts determined for the day immediately preceding the Monthly Additional Fee Commencement Date.

(6) The "Monthly Additional Fee Period" shall mean the period commencing on the Monthly Additional Fee Commencement Date and ending on the expiration date of this Agreement.

(b) In addition to all other fees and charges payable under the Agreement, the User shall pay to the Part Authority a Monthly Additional Fee as follows:

(1) Commencing on the Monthly Additional Fee Commencement Date, the User shall pay to the Port Authority a Monthly Additional Fee which shall be an amount determined for and payable on the first day of each and every calendar month occurring during the Monthly Additional Fee Period equal to the product obtained by multiplying the portion of the Reimbursement Amount by the Monthly Additional Fee Factor.

(2) In the event that a Port Authority audit shall disclose that the User has expended in the Cost of the Construction Work amounts as set forth in subitems (i) and (ii) of item (4) of Paragraph 2 hereof which total less than the total of all Construction Advances made to the User hereunder up to the time of such audit then, upon demand of the Port Authority, the User shall immediately pay to the Port Authority an amount equal to the difference between the amounts expended by the User as disclosed by the Port Authority audit and the aforesaid amount of the total of all Construction Advances made to the User and effective from and after such date of payment the Construction Advance Amount shall be reduced by the amount of such payment and the Monthly Additional Fee payable by the User adjusted appropriately hereunder.

(3) The User shall have the right to prepay in whole or in part the unpaid balance of the Reimbursement Amount.

(4) The Reimbursement Amount shall not be subject to abatement or suspension or reduction for any reason whatsoever.

5. In the event that the Agreement is terminated or canceled by the User, the User to notify the Port Authority in such event promptly upon the occurrence thereof, or if the Agreement is terminated for cause by the Port Authority, then in such event, the User shall pay to the Port Authority the entire unpaid balance remaining due of the Reimbursement Amount.

6. Notwithstanding any other fee obligations of the User hereunder, the User hereby agrees, as a separate and independent covenant, that it shall pay to the Port Authority the Reimbursement Amount, as and in the manner set forth above. Said obligation of the User is of the essence of this Supplemental Agreement and shall survive any termination, expiration or cancellation of the Agreement.

7. The User further understands and agrees that, in the event the Agreement is terminated, the User's obligation to pay the amounts due the Port Authority under Paragraph 4 hereof shall survive such termination of the Agreement and shall remain in full force and effect until such amounts are paid. The User hereby specifically acknowledges that neither the survival of the obligation with respect to any such amounts nor any other provision of the Agreement shall grant or shall be deemed to grant any rights whatsoever to the User to have the term of the Agreement extended for any period beyond the end of the term as provided in Paragraph 1 of the Agreement, as herein amended, or affect in any way the Port Authority's right to terminate the Agreement.

8. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

9. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

10. The User represents and warrants that no broker has been concerned in the gegotiation of this Supplemental Agreement and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Port Authority for and from any and all claims for commission or brokerage made by any and all persons, firms or corporations whatsoever for services in connection with the negotiation and execution of this Supplemental Agreement.

11. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

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

ATTEST:

Karen J Eastman

Acting Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Title: Asst. Director - Contr.

(Seal)

ATTEST:

Jan L VanSchaack

Secretary

JET AVIATION TETERBORO, L.P

By: Jet Aviation of America, Inc.,
a Maryland corporation, The General Partner

By: Jerome P Kelley

Title: President

(Corporate Seal)

APPROVED FOR TRANSMITTAL	
FORM	TERMS

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 11 day of October, 2001, before me, the subscriber, a notary public of New York, personally appeared Francis Di Mola the Assistant Director of Aviation of **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Carole Laurie
(notarial seal and stamp)
My Commission expire 8/31/04

STATE OF NEW JERSEY)
)ss.:
COUNTY OF BERGEN)

On this 1 day of OCT, 2001, before me, the subscriber, a NOTARY PUBLIC OF NEW JERSEY, personally appeared TERRANCE P. KELLEY, who I am satisfied is the President of Jet Aviation of America, Inc., the General Partner of **JET AVIATION TETERBORO, L.P.,** the partnership described in and which executed the foregoing instrument, and said General Partner acknowledged that he executed the foregoing instrument for and on behalf of said partnership.

Amelia Tallis
(notarial seal and stamp)

AMELIA TALLIS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 9, 2002

THIS SUPPLEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

Teterboro Airport
Agreement TA-301
Supplement No. 3

THIRD SUPPLEMENTAL AGREEMENT

THIS THIRD SUPPLEMENTAL AGREEMENT (this "***Supplement***"), dated as of July 1, 2011 (the "***Effective Date***"), by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (the "***Port Authority***") and JET AVIATION TETERBORO, L.P., a New Jersey limited partnership (the "***User***") provides additional hangar and land space to the User at the Facility (as hereinafter defined). All capitalized terms not defined herein shall have the meanings ascribed to them in the Prior Agreement (as hereinafter defined).

WITNESSETH,

WHEREAS, the Port Authority is the owner of Teterboro Airport (the "***Facility***") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, a Use and Occupancy Agreement, bearing the Port Authority File No. TA-301, made and effective as of December 1, 2001, was entered into between the Port Authority and the User (the "***Original Agreement***") for the use and occupancy of certain hangars and land at the Facility, as more particularly described therein (the "***Space***"); and

WHEREAS, the Original Agreement was supplemented by that certain Supplemental Agreement, dated as of September 1, 2001, by and between the Port Authority and the User (the "***First Supplement***"); and

WHEREAS, the Original Agreement as supplemented by the First Supplement was further supplemented by that certain Supplemental Agreement, dated as of January 1, 2002, by and between the Port Authority and the User (the "***Second Supplement;***" together with the Original Agreement and the First Supplement, the "***Prior Agreement;***" the Prior Agreement together with this Supplement, the "***Agreement***"); and

WHEREAS, the User desires to amend the Prior Agreement to obtain the use and occupancy of Hangar 121 and certain open land related thereto;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises, covenants, representations and warranties contained herein and made by the parties hereto, the parties hereby agree, effective as of the Effective Date, as follows:

Section 1. Term

The term of the letting under this Supplement shall be coterminous with the Prior Agreement.

Section 2. Additional Space

In addition to the Space heretofore let to the User under the Prior Agreement, the letting as to which shall continue in full force and effect, subject to and in accordance with all the terms, provisions, covenants and conditions of the Agreement, the Port Authority hereby lets to the User and the User hires and takes from the Port Authority at the Facility, Hangar 121 so designated and shown in blue dot stipple on the sketch attached hereto and hereby made a part hereof and marked "Exhibit A", and such Hangar's associated land areas shown in blue diagonal hatching, blue cross-hatching and blue "plus" symbol stipple on Exhibit A, together with all Building Areas within the aforesaid land areas as shown thereon on Exhibit A and all other buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein, thereon or thereunder during the term of the letting under the Agreement (collectively, the "***Additional Space***"). The Additional Space shall be a part of the Space as of 12:01 o'clock A.M. on the Effective Date, subject to and in accordance with all of the terms, covenants and conditions of the Agreement. The parties hereby acknowledge that the Additional Space constitutes non-residential property.

Section 3. Use

The User shall use the Additional Space solely for the purposes set forth in Section 5 of the Original Agreement, and for no other purpose or purposes whatsoever.

Section 4. Condition of Space

(a) The Port Authority shall deliver the Additional Space to the User in its presently existing "as is" condition. The User acknowledges that prior to the execution of this Supplement, it has thoroughly examined and inspected the Additional Space and has found it in good order and repair and has determined it to be suitable for the User's operations therein under the Agreement. The User agrees to and shall take the Additional Space in its "as is" condition and the Port Authority shall have no obligations under the Agreement for finishing work or preparation of any portion of the Additional Space for the User's use.

(b) The User acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of the Additional Space for the operations permitted thereon by the Agreement. Without limiting any obligation of the User to commence operations under the Agreement at the time and in the manner stated elsewhere in this Supplement, the User agrees that no portion of the Additional Space will be used initially or at any time during the letting thereof under the Agreement that is in a condition that is unsafe or improper for the conduct of the User's operations therein under the Agreement so that there is a possibility of injury or damage to life or property.

Section 5. Services

Except as provided in Section 11 of the Original Agreement, the Port Authority shall have no obligation to supply to the User any services or utilities in the Additional Space.

Section 6. Fees

In addition to all other fees payable under the Prior Agreement, the User shall pay a Building and Land fee (the "***Additional Space Fee***") to the Port Authority for the use and occupancy of the Additional Space at the annual rate of Exemption (2.a.) , payable in advance on the first day of the month in equal installments of . The Additional Space Fee shall be subject to an annual adjustment pursuant to and in accordance with paragraph 8(f) of the Agreement.

Section 7. Abatement

In the event that the User shall at any time by the provisions of the Agreement become entitled to an abatement of the Additional Space Fee, then said abatement shall be computed at the following daily Building and Land rates, as the same may be adjusted during the term of the letting of the Agreement, for each square foot of the Additional Space the use of which is denied to the User: (i) for Hanger 121 space at the daily rate of (2.a.) and (ii) for the land area associated with Hangar 121 (excluding Hanger 121 space) at the daily rate of Exemption (2.a.)

Section 8. Security Deposit

(a) *Guaranty*. The Contract of Guaranty, dated August 9, 2001, by Jet Aviation Holdings, Inc. and Jet Aviation of America, Inc. for the benefit of the Port Authority,

guaranteeing the payment of all monetary obligations in the Prior Agreement, is hereby deleted and in lieu thereof, a security deposit pursuant to this Section shall be required.

(b) *Forms of Security Deposit*.

(i) Cash or Bonds. The amount required as a security deposit (the "***Required Security Deposit***") hereunder is One Million Dollars and No Cents ($1,000,000.00) (the "***Required Security Deposit Amount***"). If the amount of said Required Security Deposit is less than $20,000.00, upon the execution of this Supplement by the User and delivery thereof to the Port Authority, the User shall deposit with the Port Authority (and shall keep deposited throughout the effective term under the Agreement) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the User, all of the terms, provisions, covenants and conditions of the Agreement on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the User may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the User) in a manner satisfactory to the Port Authority. The User may request the Port Authority to accept a registered bond in the User's name and if acceptable to the Port Authority the User shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the User, any expenses incurred by the Port Authority in re-registering a bond to the name of the User shall be borne by the User. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the User. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of the Agreement on the part of the User. With respect to any bonds deposited by the User, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the User, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the User. The User hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port

Authority against the User. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the User. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the Required Security Deposit Amount. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the Required Security Deposit Amount, the User shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the Required Security Deposit Amount, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective term under the Agreement, and upon condition that the User shall then be in no wise in default under any part of the Agreement, and upon written request therefor by the User, the Port Authority will return the Required Security Deposit to the User less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the User of the Agreement or any part thereof. The User agrees that it will not assign or encumber the Required Security Deposit. The User may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) Letter of Credit. In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the User may at any time during the effective term granted under the Agreement offer to deliver to the Port Authority, as security for all obligations of the User under the Agreement, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective term granted under the Agreement and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit, the User agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with

paragraph (a)(i) of this Section or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a)(i) of this Section. Failure to provide such a letter of credit at any time during the effective term granted under the Agreement, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of the Agreement on the part of the User. Upon acceptance of such letter of credit by the Port Authority, and upon request by the User made thereafter, the Port Authority will return the Required Security Deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a)(i) of this Section. The User shall have the same rights to receive such Required Security Deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the effective term granted under the Agreement and fulfillment of the obligations of the User hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the User on demand of the Port Authority and within two (2) days thereafter shall bring the letter of credit back up to its full amount.

(c) *Letter of Credit Required*. Provided that the Required Security Deposit Amount is equal to or greater than $20,000.00, upon the execution of this Supplement by the User and delivery thereof to the Port Authority, the User shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the User, all of the terms, provisions, covenants and conditions of the Agreement on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the Required Security Deposit Amount. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective term granted under the Agreement and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the User agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the

Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective term granted under the Agreement valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of the Agreement on the part of the User. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the User, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the Required Security Deposit Amount. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the User under the terms of the Agreement, and all remedies under the Agreement and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(d) *Adjustment to the Required Security Deposit Amount*. The User acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the User, to adjust the Required Security Deposit Amount but in no event would the adjusted amount equal more than three months of fees that would be payable to the Port Authority. Not later than the effective date set forth in said notice by the Port Authority, the User shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted Required Security Deposit Amount, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(e) *Other Port Authority Agreements*. If the User is obligated by any other agreement ("***Other PA Agreement***") to maintain a security deposit with the Port Authority to insure payment and performance by the User of all fees, rentals, charges and other obligations which may become due and owing to the Port Authority arising from the User's operations at the Airport (or other Port Authority facility) pursuant to any such Other PA Agreement or otherwise, then all such security deposit-related obligations under such Other PA Agreement, and any deposit pursuant thereto, also shall be deemed obligations of the User under the Agreement and as security hereunder, as well as under any such Other PA Agreement. All provisions of such Other PA Agreement with respect to security deposit-related obligations, and any obligations thereunder of the Port Authority as to the security deposit, are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. It is understood that the term Other PA Agreement refers both to agreements entered into prior to, or as of, the effective date of this Supplement, as well as agreements hereinafter entered into.

(f) *Previous Letter of Credit*. The User has previously provided a letter of credit as security for Port Authority Permit No. TA-045 in the amount of Five Hundred Thousand Dollars and No Cents ($500,000.00) (the "***Previous L/C***"). In lieu of providing the Port Authority with a separate letter of credit, the User may elect to replace the Previous L/C with a new letter of credit in the aggregate amount of One Million Five Hundred Thousand Dollars and No Cents ($1,500,000.00) as security for both Port Authority Permit No. TA-045 and the Agreement.

(g) *Federal TIN*. The User represents to the Authority that its Federal Tax Identification number is 22-3764055.

Section 9. Amendments to the Prior Agreement

(a) *Insurance*. The third sentence of paragraph 14(f) of the Original Amendment is hereby deleted, and the following is substituted in its place, effective as of the Effective Date:

> "Each policy must be specifically endorsed to provide that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority."

(b) *Notice Address*. Section 39 of the Original Agreement shall be amended so as to delete the Port Authority address stated as "One World Trade Center, New York, New York 10048" and insert, in lieu thereof, the address "225 Park Avenue South, New York, New York 10003."

Section 10. Governing Law

The Agreement and any claim, dispute or controversy arising out of, under or related to the Agreement, the relationship of the parties under the Agreement, and/or the interpretation and enforcement of the rights and obligations of the parties under the Agreement shall be governed by, interpreted and construed in accordance with the laws of the State of New Jersey, without regard to conflict of law principles.

Section 11. OFAC

(a) The User hereby represents and warrants to the Port Authority that the User (x) is not, and shall not become, a person or entity with whom the Port Authority is restricted from doing business under the regulations of the Office of Foreign Assets Control ("***OFAC***") of the United States Department of the Treasury (including, without limitation, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive

order (including, without limitation, Executive Order 13224 of September 23, 2001, Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism), or other governmental action, and (y) is not engaging, and shall not engage, in any dealings or transactions with, and is not and shall not be otherwise associated with (as determined by the Secretary of the Treasury of the United States of America), such persons or entities. The User acknowledges that the Port Authority is entering into this Supplement in reliance on the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing the Port Authority to enter into and execute this Supplement. In the event of any breach of any of the foregoing representations and warranties by the User, the Port Authority shall have the right, in addition to any and all other remedies provided under the Agreement or at law or in equity, to immediately terminate the Agreement upon written notice to the User. The User further acknowledges that there shall be no cure for such a breach. In the event of any such termination by the Port Authority, the User shall, immediately on receipt of the Port Authority's termination notice, cease all use of and operations permitted under the Agreement and surrender possession of the Space to the Port Authority without the Port Authority being required to resort to any other legal process. Termination on the afore-described basis shall be deemed a termination for cause.

(b) The User shall indemnify and hold harmless the Port Authority and its Commissioners, officers, employees, agents and representatives from and against any and all claims, damages, losses, risks, liabilities and expenses (including, without limitation, attorney's fees and disbursements) arising out of, relating to, or in connection with the User's breach of any of its representations and warranties made under this Section. Upon the request of the Port Authority, the User shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provision of any statutes respecting suits against the Port Authority.

(c) The provisions of this Section shall survive the expiration or earlier termination of the term of the letting of the Agreement.

Section 12. Full Force and Effect

As hereby amended, all the terms, provisions, covenants and conditions of the Prior Agreement shall continue in full force and effect.

Section 13. No Broker

The User represents and warrants that no broker has been concerned in the negotiation of this Supplement and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless the Port Authority for and from any and all claims for commission or brokerage made by any and all persons, firms or corporations whatsoever for services in connection with the negotiation and execution of this Supplement.

Section 14. No Individual Liability

Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent, representative or employee thereof (each such Commissioner, officer, agent, representative or employee, an "***Individual***") shall be charged personally by the User with any liability, or held liable to the User under any term or provision of this Supplement, or because of an Individual's execution or attempted execution or because of any breach thereof.

Section 15. Entire Agreement

This Supplement, together with the Prior Agreement (to which it is supplementary) constitutes the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by an instrument in writing that is duly executed on behalf of both the Port Authority and the User.

[NO FURTHER TEXT ON THIS PAGE]

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

WITNESSETH:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____
David Kagan
(Title) Assistant Director
Business, Properties & Airport Development
(Seal)

WITNESSETH:

Director of Bus. Services
(Title)

JET AVIATION TETERBORO, L.P.

By _____

(Title) General Partner

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

SSA

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

For the Port Authority

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

On the 17th day of April in the year ~~2011~~ 2012, before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(notarial seal and stamp)

MICHAEL F. SCHMIDT
Notary Public, State of New York
No. 01SC6118149
Qualified in New York County
Commission Expires November 1, 2012

For the User

STATE OF New Jersey)
) ss
COUNTY OF Bergen)

On the 23d day of November in the year 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared John Langevin, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(notarial seal and stamp)

ROSEMARY B. JONES
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 4, 2015

AVIATION DEPT.
FILE COPY

USE AND OCCUPANCY AGREEMENT

TA-301

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

AND

JET AVIATION TETERBORO, L.P .

TETERBORO AIRPORT

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Teterboro Airport
Agreement TA-301

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, made as of December 1, 2000 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority" or the "Airport Operator"), and JET AVIATION TETERBORO, L.P. (a wholly owned subsidiary of Jet Aviation of America, Inc. and hereinafter called the "User"), a New Jersey limited partnership;

WITNESSETH, THAT:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto intend to terminate on or about December 1, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, pursuant to and in accordance with the terms of the Basic Agreement, Johnson Controls and the User and its predecessors in interest, entered into the following agreements covering the use and occupancy of certain spaces at the Airport (hereinafter collectively called the "Use and Occupancy Agreements"):

TA-006 dated December 13, 1971	Hangar 114;
TA-090 dated September 1, 1974	Hangar 113;
TA-108 dated October 18, 1979	Hangar 111;
TA-178 dated September 1, 1983	Hangar 108/109;
TA-195 dated November 1, 1985	Infield Apron;
TA-244 dated December 1, 1992	Hangar 119;
TA-249 dated January 1, 1993	Hangar 118; and

WHEREAS, the Port Authority, Johnson Controls and the User entered into Consent Agreements of various dates (hereinafter collectively called the "Use and Occupancy Consent Agreements") consenting to each of the Use and Occupancy Agreements, wherein the Port Authority gave its consent to the Use and Occupancy Agreements; and

WHEREAS, in August of 1986, representatives of the User through its predecessor in interest commenced a construction project (hereinafter called the "Project") on property designated as the "South Development Area" at the Airport; and

WHEREAS, during the course of the Project, the Airport Operator, through its predecessor in interest, was ordered by the United States Army Corps of Engineers (hereinafter called "COE") and the New Jersey Department of Environmental Protection (hereinafter called "DEP") to cease and desist from further filling and to restore the South Development Area to its original condition. Subsequently, a letter of understanding was entered into with the COE which in lieu of restoration accepted an "after the fact" permit application; prior approvals of the ongoing work were required by the COE and the DEP and, as a result of receiving notification of non-compliance, the Project was halted, pending receipt of the necessary governmental approvals; and

WHEREAS, on December 27, 1994 Johnson Controls and the User entered into an agreement (hereinafter referred to as the "1994 Agreement") whereby the User transferred to Johnson Controls and Johnson Controls assumed all of the User's rights, title and interest in the Project. In connection therewith, the User agreed that, in the event Johnson Controls proceeded with the construction of a hangar complex in the South Development Area, the User would have certain obligations to enter into a use and occupancy agreement with Johnson Controls for the use of the hangars; and

WHEREAS, the Port Authority and the User desire to replace the Use and Occupancy Agreements with a new, consolidated Use and Occupancy Agreement bearing Port Authority agreement number TA-301 (hereinafter called the "Agreement") as hereinafter set forth and to settle various rights and obligations issues raised by the 1994 Agreement; and

WHEREAS, the User desires to use and occupy the Space as defined in the respective Use and Occupancy Agreements as well as increase its use of space at the Airport as hereinafter described; and

WHEREAS, the User desires to construct and the Port Authority desires to permit the User to construct a hangar and

office facility at the Space provided for in the Agreement and in consideration of said construction extend the term of the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of December 1, 2000 (the "Effective Date" of this Agreement) unless otherwise stated, as follows:

Section 1. Term

The term of this Agreement shall commence on December 1, 2000 and, unless sooner terminated in accordance with the terms of this Agreement, shall terminate on the day before the later of (a) the twentieth (20th) year anniversary of the Completion Date, as defined in subparagraph (h)(15) of Section 6 of this Agreement, or (b) December 31, 2022.

Section 2. Termination of Prior Agreements

It is hereby agreed by and between the parties that the Use and Occupancy Agreements and the Use and Occupancy Consent Agreements shall each and all be terminated effective as of November 30, 2000 and shall be of no further force or effect from and after the Effective Date hereof, provided, however, that any and all obligations that the User and the Port Authority had under any of said Agreements that survive pursuant to the terms thereof shall survive such termination of said Agreements.

Section 3. Release of Claims by the User

The User, upon the execution of this Agreement, forever releases, acquits and discharges the Port Authority, its Commissioners, its subsidiaries, agents, servants, officers, employees, successors, assigns and affiliates (all persons being referred to herein collectively as "Related Persons") of and from any causes of action, claims, demands and remedies of any kind and nature that it has or may in the future have against Related Persons, and in any manner on account of, arising out of or related to the Project or any other project, development or construction in the South Development Area.

Section 4. Space

On and after the Effective Date, the Space under the Agreement shall be the following areas set forth on Exhibit A, attached hereto and made a part hereof:

(1) the Hangar 108/109 land area so designated and shown

in blue stipple on Exhibit A;

(2) the Hangar 111/119 land area as so designated and shown in blue diagonal hatching on Exhibit A;

(3) the West Parking land area as so designated and shown in blue stipple on Exhibit A;

(4) the Current Infield land area as so designated and shown in blue diagonal hatching on Exhibit A;

(5) the Infield Extension land area as so designated and shown in gold diagonal hatching on Exhibit A;

(6) the New Infield land area as so designated and shown in gold diagonal hatching on Exhibit A; and

(7) the South Parking land area as so designated and shown in blue diagonal hatching on Exhibit A;

together with all Building Areas within the aforesaid land areas as shown thereon on Exhibit A and all other buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the term of this Agreement (hereinafter collectively referred to as the "Space"). Within forty-five (45) days of the execution of this Agreement by the Port Authority and delivery thereof to the User, the Port Authority shall proceed with the termination of the current agreement between the Port Authority and PNA Aviation Corporation, bearing file number TA-056 and made effective as of October 23, 1973, covering the use and occupancy of Hangar 120 and the areas covered by said agreement, as shown in blue diagonal and dashed hatching and designated the Hangar 120 Area and the S.E. (Hgr 120) Parking land areas, respectively, on Exhibit A, together with all Building Areas as shown thereon on Exhibit A and all other buildings, structures, improvements, additions and permanent installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the term of this Agreement shall be and become a part of the Space hereunder effective upon the date set forth in a notice to be sent by the Port Authority to the User giving the User ten (10) days' notice that Agreement TA-056 is in the process of being or has been terminated.

Section 5. <u>Use and Occupancy</u>

(a) The User shall use and occupy the Space as set forth on Exhibit A for the following purposes only and for no other purpose whatsoever:

(1) For the storage, maintenance, servicing and repair of aircraft, aircraft assemblies, aircraft accessories and aircraft radio and electronic equipment and any component parts thereof;

(2) For the sale of aircraft assemblies, accessories, aircraft radio and electronic equipment and any component parts thereof;

(3) For the leasing and chartering of general aviation aircraft;

(4) For the parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User; it being understood that the parking of vehicles on areas of the Space shall be subject to the prior and continuing approval of the Airport Operator;

(5) For the parking of aircraft;

(6) For business and operations offices and terminals in connection with the purposes authorized hereunder;

(7) For the sale of aviation fuel and aviation lubricants and for delivery of such fuel and lubricants to and into aircraft, all in accordance with provisions of other agreements entered into or to be entered into between the Port Authority and the User specifically regulating such sales and deliveries and providing for the payment of fees therefor; and

(8) for the sale of aircraft.

(b) Notwithstanding the right granted to the User to conduct pilot training hereunder, the Port Authority hereby reserves the right to restrict or terminate touch-and-go flight operations and to restrict the time primary flight training operations may be conducted at the Airport when, in its sole judgment, such action is deemed necessary for Airport safety.

(c) All flight operations conducted at the Airport by the User shall be subject to the Schedule of Charges pertaining thereto in addition to all other fees payable by the User hereunder.

(d) The uses granted the User in subparagraph (a) (1) above shall not include the right to sell aircraft and utilize the Space for activities associated with the sale of aircraft.

(e) The User shall use the portion of the Space as shown in green cross hatching on Exhibit A (hereinafter called the "Public Aircraft Parking Apron") for the following purposes only and for no other purpose whatsoever:

(1) To administer, on behalf of the Airport Operator, the Public Aircraft Parking Apron, as defined above;

(2) For the parking of aircraft of the User, its customers and other aircraft seeking parking space if it is available; and

(3) For the fueling of aircraft, transient servicing thereof, and the enplaning and deplaning of passengers, crews and their baggage.

(4) The User shall charge parking fees for aircraft parked on the Space in accordance with the schedule of fees which shall be approved from time to time in writing by the Port Authority.

Section 6. Construction by the User

(a) (1) The parties hereby agree that within five (5) years of the Effective Date of this Agreement the User shall, at its sole expense, install all necessary aircraft ramp facilities on the portions of the Space identified on Exhibit A as the Infield Extension and the New Infield areas and demolish the facility currently located on that portion of the Space identified on Exhibit A as Building 112 and design, construct and install the following:

(i) a 30,000 square foot or more terminal and office complex within the Space (hereinafter called the "New Facility");

(ii) all appropriate lines, mains, cables, manholes, wires, conduits and other facilities required in connection with or relating to the mechanical, utility, electrical, storm sewer, sanitary sewer, telephone, fire alarm, fire protection, gas and other systems needed for the New Facility, including all necessary relocations and upgrades with sufficient capacity for the New Facility;

(iii) all necessary roadways, ramps and pedestrian circulation areas, together with all associated and related areas and facilities;

(iv) all necessary aircraft ramp and apron areas, together with all associated and related areas and facilities;

(v) all grading and paving of ground areas and appropriate landscaping, together with all associated and related areas; and

(vi) all of the foregoing demolition, design, construction and installation work shall be performed by the User on the Space and off the Space where required and, where performed on the Space, shall be and become a part of the Space under this Agreement and is sometimes collectively referred to herein as the "Construction Work."

(2) The User shall, in accordance with subparagraphs (b) through (j) hereof, submit plans and specifications for and the Construction Work with a minimum investment of Four Million Dollars ($4,000,000.00). Plans and specifications shall be submitted no later than six (6) months after the Effective Date. Upon approval by the Port Authority of said plans and specifications and upon receipt of all necessary permits and approvals (hereinafter collectively called the "Permits") for the Construction Work from all appropriate Governmental Authorities, the User agrees to promptly commence the Construction Work as provided for in this Section 6 and to complete construction within one (1) year following the later of (i) Port Authority approval or (ii) receipt of the Permits. In the event the User, through no fault of its own, fails to receive Port Authority approval or fails to receive the Permits within six (6) months of the submission of said plans and specifications, the Completion Date, as hereinafter defined, will be extended by one month for each month in excess of six (6) that elapses from the time of the submission of said plans and specifications to the later of the receipt of Port Authority approval or the receipt of the Permits. The User shall not be held in default under this subparagraph in the event construction cannot be completed within the said time limit due to acts of God. Should the User not complete the Construction Work within the time specified, as the same may be extended as herein provided, the monthly land rent for the Space shall be increased by fifty percent (50%) for each day or part thereof that said construction is delayed until such construction is completed. The Port Authority agrees to assist the User in obtaining the Permits.

(b) The User shall not use or permit the use of the New Facility for the purpose set forth in this Agreement until a certificate to do so is issued by the Port Authority. The date of delivery of the certificate by the Port Authority shall constitute the Completion Date for the purposes of this Agreement.

(c) Prior to the commencement of Construction Work, or any part thereof, the User shall submit to the Port Authority a construction application and complete plans and specifications for such proposed construction.

(d) The plans and specifications shall be submitted by the User to the Port Authority for approval and the Port Authority may refuse to grant approval if in its opinion, the proposed facilities (i) as laid out and indicated by the User on such plans or (ii) if constructed according to such plans and specifications:

(1) will be structurally unsound or unsafe or hazardous for human occupation or improper for the use and occupancy for which it is designed;

(2) will not comply with all the requirements of this Agreement;

(3) will not comply with the Port Authority's standards for harmony of external architecture of similar or future approved construction at the Airport;

(4) will not comply with the standards set by the Port Authority with respect to utility or rentability;

(5) will be so located that there will not be sufficient clearance in respect to existing or planned projecting aprons, runways, or taxiways adjacent thereto;

(6) are designed for use for purposes other than those for which the User is permitted to use the Space under this Agreement;

(7) will be in violation of any local code, OSHA-70, or any other law, ordnance or regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation;

(8) will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

(9) will not provide adequate circulation arteries for vehicular and pediatrician traffic and fire-fighting equipment; or

(10) will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

(e) Upon approval of such plans and specifications by the Port Authority and upon receipt of the Permits, the User shall proceed expeditiously and with all reasonable diligence to perform, at its own expense and cost, the Construction Work in accordance

with such approved plans and specifications.

(f) The User or the User's construction contractor shall furnish the Port Authority performance and payment bonds in a sum equal to the estimated cost of construction, in a form and with sureties satisfactory to the Port Authority, for the faithful performance by the User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of tradespersons, workers and subcontractors. The User shall deliver such bonds to the Port Authority prior to commencement of construction or within thirty (30) days after the award by the User of construction contract or contracts, whichever occurs first.

(g) Upon completion of any work to be performed by the User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

(h) All the Construction Work shall be done in accordance with the following terms and conditions:

(1) The User hereby assumes the risk of loss or damage to all of the Construction Work prior to the completion thereof and the risk of loss or damage to all property of the Port Authority arising out of or in connection with the performance of the Construction Work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the Construction Work and the property of the Port Authority without cost or expense to the Port Authority. The User shall itself and shall also require its contractors to indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Port Authority) arising or alleged to arise out of the performance of the Construction Work and for all expenses, (whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement) incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage (to include reasonable attorney's and other professional fees) direct or consequential, whether they arise out of or from the acts or omissions of the User, of any contractors of the User, of the Port Authority or of third persons, or from acts of God or of the public enemy, or otherwise excepting only claims and demands which result solely from willful acts done by the Port Authority, its Commissioners, officers, agents and employees subsequent to the commencement of the Construction Work.

(2) Prior to engaging or retaining an architect or architects for the Construction Work, the name or names of said

architect or architects licensed in the State of New Jersey shall be submitted to the Port Authority for its approval. The Port Authority shall have the right (to be exercised within thirty [30] days of such submission) to disapprove any architect who may be unacceptable to it. In such event, the Port Authority shall advise the User in writing of the Port Authority's reason for such disapproval. All Construction Work shall be done in accordance with plans and specifications to be submitted to and approved by the Port Authority prior to the commencement of the Construction Work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole cost and expense to perform the Construction Work. All the Construction Work, including workmanship and materials, shall be of first class quality. The User shall re-do, replace or reconstruct at its own cost and expense, any of the Construction Work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of the Port Authority made in accordance with this Agreement, so long as the Port Authority has advised the User that the work was not done in accordance with the plans and specifications within sixty (60) days of the User's certification to the Port Authority of the substantial completion of such work.

(3) Prior to entering into a contract for any part of the Construction Work, the User shall submit to the Port Authority for its approval the names of the contractors to whom the User proposes to award said contracts. The Port Authority shall have the right (to be exercised within thirty [30] days of such submission) to disapprove any contractor who may be unacceptable to it. In such event, the Port Authority shall advise the User in writing of the Port Authority's reasons for such disapproval. The User shall include in all such contracts such provisions and conditions as may be required by the Port Authority, including but not limited to, the following: "If (i) the Contractor fails to perform any of his obligations under the Contract, including his obligation to the User to pay any claims lawfully made against him by any materialman, subcontractor or workman or other third person which arises out of or in connection with the performance of the Contract or (ii) any claim (just or unjust) which arises out of or in connection with the Contract is made against the User or (iii) any subcontractor under the Contract fails to pay any claims lawfully made against him by any materialman, subcontractor, workman or other third persons which arise out of or in connection with the Contract or if in the User's opinion any of the aforesaid contingencies is likely to arise, then the User shall have the right, in its discretion, to withhold out of any payment (final or otherwise and even though such payments have already been certified as due) such sums as the User may deem ample to protect it against delay or loss or to assume the payment of just claims of third persons, and to apply such sums in such manner as the User may deem

proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the User to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the User does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the User to withhold and apply monies nor any exercise or attempted exercise of, or omission to exercise, such rights by the User shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons. Until actual payment is made to the Contractor, his right to any amount to be paid under the Contract (even though such amount has already been certified as due) shall be subordinate to the rights of the User under this provision."

(4) The User shall furnish or require its architect to furnish a resident engineer during the construction period as the Port Authority may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by the Port Authority from time to time.

(5) The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same having been approved by the Port Authority and notwithstanding the incorporation therein of Port Authority recommendations or requirements. Notwithstanding the requirements for approval by the Port Authority of the contracts to be entered into by the User or the incorporation therein of the Port Authority requirements or recommendations, and notwithstanding any rights the Port Authority may have reserved to itself hereunder, the Port Authority shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges the Port Authority, its Commissioners, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any of the Construction Work pursuant to the contracts between the User and its contractors (to include reasonable attorney's and other professional fees). Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of the Port Authority as well as the User.

(6) The Port Authority shall have the right, through its duly designated representatives, to inspect the Construction Work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its

discretion, to take samples and perform testing on any part of the Construction Work, but the taking of samples and testing shall be conducted so as to minimize interference with the Construction Work, if such minimization of impact can be accomplished without diminishing the effectiveness or accuracy of the samples and or tests.

(7) The User agrees that it shall deliver to the Port Authority "as-built" drawings (capable of being reproduced) of the Construction Work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications shall be made without the Port Authority's consent.)

(8) The User shall, if requested by the Port Authority, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the Construction Work, including but not limited to, the fencing of the Space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as the Port Authority may direct.

(9) The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, tradespersons and workers, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the Construction Work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, tradespersons, workman or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep the Port Authority fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful performance of and also for the payment of all lawful claims of subcontractors, tradespersons and workers arising out of the performance of said construction contract.

(10) The User shall procure and maintain Commercial General Liability Insurance, including but not limited to premises-operations, completed operations, a Broad Form Property Damage Endorsement, worker's compensation, independent contractors' coverage, and coverage for explosion, collapse and underground property damage, with a contractual liability endorsement covering the obligations assumed by the User herein, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles, which shall be in addition to all policies of insurance otherwise required under this Agreement or the User may provide

such insurance by requiring each contractor engaged by it for the Construction Work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name the Port Authority as additional insured and be in not less than the following amounts:

(i) Commercial General Liability:
death, bodily injury and property damage liability: combined single limit per occurrence: $50,000,000.00

(ii) Commercial Automobile Liability:
death, bodily injury and property damage liability: combined single limit per accident: $10,000,000.00

The insurance required hereunder shall be maintained in effect during the performance of the Construction Work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Port Authority. The aforesaid insurance shall be written by a company or companies licensed to conduct business in the State of New Jersey and approved by the Port Authority, the Port Authority agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Port Authority agreeing not to act unreasonably hereunder.

(11) The User shall prior to the commencement of the Construction Work, and at all times during the Construction Work, submit or cause to be submitted to the Port Authority all engineering studies with respect to the Construction Work and samples of construction materials as may be reasonably required at any time and from time to time by the Port Authority.

(12) The User shall procure and maintain or cause to

be procured and maintained Builder's Risk Completed Value Insurance covering the Construction Work during the performance thereof including material delivered to the construction site but not attached to the realty in an amount and form satisfactory to the Port Authority. Such insurance shall name the Port Authority, the User and its contractors and subcontractors as additional insured and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the Construction Work and any excess shall be paid over to the Port Authority. The policies or certificates representing this insurance shall be delivered by the User to the Port Authority prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification of the insurance evidenced by said policy or certificate. The insurance shall be written by companies licensed to conduct business in the State of New Jersey, and approved by the Port Authority, the Port Authority agreeing not to withhold its approval unreasonably and if the Port Authority disapproves of any insurance company, it shall advise User in writing of the reasons for such disapproval. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement, the Port Authority agreeing not to act unreasonably hereunder.

(13) Nothing contained herein shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor, or any other person engaged by the User or any of its contractors in the performance of any part of the Construction Work, any right of action or claim against the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the Construction Work.

(14) Nothing contained herein shall create or be deemed to create any relationship between the Port Authority and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the Construction Work and the Port Authority shall not be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the Construction Work.

(15) When the Construction Work is substantially completed and is ready for use by the User, the User shall advise the

Port Authority to such effect and shall deliver to the Port Authority a certificate executed by an authorized officer of the User and the User's architect licensed in the State of New Jersey certifying that such Construction Work has been constructed strictly in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders. The User shall correct, modify, or redo any item that has not been completed in accordance with the approved plans ans specifications. Thereafter, such Construction Work will be inspected by the Port Authority and if the same has been completed as specified by the User, a certificate to such effect shall be delivered to the User, subject to the condition that all risks thereafter with respect to the Construction Work and installation of the same and any liability therefor for negligence or other reason shall be borne by the User. The User shall not use or permit the use of the Construction Work for the purposes set forth in this Agreement until such certificate is received from the Port Authority. The date of delivery of the certificate by the Port Authority shall constitute the Completion Date for the purposes of this Agreement.

(16) The Construction Work shall be conducted in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from or arising out of or resulting from the operations of the User under this Section. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the Construction Work hereunder such necessary or appropriate systems to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User and shall be part of the Construction Work hereunder.

(17) Notwithstanding the provisions of the foregoing subparagraph and in addition thereto, the Port Authority hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, subsequent to the completion of the Construction Work, to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of subparagraph (16).

(i) The User hereby acknowledges that the Port Authority has constructed security fencing to secure and prevent inadvertent entry onto the aeronautical areas of the Airport. The User hereby agrees, during all phases of Construction Work and at all times during the term of this Agreement, to design and construct, at its sole cost and expense, such further fencing as may be necessary to

maintain said security fencing.

(j) All locations, the manner, type, size and method of construction under any of the provisions of subparagraph (16) and paragraph (i) hereof shall be determined by the Port Authority. The User shall submit for the Port Authority's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. It is expressly agreed that the design and appearance of the construction required by subparagraph (16) and paragraph (i) hereof shall be consistent with the overall design and construction of the User's facilities. All other provisions of this Section with respect to the Construction Work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this paragraph and upon completion of each portion of such work it shall be and become a part of the Construction Work.

Section 7. Other Construction by the User

Except as otherwise expressly provided herein, the User shall not erect any structures, make any improvements or do any Construction Work on the Space, or install any fixtures (other than fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of the Port Authority through the medium of a construction or alteration application and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice to do so, the User shall remove the same or, at the option of the Port Authority, cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the User to comply with such notice, the Port Authority may effect the removal or change and the User shall pay the cost thereof to the Port Authority.

Section 8. Fees to the Port Authority

(a) The User shall pay Building fees to the Port Authority for the use and occupancy of the Space as follows:

(1) For Hangar 109 - at the annual rate of

Exemption (2.a.)

, payable in advance on the first day of the month in equal installments of

, which monthly payments shall be abated up to and including December 15, 2016 and shall be paid on December 16, 2016 and on the first day of each and every calendar month thereafter during the remainder of the term hereunder.

(2) For Hangar 111 - at the annual rate of

, payable in advance on the first day of the month in equal installments of

Exemption (2.a.)

(3) For Building 112 - at the annual rate of Three Hundred

), payable in advance on the first day of the month in equal installments of Exemption (2.a.)

, which monthly payments shall be abated up to and including the Completion Date.

(4) For Building 113 - at the annual rate of

Exemption (2.a.)

, payable in advance on December 1, 2000 and on the first day of each and every calendar month thereafter during the term hereunder in equal installments of

Exemption (2.a.)

(5) For Hangar 114 - at the annual rate of

Exemption (2.a.)

payable in advance on December 1, 2000 and on the first day of each and every calendar month thereafter during the term hereunder in equal installments of

Exemption (2.a.)

(6) For Hangar 118 - at the annual rate of

Exemption (2.a.)

payable in advance on December 1, 2000 and on the first day of each and every calendar month thereafter during the term hereunder in equal installments of

(7) For Hangar 119 - at the annual rate of

Exemption (2.a.)

payable in advance on December 1, 2000 and on the first day of each and every calendar month thereafter during the term hereunder in equal installments of

Exemption (2.a.)

(8) If, as and when Hangar 120 becomes a part of the Space hereunder - at the annual rate of Exemption (2.a.)

, payable in advance on the date Hangar 120 becomes part of the Space hereunder and on the first day of each and every calendar month thereafter during the remainder of the term hereunder in equal installments of

(b) The User shall pay Land fees to the Port Authority for the use and occupancy of the Space as follows:

(1) For the land areas associated with Hangars 111, 114, 118, 119, Building 112 and associated parking areas - at the annual rate of Exemption (2.a.) , payable in advance on December 1, 2000 and on the first day of each and every calendar month thereafter during the term hereunder in equal installments of Exemption (2.a.)

(2) For the land area associated with Hangar 109 - at the annual rate of Exemption (2.a.) , payable in advance on December 1, 2000 and on the first day of each and every calendar month thereafter up to and including December 15, 2016 in equal installments of , and thereafter at the annual rate of Exemption (2.a.) , payable in advance on December 16, 2016 and on the first day of each and every calendar month thereafter during the remainder of the term hereunder in equal installments of Exemption (2.a.)

(3) For infield land area - at the annual rate of Exemption (2.a.) payable in advance on December 1, 2000 and on the first day of each and every calendar month thereafter up to and including December 15, 2016 in equal installments of Exemption (2.a.) , and thereafter at the annual rate of payable in advance on December 16, 2016 and on the first day of each and every calendar month thereafter during the remainder of the term hereunder in equal installments of Exemption (2.a.)

(4) For newly paved land area - at the annual rate of Exemption (2.a.) , payable in advance on the Completion Date of such paving work as set forth in the Port Authority's certificate of the substantial completion of such work and on the first day of each and every calendar month thereafter up to and including the fifteenth (15th) anniversary of said Completion Date in equal installments of Exemption (2.a.) , and thereafter at the annual rate of

Exemption (2.a.) payable in advance on said fifteenth (15th) anniversary and on the first day of each and every calendar month thereafter during the remainder of the term hereunder in equal installments of

Exemption (2.a.)

(5) If, as and when Hangar 120 becomes a part of the Space hereunder - at the annual rate of Exemption (2.a.), payable in advance on the date Hangar 120 becomes part of the Space hereunder and on the first day of each and every calendar month thereafter during the remainder of the term hereunder in equal installments of

(c) Notwithstanding anything set forth herein to the contrary, the parties agree that the fees set forth herein are based upon a preliminary estimate of the square footage of the Space, and that within one hundred and eighty (180) days after complete execution of this Agreement, the Port Authority will perform or have performed a certified survey of the Space. The metes and bounds description and resulting square footage calculation shall be used to create a new Exhibit showing the Space and shall be set forth in a Supplement to this Agreement to be prepared by the Port Authority and sent to the User for execution. All fees set forth herein shall be recalculated based upon the square footage determined by the survey at the respective rates set forth in paragraph (i) hereof and the new fees shall also be set forth in the foregoing Supplement. In the event the aggregate fees as determined by the survey are greater than those set forth herein, the User shall pay such amount to the Port Authority upon receipt of an invoice setting forth such amount, together with a copy of the survey. In the event the aggregate fees as determined by the survey are less than those set forth herein, the Port Authority shall apply such amount to the fees next coming due.

(d) If any payment of fees is payable on a date other than the first day of a month, the Building and Land rental fees set forth in paragraphs (a) and (b) above shall be prorated on the basis of the number of days from the day such payment is due to the end of such month.

(e) The Port Authority reserves the right to establish new land and building Basic Fee Rates for each fee component effective January 1, 2010 and January 1, 2020. New land and building Basic Fee Rates, if any, will be determined considering real estate appraisals conducted in the year prior to the effective dates of such new Basic Fee Rates. If such new Basic Fee Rates are not established for one or both of these time periods, the Basic Fee Rates for the immediately prior period will continue to apply. If such appraisals are performed, the first newly established rates

shall be hereinafter referred to as "Basic Fee Rates One", and the second newly established rates shall be know as "Basic Fee Rates Two." It is hereby agreed that any appraiser selected to conduct an appraisal of the Airport shall be selected by the Port Authority. The Port Authority shall require the appraiser to identify separately, in such appraisal, the Basic Fee Rates with respect to each of the Building and Land fees.

(f) In addition to the foregoing, the rates of all the Building and Land fees set forth in paragraphs (a) and (b) hereof shall be subject to adjustment annually on a calendar year basis, using the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all Items, Selected Larger Cities, for the New York - Northeastern New Jersey Area as the data source (herein referred to as the "CPI Index"). The "Standard Inflation Adjustment Factor" (hereinafter referred to as "SIAF") is defined as the quotient resulting from dividing the CPI for the month of December for the year prior to the year for which the rates are being determined by the CPI for the second year prior to the year for which the rates are being determined (for example, to determine the SIAF that will be necessary to calculate the rates for 2009, divide the CPI for the month of December 2008 by the CPI for the month of December 2007). However, if the quotient which results from the computation as described above is less than 1.00, the SIAF for the particular year will be 1.00. Furthermore, if the quotient which results from the computation as described above is greater than of 1.06, the SIAF for the particular year will be 1.06. Thus the rates for one year will not be less than those of the prior year, nor exceed the prior years rates by more than 6%.

(g) In the event that an appraisal is performed in accordance with paragraph (e) above, from and after January 1, 2010 the rates applicable for determining the Building and Land fees shall be the greater of either (i) the Basic Rental Rates One or (ii) the December 2009 rates multiplied by the SIAF. In the event that the one or both of the rates calculated in accordance with (ii) above are fifteen percent (15%) or higher than the Basic Rental Rates One, then the monthly Building and Land fees payable effective January 1, 2010 would be the greater of (a) the rates effective for January 2000 adjusted annually by 1/2 of the increase in the CPI or (b) the rate calculated under item (i) hereof.

(h) If new basic rates have been established in accordance with paragraph (e) above, effective January 1, 2011 and annually thereafter the rates used for determining the Building and Land fees the User shall pay to the Port Authority shall be determined by taking the rates for the prior year and multiplying them by the SIAF for the appropriate year. Under no circumstances shall any of the above rates for a particular year be less than the rates for the previous year as a result of appraisal or adjustment.

(i) In the event that the User shall at any time by the provisions of this Agreement become entitled to an abatement of fees, then said abatement shall be computed at the following daily Building or Land rates, as the same may be adjusted during the term of this Agreement, for each square foot of the Space the use of which is denied to the User:

Exemption (2.a.)

Exemption (2.a.)

(j) Nothing contained in the foregoing shall affect the survival obligations of the User as set forth in Section 31 hereof.

(k) In addition to all other fees set forth in this Section, the User shall pay to the Port Authority a gross receipts fee of

Exemption (2.a.)

of the gross receipts (as hereinafter defined) of the User arising during each annual period in excess of (hereinafter called the "annual exemption amount").

(1) The term gross receipts as used herein shall mean all monies derived by the User at the Space, as defined hereunder, provided, however, there shall be excluded from gross receipts for purposes of such fee:

(w) any taxes imposed by law which are separately stated by and paid by customer of User and directly remitted by the User to the taxing or tax collecting authority, and

(x) all monies paid or payable to the User for the sale of aviation fuel and lubricants, and

(y) all monies paid or payable to the User in connection with its sale of aircraft or its chartering operations at the Airport, and

(z) all monies paid or payable to the User in connection with pass-through expenses relating to management clients, limited, however, to amounts actually paid by the User for such expenses.

(2) During any annual period of the term of the Agreement if the fees pursuant to this Section are increased or decreased, the annual exemption amount defined in this paragraph (k) shall be increased or decreased, as the case may be, by an amount equal to twenty (20) times the amount by which the Basic Fee Rate was increased or decreased. If the change in such fee shall become effective other than at the end of an annual period under the

Agreement, the increase or decrease in the annual exemption amount shall be made pro rata.

(l) In addition to all other fees set forth in this Section the User shall pay to the Port Authority an amount equal to Exemption (2.a.) of all fees charged by the User for aircraft parked on the Public Aircraft Parking Apron, it being understood that all such fees shall be excluded from gross receipts under paragraph (k) hereof.

(m) In addition to all other fees set forth in this Section the User shall pay to the Port Authority an annual amount equal to Exemption (2.a.) for the right to sell aircraft hereunder. Said annual amount shall be prorated based upon any portion of a year this Agreement is in effect and shall be payable on the Effective Date of this Agreement and upon the first day of January of each and every year thereafter.

Section 9. Time of Payment and Computation of Amounts

(a) The User shall pay to the Port Authority the monthly payments of the Building and Land fees specified in Section 8 hereof in advance on the first (1st) day of each and every month, without tender of an invoice by the Port Authority, until the termination of this Agreement, provided, however, if this Agreement is terminated on other than the last day of the month, the last payment shall be the then-effective monthly fee prorated in the same proportion as the number of days the Agreement was in effect in the month during which such termination takes place bears to the actual number of days in said month.

(b) For each annual period the User shall pay the percentage fees set forth in paragraphs (k) and (l) of Section 8 hereof as follows: on the twentieth (20th) day of the first (1st) month following the Effective Date and on the twentieth (20th) day of each and every month thereafter including the month following the end of the annual period, the User shall render to the Port Authority a statement certified by the User's principal financial officer showing its gross receipts for the preceding calendar month and its cumulative gross receipts from the date of commencement of the annual period for which the report is made, through the last day of the preceding calendar month; whenever any such statement shall show that the cumulative gross receipts for the annual period are in excess of the annual exemption amount, the User shall pay to the Port Authority at the time of rendering the statement an amount equal to Five Percent (5%) of such excess and shall, on the twentieth (20th) day of each month thereafter during the annual period and the month next succeeding that annual period, pay to the Port Authority an amount equal to Five Percent (5%) of the gross receipts of each subsequent month during the annual period. At any

time that the annual exemption amount is decreased by abatement so that there is an excess of gross receipts as to which such percentage fee has not been paid the same shall be payable to the Port Authority forthwith. At the time the User pays the foregoing fees it shall also pay the fee payable under paragraph (1) hereof.

(c) Upon any termination of the Agreement, even if stated to have the same effect as expiration, the User shall, within twenty (20) days of the effective date of such termination, make a payment of the gross receipts fees computed as follows: (1) the User shall within twenty (20) days after the effective date of termination render to the Port Authority a statement of gross receipts certified by the User's principal financial officer for the annual period in which the effective date of termination falls; and (2) the payment when due on account of all such gross receipts fees for the annual period in which the effective date of termination falls shall be the excess for such gross receipts fees computed as follows, over the total of such gross receipts fee payments previously made for such annual period: Five Percent (5%) of the gross receipts of the User for such annual period which are in excess of the annual exemption amount, said annual exemption amount being multiplied by a fraction, the numerator of which shall be the number of days from the commencement of the annual period to the effective date of termination, and the denominator of which shall be three hundred sixty-five (365). At the time the User pays the foregoing fees it shall also pay the fee payable under paragraph (1) hereof.

(d) Nothing contained in the foregoing shall affect the survival of the obligation of the User as set forth in the Sections of this Agreement covering the survival of the User's obligations.

(e) In connection with the User's administration, on behalf of the Port Authority, of the Public Aircraft Parking Apron the User shall:

(1) maintain, in accordance with accepted accounting practices during the effective period of this Agreement, records and books of account recording all transactions of the User in connection with the administration of the Public Aircraft Parking Apron; and

(2) permit during ordinary business hours the examination and audit by authorized representatives of the Port Authority of the records and books of account of the User as pertain to the activities conducted at the Public Aircraft Parking Apron; and

(3) furnish on or before the twentieth (20th) day of each month following the Effective Date of the

Agreement a statement certified by the chief financial officer of the User of the parking fees charged to users of the Public Aircraft Parking Apron during the preceding month and shall remit concurrently therewith fifty percent (50%) of the amount shown on such statement.

Section 10. Care, Maintenance and Repair

(a) The User shall at its own expense at all times keep the Space and all the User's fixtures, equipment and personal property and any property of the Port Authority which are located in any parts of the Space which are open to or visible by the general public, in a clean and orderly condition and appearance.

(b) The User shall, at its own expense, repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

(c) The User shall perform all snow removal from the Space in a manner prescribed by an annual snow removal plan which shall be submitted to the User each year by the Airport Manager prior to start of the snow season.

(d) In the event the User fails to adhere to said plan, the Port Authority may, at its option, upon ten (10) days' advance notice to the User and the User's failure to cure within such time period, commence corrective action and charge the cost thereof to the User. The amount of such charge to constitute an item of an additional fee.

(e) Except for reasonable wear which does not adversely affect the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof, the User at its own expense shall take good care of the Space, including without limitation paved and unpaved areas, fences, skylights, steelwork, walls, partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, lights, sewerage, drainage, water-supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures.

(f) The User shall perform all structural and non-structural maintenance, repairs, replacements and painting at the Space, including walls, ceilings, windows, doors, floors, partitions, glass, electrical, plumbing and heater equipment and fixtures, air conditioning and ventilation equipment that service the Space, regardless of the cause of the condition requiring the same, except for reasonable wear which does not adversely affect

the weather-tight condition or structural integrity of the Space and its improvements or the proper and efficient utilization thereof.

(g) In the event the User fails to commence to so repair, replace, rebuild or paint as required above within a period of thirty (30) days after notice from the Port Authority so to do, or fails diligently to continue to complete the repair, rebuilding, replacement, or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, the Port Authority 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

Section 11. Services to the User

(a) The Port Authority shall supply, as needed and approved, connections for water, sewerage, electricity, and gas to the Space.

(b) The User shall promptly pay all domestic water, electric, gas and other utility bills covering consumption by the User in the Space. In the event that any such bill or bills remains unpaid for a period of thirty (30) days after the same becomes due and payable, or in the event that any such bill remains unpaid at the expiration or earlier termination of this Agreement, the Port Authority may pay the same and any interest or penalties thereon, and the total payment or payments at any time so made shall constitute an item of additional fee, payable to the Port Authority upon demand.

(c) The User agrees to heat the enclosed portion of the Space to a sufficient temperature so that plumbing, fire protection and sprinkler systems, will not be damaged by the cold.

(d) In the event that the Borough of Moonachie, or the State of New Jersey or any other municipal subdivision, or corporation now furnishing, with or without charge therefor, any services which are beneficial to the User in its use or occupancy of the Space shall hereafter impose charges or increase existing charges for such services, the User agrees to pay the Port Authority as an item of additional fee hereunder such of the charges or the increase in charges as may be imposed or assessed against the Port Authority in respect of the Space hereunder or the User's use or occupancy thereof.

(e) The Port Authority shall charge the User for the following services, as the same are metered:

(1) Sewer usage, taking into account total usage of others on the same sewer system; and

(2) Standby water charges for fire protection system, taking into account total usage of others on the same systems.

Section 12. Insurance

(a) Subject to the availability of such insurance, the Port Authority in its name and for its benefit only shall insure and during the term of this Agreement keep the enclosed portions of the exclusive and non-exclusive areas insured to the extent of not less than eighty percent (80%) of the insurable value thereof, if such enclosed portions of the exclusive and non-exclusive areas are not protected from the peril of fire by a sprinkler system, and shall keep insured to the extent of not less than ninety percent (90%) of the insurable value of such enclosed portions of the exclusive and non-exclusive areas as are protected from the peril of fire by a sprinkler system, against such hazards and risks as may now or in the future be included under the Standard Form of Fire Insurance Policy of the State of New Jersey.

(b) The Port Authority hereby reserves the right, exercisable at any time during the term of this Agreement and without any notice to the User to self-insure the exclusive and non-exclusive areas either in whole or in part under its self-insurance plan to the same extent and against the same risks as hereinbefore in this Section enumerated.

(c) The parties hereby stipulate that neither the provisions of Title 46:8-6 and 46:8-7 of the Revised Statutes of New Jersey nor those of any similar statute shall extend or apply to this Agreement.

(d) During the term of this Agreement, the User shall, insure and keep insured to the extent of 100% of the replacement cost thereof, covering all risk of physical loss of or damage to all buildings other than Hangars 118, 119 and 120, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by flood, earthquake, windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a

separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction. The Port Authority shall be included as a named insured and the policy or policies shall be endorsed to include losses adjusted with and payable to the Port Authority.

(e) For the portions of the Space known as Hangars 118, 119 and 120, during the term of this Agreement the Port Authority shall, for the account of and at the expense of the User, provide, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the said Hangar facilities against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction.

(f) The aforesaid insurance coverages and renewals thereof shall insure the Port Authority as its interests may appear and shall provide that the loss, if any, shall be adjusted with the Port Authority and shall be payable to the Port Authority as its interests may appear.

(g) At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to the Port Authority and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority twenty (20) days advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to the Port Authority at least twenty (20) days before the expiration of the insurance which such policies are to renew.

(h) In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify the Port Authority of such casualty and shall thereafter furnish to the Port Authority such information and data as shall enable the parties to adjust the loss.

(i) To the extent that any loss is recouped by actual payment to the Port Authority of the proceeds of the insurance herein

referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by the Port Authority to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include as itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligation under the Agreement. If the proceeds of any such insurance paid to the Port Authority exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by the Port Authority.

(j) If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space. If the User does not so properly proceed then the Port Authority may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement.

(k) The User, for its own protection, may separately insure at its own expense such fixtures, equipment or other personal property at the Space as its interests may appear.

(l) In the event that as a result of a casualty the Space is damaged (without fault of the User, its employees, customers, guests, contractors, subcontractors, invitees or persons doing business with it) so as to render the same untenantable in whole or in part, then the fees payable hereunder with respect to the damaged portion of the Space shall be abated as herein provided for the period from the occurrence of the damage to the earlier to occur of the date of substantial completion of the repairs and rebuilding or the date the User makes use of the part of the Space so damaged.

Section 13. Ingress and Egress

(a) The User, its agents, officers, employees, affiliates, customers, contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport as may from

time to time be designated by the Port Authority for the use of the public.

(b) The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

(c) The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Port Authority may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User.

(d) The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

Section 14. Indemnity, Liability Insurance

(a) (1) The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs or expenses including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death or personal injuries, or for property damages, arising out of the use or occupancy of the Space or any non-exclusive areas by the User or by others with its consent or arising out of any other acts or omissions of the User, its officers, employees, guests, invitees and business visitors on the Space or on any non-exclusive areas, or out of the acts or omissions of others on the Space and any non-exclusive areas with the consent of the User, or arising out of the acts or omissions of the User, its officers and employees elsewhere at the Airport.

(2) If so directed, the User shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent), and in

handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provision of any statutes respecting suits against the Port Authority.

(b) In addition to the obligations set forth in paragraph (a) hereof and all other insurance required under this Agreement, the User in its own name as assured and with the Port Authority as an additional insured shall secure, maintain and pay the premium or premiums during the term of this Agreement on a policy or policies of Commercial Public Liability Insurance, including but not limited to, premises-operations, products, completed operations, and covering bodily injury, including death, and property damage liability, broadened to include or equivalent separate policies covering aircraft liability and airport operator's liability under an airport liability policy, hangarkeeper's coverage, boiler and machinery coverage, all risk personal property coverage for the full replacement value, a subrogation waiver in favor of the Port Authority, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles, and providing for coverage in the limits set forth below. The said policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the User thereunder with respect to any claim or action against the User by a third person shall pertain and apply with like effect with respect to any claim or action against the User by the Port Authority, but such endorsement shall not limit, vary, change, or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by the User shall be the same as the protections afforded the User thereunder with respect to any claim or action against the User by a third person as if the Port Authority were the named insured thereunder. The said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the User under subparagraph (1) hereof.

	Minimum Limits
Commercial Public Liability Insurance:	
Death, bodily injury and Property damage liability: combined single limit per occurrence:	$50,000,000.00

Commercial Automobile Liability Insurance:
Death, bodily injury and
Property damage liability:
combined single limit
per accident: $10,000,000.00

(c) Notwithstanding the foregoing, it is specifically understood and agreed that the Port Authority shall have the right upon notice to the User given from time to time and at any time to require the User to increase any or all of the foregoing limits in amounts that the Port Authority may reasonably require, and the User shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority.

(d) The aforesaid insurance shall be written by companies approved by the Port Authority, the Port Authority convenanting and agreeing not to withhold its approval unreasonably.

(e) Each policy of insurance required by this Section 14 shall contain a provision that the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(f) As to the insurance required by this Section 14, a certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority within ten (10) days after the execution of this Agreement and each policy, certificate or binder delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may be not canceled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to the Port Authority. Any renewal policy shall be delivered to the Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term of this Agreement. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the User shall promptly obtain a new and satisfactory policy on replacement. If the Port Authority at any time so requests, a certified copy of each of the

policies shall be delivered to the Port Authority.

Section 15. Various Obligations of the User

(a) The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space or the Airport. The User shall take all reasonable measures:

(1) to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

(2) to keep the sound level of its operations within acceptable limits as determined by the Port Authority.

(b) The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon reasonable objection from the Port Authority concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If the Port Authority shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Manager of the Airport.

(c) It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User shall conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User shall employ the maximum reasonable amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event the Port Authority determines that the User has not curbed the prop or jet blast interference, as set forth above, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference, subject, however, to the prior written approval of the Port Authority as to type, manner and method of construction.

(d) The User shall daily remove from the Space by means of

facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Airport shall be used for such removal unless with the Port Authority's prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space, except pursuant to an approved discharge permit issued by Federal, state, county or local government.

(e) It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable Federal, State and Municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

(f) The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance with the provisions of this Agreement relating to construction by the User, make any and all structural or non-structural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to the Port Authority that part of all premiums paid by the Port Authority which shall have been charged because of such violation or failure by the User.

(g) In connection with the conduct of User's business the User shall:

(1) use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

(2) not divert or cause to be diverted, any business from the Airport, provided, however, that the Port Authority acknowledges that the User operates facilities other than the Space and that it may determine, in its reasonable business judgment, to conduct any of its business at such other facilities;

(3) maintain in accordance with accepted accounting practice during the term hereof the User's records and books of account recording all transactions at, through or in any wise connected with the Airport which records and books of account shall be kept at all times at the User's place of business at the Airport; and

(4) permit in ordinary business hours during the term hereof and for one (1) year thereafter the examination and audit, on a non disclosure basis, by the officers, employees or representatives of the Port Authority of such records and books of account and also any records and books of account of any company owned or controlled by the User if said company performs services similar to those performed by the User anywhere at the Airport.

(h) In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under this Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. The Port Authority hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type

and method of construction and the size of any of the foregoing shall be determined by the Port Authority. The User shall submit for the Port Authority's approval a Construction Application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

(i) The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering Construction Work and notwithstanding the incorporation therein of the Port Authority's recommendations or requirements and notwithstanding that the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to the Port Authority in entering into this Agreement with the User.

(j) The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Port Authority shall relieve the User of such responsibility.

(k) The following terms shall have the following respective meanings as used herein:

(1) "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or (v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

(2) "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statutes, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all Governmental Agencies, and all

applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various Governmental Agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

(3) "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

(4) "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

(l) The User, prior to the execution of this Agreement, has thoroughly examined the Space and determined it to be suitable for the User's operations hereunder and the User restates and continues said determination in connection with its continued occupancy hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Space whether existing on or after the date of the User's or its predecessor in interest's original occupancy of the Space, including, without limitation, all Environmental Requirements and Environmental Damages, as herein defined, and all soil remediation to the extent required under Environmental Requirements, including but not limited to, remediation which may be required as a result of discovery of any contaminants while performing test borings or in the performance of Construction Work, and to indemnify and hold harmless the Port Authority with respect to third party claims in accordance with Section 14 of this Agreement. Notwithstanding the foregoing, the User shall be responsible for the removal of and remediation of Hazardous Substances placed, or permitted or caused to be placed, on, in or under the Space by the User or by its employees, agents, contractors, or others using or occupying the Space under this Agreement.

(m) In addition to all other obligations of the User hereunder, in connection with the Public Aircraft Parking Apron, the User shall be responsible for the following:

(1) maintaining and keeping such portion of the Space at all times free from loose debris, stones, tools and all other aspects of like nature; and

(2) immediately wiping and cleaning of all fuel, lubricant or chemical spills or leakage upon the pavement and preventing any fuel, lubricants or chemical from draining into any waters abounding Such portion of the Space; and

(3) removing of snow and ice from such portion of the Space; and

(4) maintaining and repairing any damage to the pavement from any cause whatsoever; and

(5) repainting of markings upon the pavement as required from time to time by the Port Authority.

(6) The specific obligations contained in this subparagraph shall be performed by the User at no expense to the Port Authority.

(7) The User shall not mar the pavement in any way, such as drilling holes or installing stakes or any other like act and shall not install tie-downs of any nature in or upon the Space.

(8) The User shall not charge any fees for the parking of U.S. Government aircraft on the Space.

(9) The User shall use its best efforts to accommodate the general public on the Space; in addition to its own aircraft and those of its customers.

(10) The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of the Port Authority shall relieve the User of such responsibility.

Section 16. Prohibited Acts

(a) The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to employees or the public, except that the User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following:

(1) Hot and cold packaged foods;

(2) Hot and cold beverages;

(3) Candy and chewing gum;

(4) Tobacco and tobacco products;

(5) Newspapers and periodicals; and

(6) Telephone services (pay stations)

(All of the foregoing being hereinafter collectively called "vending machines").

(b) If the User, installs or causes to be installed, vending machines on the Space for the limited sale of merchandise or services permitted hereunder, the User shall have the right to retain the revenues derived therefrom, provided, however, that the User shall itself, and shall also require its contractors to, indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands (to include reasonable attorney and other professional

fees) of third persons, including employees, officers and agents of the Port Authority and the Port Authority arising or alleged to arise out of the installation, operation or maintenance of the User's vending machines (or consumables obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the User's vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this Agreement.

(c) The limited right to install, operate and maintain vending machines granted to User herein may be terminated by the Port Authority at any time during the term of this Agreement upon ninety (90) days' notice to the User and the Port Authority, at any time thereafter, may substitute for the User's vending machines other machines selling similar merchandise or services operated by the Port Authority or by its permittee or concessionaire and thereupon User shall remove its machines.

(d) Upon installation by the Port Authority or by its permittee or concessionaire of vending machines in substitution of the User's vending machines, all revenues derived therefrom shall be retained by the Port Authority.

(e) Upon rendering of notice to the User of termination of the right to operate vending machines, the Port Authority may elect to permit the User's vending machines to remain, but in such case, the User shall pay or cause to be paid to the Port Authority each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of the Port Authority then operating machines at the Airport for sale to the general public of similar merchandise or rendering of similar services.

(f) The termination by the Port Authority of the limited right of the User to install vending machines at the Space shall be non-discriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by the Port Authority the User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

(g) The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

(h) The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems,

fire-protection system and other systems installed or located on or in the Space.

(i) The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

(j) The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

(k) The User shall not do or permit to be done any act or thing upon the Space which:

(1) will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

(2) which, in the opinion of the Port Authority, may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

(3) which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

(l) Except persons who have been granted valid permits or permission from the Port Authority, the User shall not permit, foster or allow on the Space any persons not related to the User who are:

(1) doing maintenance work on aircraft not owned or operated solely by said persons,

(2) giving flight instruction of any sort unless such persons are members of the User's flight instruction staff, or

(3) conducting air taxi, aircraft charter or aircraft leasing of any sort.

Section 17. Rules and Regulations

The User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such Rules and Regulations of the Airport as are now in effect or as may be promulgated from time to time for the

government and conduct of operations of the Airport for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then the Port Authority will make a copy thereof available to the User at the office of the Manager of Teterboro Airport.

Section 18. Signs

(a) Except with the prior written approval of the Port Authority, the User shall not erect, maintain or display any advertising, signs or similar devices at or on the Space.

(b) Upon demand by the Port Authority, the User shall remove, obliterate or paint out any and all advertising, signs and similar devices placed by the User on the Space or elsewhere on the Airport without the prior approval of the Port Authority. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, the Port Authority may perform the necessary work and the User shall pay the costs thereof to the Port Authority on demand.

Section 19. Assignment

(a) The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of the Port Authority. The Port Authority may grant or withhold such consent solely in its discretion for any reason.

(b) If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by anyone other than the User, the Port Authority may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by said assignee, sub-user or other user and no such payment shall be deemed a waiver by the Port Authority of the covenants or agreements contained in this Section nor of acceptance by the Port Authority of any assignee, claimant or occupant, nor as a release of the User by the Port Authority from the further performance by the User of the agreements contained herein, including but not limited to, the payment of fees.

Section 20. Condemnation

(a) The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of

any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority, or its subsidiaries and affiliates for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between the Port Authority and the User that the Port Authority shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

(b) In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be canceled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired. The Port Authority shall provide the User such advance notice as practicable.

(c) In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rule, regulation, requirement, order or direction, the Port Authority may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to deliver possession of all or such portion of Space so required upon the effective date of such termination. No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this paragraph shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority for damages, consequential or otherwise.

Section 21. Non-Discrimination

(a) Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land (1) that no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of

Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination 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, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

(b) The User assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

(c) The User shall include the provisions of the above paragraphs in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting the Port Authority a right to take such action as the United States may direct to enforce such covenant.

(d) The User's non-compliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance; or in the event such non-compliance shall continue for a period of twenty (20) days after receipt of written notice from the Port Authority, the Port Authority shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(e) The User shall indemnify and hold harmless the Port Authority (to include reasonable attorney's and other professional fees) from any claims and demands of third persons including the United States of America resulting from the User's non-compliance

with any of the provisions of this Section and the User shall reimburse the Port Authority for any loss or expense incurred by reason of such non-compliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this Agreement.

(f) Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

(g) Minority Business Enterprises

In accordance with the construction required in Section 6 of the Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

Section 22. Right to Recapture Portions of the User's Ramp Space

(a) The User acknowledges that the Airport serves the needs of the public and that the Public Aircraft Facilities should be utilized to the fullest extent possible with airport users afforded fair and reasonable access. The User also acknowledges that the following paragraphs provide that if the User does not utilize its facilities to the level set forth in stated performance criteria, such underutilized facilities may be either recaptured by the Port Authority or required to be offered by the User to another user in accordance with the provisions of the following paragraphs.

(b) It is hereby agreed that, commencing on January 1, 2001, which will be known as the "Start Date," and for each and every calendar year thereafter, the Port Authority may ascertain the User's percentage share (hereinafter referred to as the "User's Current Fuel Share") of the total aircraft fuel gallons sold (hereinafter referred to as "Total Current Fuel Dispensed") at the Airport for the preceding calendar year. The fuel dispensed by the User for the year preceding the Start Date and the year preceding each and every calendar year thereafter during which such calculation is made shall be known as the "User's Current Fuel Dispensed." The User's Current Fuel Share shall be calculated by dividing the User's Current Fuel Dispensed by the Total Current Fuel Dispensed preceding the year during which such calculation is made. The User's Current Fuel Share for the calendar year 1998 shall hereinafter be defined as "the Base Year's Fuel Share" and is

shown below:

Teterboro Airport User	Fuel Share in 1998
Atlantic Aviation Corporation	17.8%
First Aviation Services, Inc.	16.5%
Jet Aviation of America, Inc.	34.4%
General Aviation Aircraft Services, Inc. (doing business as Million Air-Teterboro)	17.0%
Signature Flight Support-New Jersey, Inc.	14.3%

(c) As of the Start Date and as of January 1st of each succeeding calendar year, in the event that the User's Current Fuel Share for the respective preceding calendar year is determined to be at least twelve and one half percent (12.5%) less than the User's Base Year Fuel Share, the Port Authority shall have the right, but not the obligation, upon two (2) month's written notice to the User, to require the User to make, and the User hereby agrees to make, ramp space (hereinafter called "Accommodation Space") available to other users, sub-users or the Port Authority in useable increments as directed by the Port Authority in the amount and in the manner and to the extent set forth below:

Percentage of User's Current Fuel Share Divided by User's Base Year Fuel Share	Ramp Space to be Made Available

Exemption (2.a.)

(d) In the event the User is so notified by the Port Authority it shall either (a) enter into a sub-use agreement with another user for a term of one (1) year or (b) enter into a surrender agreement, as directed by the Port Authority. Any such sub-use agreement shall be subject to the prior and continuing approval of the Port Authority and the execution by and among the User, the sub-user and the Port Authority of a Consent Agreement in form satisfactory to the Port Authority. Moreover, and without limiting the foregoing, the User shall provide any and all information to the Port Authority as may be requested by the Port Authority from time to time as to all aspects of its accommodation of such sub-user hereunder. Nothing contained herein shall in any way affect the discretion of the Port Authority in granting or withholding its consent to a sub-use agreement.

(e) The failure of the Port Authority to exercise its right under this Section during any year in which it may have such a right shall not affect, waive, or limit its rights to exercise such right in any subsequent year during any period of under-utilization. In no event will the Accommodation Space exceed the

percentages set forth above.

(f) The User shall make such ramp space available during the period set forth in the aforesaid notice. The Port Authority shall consider a request by the User to restore the Accommodation Space to the User when the User's Current Fuel Share shall have returned to within twelve and one half percent (12.5 %) or less of the User's Base Year Fuel Share, provided the Accommodation Space is not then covered by a sub-use or other agreement, or at such time as the Port Authority deems it is in the best interest of the Airport to restore the Accommodation Space to the User.

(g) The User agrees that all sub-use and occupancy agreements shall be at reasonable and at non-discriminatory rates, fees and charges and shall be based on the recovery by the User of a pro rata share of the User's costs of (1) operation and maintenance, (2) services provided, and (3) the User's fees and investment in the Accommodation Space.

(h) Notwithstanding anything set forth herein to the contrary, in the event the Port Authority authorizes the sale of fuel at the Airport by any entities in addition to those listed in Section 22(b) hereof, a new Base Year's Fuel Share shall be established for each user, and such new Base Year's Fuel Share shall be used for the calculation required in Section 22(c) hereof.

Section 23. Governmental Requirements

(a) The User shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

(b) The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to the User therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The User shall comply with the enactments, ordinances, resolutions and regulations of local governmental authorities and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation to the extent that the Port Authority finds it practicable to do so, except in cases where the Port Authority either notifies the User that it need not comply with or directs it not to comply with any such enactments, ordinances, resolutions or regulations. The User shall, for the Port Authority's information, deliver to the Port Authority

promptly after receipt of any notice, warning, summons or other legal process for the enforcement of any of the foregoing, a true copy of the same. Any direction by the Port Authority to the User not to comply with any such enactment, ordinance, resolution or regulation shall be given only pursuant to a resolution duly adopted by the Board of Commissioners of the Port Authority or by an authorized Committee of its Board and if any such direction is given by the Port Authority to the User, the Port Authority, to the extent that it may lawfully do so, shall indemnify and hold the User harmless from and against all claims, acts, damages, liabilities, fines, penalties, costs and expenses suffered or incurred by the User as a result of non-compliance with such enactment, ordinance, resolution or regulation. Any notice received by the Port Authority shall be given to the User as soon as practicable.

(d) In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the User of a written direction from the Port Authority not to comply (and thereafter discontinued), such compliance shall not constitute a breach of this Agreement although the Port Authority thereafter directs the User not to comply. Nothing herein contained shall release or discharge the User from compliance with any other provision hereof respecting governmental requirements.

(e) The User shall have such time within which to comply with the aforesaid laws, ordinances, rules and regulations as the authorities enforcing the same shall allow.

(f) The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space and the Airport and the User shall, in accordance with and subject to the provisions of Section 7 hereof, make any and all structural and non-structural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future law, rules, regulations, requirement, order or direction.

(g) The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

Section 24. Rights of Entry Reserved

(a) The Port Authority, by its officers, employees, agents,

representatives and contractors and the Port Authority and its subsidiaries and affiliates by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority may be obligated or have the right to do under this Agreement, or otherwise. In the event of a question of a contractor's authority, the User shall contact the Port Authority.

(b) Without limiting the generality of the foregoing, the Port Authority by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Port Authority, be deemed necessary or advisable and, from time to time, to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction the Port Authority shall not unreasonably interfere with the use and occupancy of the Space by the User.

(c) The exercise of any or all of the foregoing rights by the Port Authority or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

(d) Nothing in this Section shall impose or shall be construed to impose upon the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

Section 25. <u>Basic Agreement</u>

In the event the Basic Agreement is terminated, revoked, canceled or expires, this Agreement shall continue in accordance with all its terms and conditions and such termination, revocation, cancellation or expiration of the Basic Agreement shall not be

deemed a breach of this Agreement.

Section 26. Patents, Trademarks

The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in any way connected with this Agreement. The User agrees to indemnify and to save and hold the Port Authority, its Commissioners, officers, employees, agents and representatives free and harmless of and from any and all loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

Section 27. Additional Fees and Charges

If the Port Authority is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 fees thereafter due hereunder, and each and every part of the same shall be and become additional fees, recoverable by the Port Authority in the same manner and with like remedies as if they were originally a part of the fees as set forth in the Section entitled "Fees to the Port Authority" hereof.

Section 28. Right of Re-Entry

The Port Authority shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by the Port Authority" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

Section 29. Surrender

The User covenants and agrees to yield and deliver peaceably to the Port Authority possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

Section 30. Termination by the Port Authority

(a) Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, the Port Authority may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

(1) The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

(2) By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

(3) A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within sixty (60) days after the filing thereof; or

(4) Except as may be provided in the Section of this Agreement entitled "Assignment," the interest of the User under this Agreement shall be transferred to, pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

(5) The User shall, without the prior written approval of the Port Authority, become a successor or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

(6) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

(7) The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

(8) Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof, or if removal of the lien cannot be accomplished within such forty-five (45) day period, the User fails to take steps to challenge said lien within such forty-five (45) day period; or

(9) The User shall fail duly and punctually to pay the fees or to make any other payment required hereunder when due to the Port Authority and shall persist in its failure for a period of ten (10) days following the receipt of written notice of such default from the Port Authority; or

(10) The User shall fail to keep, perform and observe each and every promise 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 default thereunder from the Port Authority (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within thirty [30] days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

(11) There shall be an occurrence of any of the events of

default resulting in termination of any other use and occupancy agreements or permits between the User and the Port Authority at the Airport, provided, however, if the User is in full compliance with all the terms and conditions of this Agreement, but no longer has or is about to lose any fuel agreement or permit it may then have with the Port Authority, the User shall be offered the opportunity to enter into whatever agreement the Port Authority deems necessary to enable the User to dispense or have dispensed aviation fuel at the Airport in connection with its operations hereunder.

(b) If any of the events enumerated in the above items of paragraph (a) hereof shall occur prior to the effective date of this Agreement, the Port Authority, upon the occurrence of any such event or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice, may cancel this Agreement, such cancellation to be effective upon the date specified in such notice and the User's continuance in possession of the Space under the Other Use and Occupancy Agreements shall be governed by each such Use and Occupancy Agreement.

(c) No acceptance by the Port Authority of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of the Port Authority to terminate this Agreement.

(d) No waiver by the Port Authority of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by the Port Authority of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

(e) The rights of termination 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 the Port Authority would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by the Port Authority of any right of termination shall be without prejudice to any other such rights and remedies.

Section 31. Survival of the Obligations of the User

(a) In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by the Port Authority" hereof, or in the event that the Port Authority has re-entered, regained or resumed possession of the Space in accordance with the provisions

of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Port Authority to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. The Port Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

(b) The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's fee obligations, shall be the sum of the following:

> The amount of the total of all installments of fees pursuant to the Section entitled "Fees to the Port Authority" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month; and an amount equal to all reasonable expenses incurred by the Port Authority in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to reasonable attorney's fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

Section 32. <u>Use Subsequent to Cancellation or Termination</u>

(a) The Port Authority, upon termination or cancellation pursuant to the Section of this Agreement entitled "Termination by the Port Authority," or upon any re-entry, regaining or resumption of possession pursuant to the Section of this Agreement entitled "Right of Re-Entry," may occupy the Space or may enter into an agreement with another user and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Port Authority, at its own expense, shall also, upon said termination or cancellation, or upon said re-entry,

regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

(b) In the event either of use by others or of any actual use and occupancy by the Port Authority, there shall be credited to the account of the User against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any user, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as the Port Authority may itself during such period actually use and occupy, less all reasonable expenses, costs and disbursements incurred or paid by the Port Authority in connection therewith.

(c) No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of the Port Authority hereunder.

Section 33. Services by the User

(a) A principal purpose of the Port Authority in the making of this Agreement is to make available at the Airport the items and services which the User is permitted to sell and render hereunder. The User hereby warrants and agrees that it will conduct a first-class operation and will furnish all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and facilities.

(b) The User shall:

(1) furnish good, prompt and efficient service adequate to meet all reasonable demands therefor at the Space;

(2) furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and

(3) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the User may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers or sub-users.

(4) As used in the above items, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

(c) The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Federal Airport Act of 1946 and pursuant to the Airport and Airway Development Act of 1970 (49 U.S.C. 1701), as the same have been amended and supplemented, and the Port Authority may in the future apply for and receive further such grants. The Port Authority may in the future undertake certain additional obligations respecting the operation of the Airport and the activities of contractors, users and permittees thereon. The performance by the User of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the Port Authority to enter into this Agreement and the User further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the User of its obligations under this Agreement, the User will promptly comply therewith, at the time or times when and to the extent that the Port Authority may direct.

Section 34. Remedies to be Non-Exclusive

Except where otherwise specifically provided, 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 either party at law or in equity.

Section 35. Limitation of Rights and Privileges Granted

No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

Section 36. Removal of Personal Property

(a) The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

(b) If the User shall fail to remove its property on or before the termination or expiration of the term, the Port Authority may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to the Port Authority, with any balance remaining to be paid to the User, but if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to the Port Authority upon demand.

Section 37. Brokerage

The User and the Port Authority each represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. Each party shall indemnify and save harmless the other party of and from any claim for commission or brokerage made by any and all persons, firms or corporations whatsoever for services rendered to such party, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees).

Section 38. Obstruction Lights

(a) The User shall furnish such obstruction lights as the Port Authority shall direct, of the type and design approved by the Port Authority, and shall install said lights in the locations on the Space designated by the Port Authority and shall maintain them in good operating condition at all times.

(b) The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of said lights, and shall operate the same in accordance with the directions of the Port Authority. The Port Authority hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

Section 39. 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 mail. The User shall from time to time designate in writing an office within the Port of New York District and an officer or representative whose regular place of business is at such office upon whom notices and requests may be served. Until further notice, the Port Authority hereby designates its Executive Director, and the User designates ~~Paul T. Engl~~ as their respective officers upon whom notices and requests may be served, and the Port Authority designates its office at One World Trade Center, New York, New York 10048 and the User designates its office at 111 Charles Lindbergh Drive, Teterboro, New Jersey 07608, as their respective offices where notices and requests may be served. If mailed, the notices herein required to be served shall be deemed effective and served as of the date of the registered or certified mailing thereof. The Port Authority shall, for informational purposes only, send a copy of all such notices and requests to the User's counsel at Windels Marx Lane & Mittendorf, LLP, 120 Albany Street, New Brunswick, New Jersey 08901, Attention: Anthony R. Coscia, Esq. Failure on the part of the Port Authority to send the informational copy shall not, however, be or be deemed to be a breach of this Agreement or impair the validity of the notice given in accordance with the foregoing.

TERRANCE P. KELLEY

FOR THE PORT AUTHORI

Section 40. Construction and Application of Terms

TCK

FOR THE USER

The Section and subsection 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 of intent of any provision hereof.

Section 41. Non-Liability of Individuals

Neither the Directors of the Port Authority, its subsidiaries and affiliates, or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

Section 42. Affirmative Action

The User assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person on the grounds of race, creed, color, national origin, or sex shall be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The User assures that no person shall be excluded on these grounds from

participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganizations provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurance from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

Section 43. Late Charges

If the User should fail to pay any amount required to be paid by the User under this Agreement when due to the Port Authority, including without limitation any payment of fees or any payment of utility or other charges or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (herein below described) during the entirety of which such amounts remain unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority of payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Each late charge shall be and become additional fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees payable hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including without limitation the Port Authority's rights set forth in Section 30 of this Agreement or (ii) any obligations of the User under this Agreement. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum such late charge payable under this Agreement shall be payable instead at such legal maximum.

Section 44. Books and Records

The User shall keep in an office or offices in the Port of New York District, appropriate books and records showing (i) the date and hour of each take-off or departure from the Airport of each aircraft operated by it and the date and hour of the landing by such aircraft next preceding each take-off or departure, (ii) all matters which it is required to certify to the Port Authority pursuant to this Agreement and (iii) any other matter concerning the User's operations at the Airport with respect to which the Port Authority may reasonably need information to fulfill its obligations or exercise its rights under this Agreement whether or not of the type enumerated above in this Section and whether or not an express obligation to keep books and records with regard thereto is expressly set forth elsewhere in this Agreement. The User shall not be obligated to preserve any such records for more than twelve (12) months unless they are material to litigation initiated within that time, in which event they shall be preserved until the final determination of the controversy. The Port Authority shall have the right to inspect such books and records during regular business hours.

Section 45. Force Majeure

(a) Neither the Port Authority nor the User shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortages of material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, tides, riots, rebellion, sabotage or any other circumstances for which it is not responsible and which are nor within its control; provided, however, that this provision shall not apply to failures by the User to pay the fees or other charges specified hereunder, and shall not apply to any other charges or money payments; and, provided, further, that this provision shall not prevent the Port Authority from exercising its rights of termination hereunder, and shall not prevent the User from exercising its right to an abatement of fees hereunder.

(b) No abatement, diminution or reduction of the fees or other charges payable by the User shall be claimed or allowed to the User for any inconvenience, interruption, cessation or loss of business or other loss caused, directly or indirectly, by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or of the state, county or city governments, or of any other municipal, governmental, or lawful authority other than the Port Authority whatsoever, or by priorities, rationing or curtailment of labor or materials, or by war or any matter or thing resulting therefrom or by any other cause or causes beyond the control of the Port

Authority, nor shall this Agreement be affected be any such causes, except as otherwise herein specifically provided.

Section 46. Place of Payments

All payments required of the User by this Agreement shall be made to the Port Authority, P.0. Box 17309, Newark, New Jersey 07194, or at such other office or location as may be substituted therefor by notice to the User.

Section 47. Waiver of Redemption

The User hereby waives any and all rights to recover or regain possession of the Space and all rights of redemption, granted by or under any present or future law in the event it is evicted or dispossessed for any cause, or in the event the Port Authority obtains possession of the Space in any lawful manner.

Section 48. Acceptance of Surrender of Agreement

No agreement of surrender or to accept a surrender shall be valid unless and until the same shall have been reduced to writing and signed by the duly authorized representatives of the Port Authority and of the User. Except as expressly provided in this Section, neither the doing of, nor any omission to do, any act or thing, by any of the officers, agents or employees of the Port Authority, shall be deemed an acceptance of a surrender of the use and occupancy of the Space or of this Agreement.

Section 49. Contract of Guaranty

As security for the User's performance of all its obligations hereunder, the User shall cause a Contract of Guaranty in form substantially similar to the form attached hereto, hereby made a part hereof and marked "Exhibit G" and satisfactory to the Port Authority to be executed and delivered to the Port Authority with the delivery of this Agreement to the Port Authority.

Section 50. Entire Agreement

This Agreement consists of the following: Sections 1 through 50 inclusive and Exhibit A and Exhibit G. The foregoing constitutes the entire agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the User. The User agrees that no representations or

warranties shall be binding upon the Port Authority 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.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Title: Director, Aviation Dept.

Seal

ATTEST:

(Title)
Secretary

JET AVIATION TETERBORO, L.P.

By: Jet Aviation of America, Inc.,
A Maryland corporation,
The General Partner

By:

Title: President

(Corporate Seal)

APPROVED:
FORM | TERMS

~~EXHIBIT G~~

CONTRACT OF GUARANTY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") a body corporate and politic, created by Compact between the States of New Jersey and New York, with the consent of the Congress of the United States of America, and having an office at One World Trade Center, in the Borough of Manhattan, in the City, County and State of New York, is willing to enter into a certain Use and Occupancy Agreement made as of December 1, 2000 and identified by Port Authority Agreement No. TA-301 (which Agreement is hereinafter called "the Agreement") to be made by and between the Port Authority and JET AVIATION TETERBORO, INC. (hereinafter called the "User"), a New Jersey limited partnership with an office for the transaction of business at 111 Charles Lindbergh Drive, Teterboro, New Jersey 07608, covering the use of certain space at Teterboro Airport; and

WHEREAS, the Agreement includes, without limitation thereto, a provision for the guaranty of all the obligations of the User under the Agreement; and

WHEREAS, JET AVIATION HOLDINGS, INC., a Delaware corporation, having an office for the transaction of business at 1515 Perimeter Road, Palm Beach International Airport, West Palm Beach, Florida 33406, and JET AVIATION OF AMERICA, INC., a Maryland corporation, having an office for the transaction of business at
111 Charles A. Lindbergh Drive, Teterboro Airport, Teterboro, New Jersey 07608 (hereinafter collectively called the "Guarantor"), in order to induce the Port Authority to enter into the Agreement with the User, are willing and have offered to guarantee the payment by the User of the fees, charges and all other monetary obligations which the User has or shall have under the Agreement, and to guarantee the performance, fulfillment and observation by the User of all the other terms, provisions and conditions of the Agreement on the part of the User to be performed, fulfilled and observed; and

WHEREAS, this Contract of Guaranty is made in connection with and incidentally to the exercise by the Guarantor of its corporate rights, powers, privileges and franchises, and in fulfillment of its corporate purposes and objects; and

WHEREAS, the entering into the Agreement with the User by the Port Authority will inure to the benefit of the shareholders of the Guarantor;

NOW, THEREFORE, for and in consideration of the foregoing, and as an inducement to the Port Authority to enter into the Agreement with the User, the Guarantor, jointly and severally, hereby covenants and agrees with the Port Authority as follows:

1. The Guarantor hereby absolutely and unconditionally guarantees, promises and agrees that the User will duly and punctually pay all fees, charges and other monetary obligations which it has or shall have under the Agreement, and that the User will faithfully and fully perform, all the other terms, provisions and conditions of the Agreement on the part of the User to be performed, fulfilled and observed.

2. The Guarantor waives and dispenses with all notice of non-payment, non-performance or non-observance, or proof of notice or demand whereby to charge it therefor, and agrees that the validity of this Contract of Guaranty and the obligations of the Guarantor hereunder shall in no way be terminated, affected or impaired by reason of any failure on the part of the Port Authority to insist upon strict performance under the Agreement, or by the assertion by the Port Authority against the User of any of the rights or remedies reserved to the Port Authority under the provisions of the Agreement, or by the institution, prosecution, withdrawal, discontinuance or settlement of any judicial or other proceeding by the Port Authority against the User.

3. The liability of the Guarantor hereunder shall in no way be affected by:

(a) The release or discharge of the User in any creditors', receivership, bankruptcy or other proceedings;

(b) The impairment, limitation or modification of the liability of the User or its estate in bankruptcy, or of any remedy for the enforcement of the User's said liability under the Agreement, resulting from the operation of any present or future provision of the Bankruptcy Code or any other statute or from the decision in any court having jurisdiction over the User or its estate;

(c) The rejection or disaffirmance of the Agreement in any such proceedings;

(d) Any disability of the User; or

(e) Any defense of the User, provided, however, the Guarantor may raise or assert, in an action or proceeding brought by the Port Authority against the Guarantor, any defense

which the User could have raised or asserted in connection with such claim by the Port Authority if the action or proceeding had been brought against the User, other than a defense arising out of, in connection with or as a result of any matters referred to and described in subparagraphs (a), (b), (c) and (d) of this paragraph 3.

4. This Contract of Guaranty shall remain and continue in full force and effect as to any and every modification or extension of the Agreement whether in accordance with the terms of the Agreement or by a separate or additional document, and notwithstanding any such modification or extension.

5. Acceptance of this Contract of Guaranty and reliance thereon by the Port Authority shall be evidenced by the execution of the Agreement by the Port Authority without any further act or notice. If, for any reason, any part of the obligations of the Guarantor hereunder shall be held invalid or unenforceable, the balance of the said obligations shall nevertheless remain in full force and effect. Failure physically to attach a copy of the Agreement to this Contract of Guaranty shall not void, alter or affect this Contract of Guaranty, or alter or amend the obligations of the Guarantor hereunder.

IN WITNESS WHEREOF, the Guarantor has caused these presents to be executed this day 9th of August, 2001.

ATTEST:

Secretary

JET AVIATION HOLDINGS, INC.

By

(Title) President

(Corporate Seal)

ATTEST:

Secretary

JET AVIATION OF AMERICA, INC.

By

(Title) President

(Corporate Seal)

For the Port Authority

INITIALED:

For the User

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 16th day of August, 2001, before me, the subscriber, a notary public of New York, personally appeared William R. DeCota the Director, Aviation Dept of **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Peggy M. Spinelli
(notarial seal and stamp)

PEGGY M. SPINELLI
Notary Public, State of New York
No. 01SP6057870
Qualified in New York County
Commission Expires April 30, 2003

STATE OF NEW JERSEY
)ss.:
COUNTY OF BERGEN)

On this 9 day of AUG, 2001, before me, the subscriber, a NOTARY PUBLIC OF NEW JERSEY, personally appeared TERRANCE P. KELLEY, who I am satisfied is the President of Jet Aviation of America, Inc., the General Partner of **JET AVIATION TETERBORO, L.P.,** the partnership described in and which executed the foregoing instrument, and said General Partner acknowledged that he executed the foregoing instrument for and on behalf of said partnership.

Amelia Tallis
(notarial seal and stamp)

AMELIA TALLIS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 9, 2002

THIS SUPPLEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-173
Supplement No. 3

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 23rd day of August, 2000 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and AMERICAN INTERNATIONAL AVIATION CORPORATION, a corporation organized under the laws of the State of Delaware (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") is the operator of Teterboro Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. (hereinafter called "Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-173 and made effective as of June 15, 1984, was entered into between Pan American and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement, as the same has been heretofore amended by Supplements Nos. 1 and 2, is hereinafter referred to as "the Agreement"); and

WHEREAS, Johnson Controls and the Port Authority intend to terminate the Basic Agreement effective as of the Termination Date, as hereinafter defined; and

WHEREAS, effective from and after the Termination Date the Port Authority will be the operator of the Airport and now desires, together with the User, to provide for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, as of the date first set forth above, as follows:

1. The parties hereby agree that if, as and when the Basic Agreement shall expire or be terminated, the Port Authority shall notify the User of the effective date thereof, with such date set forth in said notice being herein referred to as the "Termination Date." From and after the Termination Date, the term of the Agreement shall continue as provided in the Agreement with the Port Authority as the Airport Operator thereunder, with the Port Authority succeeding to all the rights and obligations of Johnson Controls under the Agreement from and after the Termination Date. The obligations and liabilities of Johnson Controls to the User arising under the Agreement prior to the Termination Date shall be and remain the obligations and liabilities of Johnson Controls and the Port Authority shall have no responsibility therefor.

2. As between the Port Authority and the User, this substitution of the Port Authority shall not in any way whatsoever affect or impair the liability of Johnson Controls to the User or to the Port Authority to perform all the terms, provisions and conditions of the Agreement on the part of Johnson Controls to be performed, for the period from the effective date of the Agreement to and including the Termination Date and the obligation to comply with all requirements of the Port Authority and appropriate federal, state and local governmental agencies arising from any environmental condition of the Space.

3. From and after the Termination Date, the Port Authority shall assume all the rights, obligations and duties of Johnson Controls under the Agreement as well as the performance of, and does hereby agree to perform, all the terms, provisions and conditions of the Agreement on the part of the Airport Operator thereunder to be performed. The execution of this instrument by the Port Authority does not constitute a representation by it that Johnson Controls has performed or fulfilled every obligation required by the Agreement; as to such matters the User agrees to look solely to Johnson Controls.

4. No provision of the Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Agreement covering actions which shall or may be undertaken by the User or the Airport Operator, including but not limited to, construction on the Space covered by the Agreement, be deemed to imply or infer that Port Authority consent or approval thereto has been or

shall be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to matters and provisions in the Agreement which are not specifically referred to herein.

5. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

7. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Title: FRANCIS A. DIMOLA ASSISTANT DIRECTOR AVIATION DEPT.

(Seal)

WITNESS:
~~ATTEST~~:

AMERICAN INTERNATIONAL AVIATION CORPORATION

By: _____

Title: FACILITIES MANAGER

(Corporate Seal)

ATTEST:

APPROVED:

FORM	TERMS
	OL

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 28th day of February, ~~200~~ 2001, before me, the subscriber, a notary public of New York, personally appeared Francis A. D'Mola the Assistant Director of **The Port Authority of New York and New Jersey**, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

LINDA C. HANDEL
Notary Public, State of New York
No. 01HA6035589
Qualified in New York County
Commission Expires January 3, 2002

STATE OF New York)
) ss.
COUNTY OF New York)

On this 25 day of January, 2001, before me, the subscriber, a Notary Public, personally appeared Daniel Caliga the Facilities Manager of **AMERICAN INTERNATIONAL AVIATION CORPORATION**, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

ROSITA E. VITALIS
Notary Public, State of New York
No. 01VI5056880
Qualified in Kings County
Certificate Filed in New York County
Commission Expires March 11, 2002

AVIATION DEPT.
FILE COPY

Teterboro Airport
Use & Occupancy Agreement
TA-173
Supplement No. 2

SUPPLEMENT AGREEMENT

THIS AGREEMENT, dated as of August 1, 2000 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls"), a Florida Corporation, and AMERICAN INTERNATIONAL AVIATION CORPORATION, a Delaware Corporation (hereinafter called "the User").

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport (the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as assignee to an agreement, as indicated in a letter notice dated October 26, 1989, between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 ("Basic Agreement"); and

WHEREAS, the User and Pan American have entered into a Use and Occupancy Agreement dated June 15, 1984, designated Agreement No. TA-173 (hereinafter called "the Agreement"); and Supplement No. 1 to Use and Occupancy Agreement TA-173 dated May 1, 1999; and

WHEREAS, Johnson Controls and the User desire to correct a technical error in Supplement No. 1 to Use & Occupancy Agreement No. TA-173.

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained, and made by the parties hereto, it is mutually agreed as follows:

1. Section 6.2.1 of Supplement No. 1 of the Agreement is hereby modified to delete the words "divided by 1914 square feet" appearing in the first paragraph of Section 6.2.1.

2. By the execution of this Supplement No. 2, the Port Authority hereby consents to the change hereunder.

3. The parties hereto represent and warrant that no broker has been concerned in the negotiation of this Supplement No. 2 or the change hereunder, and there is no broker who is or may be entitled to be paid a commission in connection therewith. Each party shall indemnify and save harmless the other of and from any and all claims for commission or brokerage made by any and all persons, firms or corporations whatsoever for services in connection with the negotiation and execution of this Supplement No. 2 or the changes hereunder.

4. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent, or employee thereof, shall be charged personally by Johnson Controls or the User with any liability, or held liable to the Operator or the User under any term or provision of this Supplement No. 2, or because of its execution or attempted execution or because of any breach thereof.

5. Neither the Directors of Johnson Controls, its subsidiaries and affiliates, nor any office, agents, or employee thereof shall be charged personally by the User with any liability or held liable to it under any term or provision of this Supplemental No. 2 or because of any breach or attempted or alleged breach thereof.

5. Except as amended herein by this Supplement No. 2, the terms and conditions in Supplement No. 1 and the Agreement constitute the entire agreement between Johnson Controls and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both Johnson Controls and the User. The parties agree that no representations or warranties shall be binding upon the Port Authority unless expressed in this Supplement No. 2. to the Agreement.

6. The User hereby acknowledges that Johnson Controls has no authority to extend any rights, nor does it incur any obligations to the User that extend beyond the termination date of the Basic Agreement.

7. Except as provided herein, all the terms, covenants and conditions of the Agreement and Supplement No. 1 thereto remain and shall be in full force and effect.

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

ATTEST: JOHNSON CONTROLS WORLD SERVICES INC.

Laura B. Conner By: [signature]

Title: Adm Ass't Title: Vice President (Acting)

WITNESS:
~~ATTEST~~: AMERICAN INTERNATIONAL AVIATION CORPORATION

Dawn Hetterhahn By: [signature]
POWER OF ATTORNEY

Title: Administrator Title: Facilities Manager

CONSENTED TO:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

By: [signature]

Title FRANCIS A. DIMOLA
ASSISTANT DIRECTOR
AVIATION DEPT.

APPROVED:

FORM	TERMS
[signature]	[signature]

STATE OF NEW YORK)
) ss.
COUNTY OF NEW ~~YORK~~ Q)

On this 9 day of November, 2000, before me, the subscriber, a notary public of New York, personally appeared Francis A Di Mola the Dissist Director Aviation of the Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Mary Ann Grasso
(notarial seal and stamp)

MARY ANN GRASSO
Notary Public, State of New York
No. 41-4890605
Qualified in Queens County
Commission Expires April 27, 2001

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD)

On this 28th day of September, 2000, before me, the subscriber, a Notary Public, _____ personally appeared C. Robert Borders , the Vice President (Acting) of Johnson Controls World Services Inc. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

MICHELLE M. TREPANIER
My Comm Exp. 12/17/2003
No. CC 873037
[X] Personally Known [ ] Other I.D.

Michelle Trepanier
(notarial seal and stamp)

STATE OF New York)
) ss.
COUNTY OF New York

On this 27 day of September 2000, before me, the subscriber, a _____ personally appeared Daniel Calipa ~~the~~ _____ ~~President of~~ Facilities Manager, Power of Attorney of America International Aviation Company who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors._____

(notarial seal and stamp)

Rosita E Vitalis

ROSITA E. VITALIS
Notary Public, State of New York
No. 01VI5056880
Qualified in Kings County
Certificate Filed in New York County
Commission Expires March 11, 2002

TA-173 S-2 of 9/13/00

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned AMERICAN INTERNATIONAL AVIATION CORPORATION (the "Company"), a corporation organized and existing under the laws of the state of Delaware, United State of America, with its principal office and place of business at 70 Pine Street, New York, New York, U.S.A., represented by Elizabeth M. Tuck, Secretary, does hereby make, constitute and appoint Daniel J. Calipa as its true and lawful attorney-in-fact (the "Attorney-in-Fact") acting in the name, place and stead of the Company with respect to the signing of the Supplement No.2 (the "Agreement") between the Company and Johnson Controls World Services Inc. ("JC") and the Port Authority of New York and New Jersey (the "Port").

This Power of Attorney shall continue until November 30, 2000 unless otherwise extended or revoked by notice to such Attorney-in-Fact.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed this 27th day of September, 2000 in New York, NY, USA.

AMERICAN INTERNATIONAL
AVIATION CORPORATION

By: Elizabeth M. Tuck
Elizabeth M. Tuck
Secretary

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On this 27th day of September, 2000, before me, a duly authorized Notary Public in and for the County of New York, State of New York, U.S.A., personally came Elizabeth M. Tuck, known to me to be the person whose signature appear on the attached document and she by me being duly sworn did depose and say that she is Secretary, of AMERICAN INTERNATIONAL AVIATION CORPORATION, a corporation organized and existing under the laws of the State of Delaware, U.S.A., the Company described in and which executed the attached document, and that she signed her name and affixed the seal of the Company thereto by authority of the Board of Directors of the Company as their free act and deed.

Given under my hand and seal of office the day and date aforesaid.

Notary Public

SEAL:

NANCY WONG
Notary Public, State of New York
No. 01W05078917
Qualified In Kings County
Certificate filed in New York County
Commission Expires June 2, ~~1999~~ 2001

AVIATION DEPT.
FILE COPY

Teterboro Airport
Use & Occupancy Agreement
TA-173
Supplement No. 1 (the Supplement)

SUPPLEMENT AGREEMENT

THIS AGREEMENT, as of May 1, 1999 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls"), a Florida Corporation, and AMERICAN INTERNATIONAL AVIATION CORPORATION, a Delaware Corporation (hereinafter called "the User").

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport (the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as assignee to an agreement, as indicated in a letter notice dated October 26, 1989, between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 ("Basic Agreement"); and

WHEREAS, the User and Pan American have entered into a Use and Occupancy Agreement dated June 15, 1984, designated Agreement No. TA-173 (hereinafter called "the Agreement"); and

WHEREAS, the User desires to use and occupy additional area of the Airport, and to extend the term of the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained, and made by the parties hereto, it is mutually agreed as follows:

1. The parties acknowledge that the Consent Agreement granting the Port Authority's consent to this Supplemental Agreement and the matters herein set forth shall provide that the expiration date of December 30, 1999, as referenced in Section 1, "Term" of the Agreement shall be changed to expire, unless sooner terminated as hereinafter provided or as provided for in the Consent Agreement, on December 31, 2019.

2. Effective on June 30, 1999, Exhibit A to the Agreement shall be deemed deleted and of no further effect, and reference to "Exhibit A" in the Agreement shall be deleted and substituted by the reference "Exhibit A-1".

3. Effective on July 1, 1999, the Space under the Agreement shall be the area set forth in diagonal

hatching on Exhibit A-1, attached hereto and made a part hereof for purposes set forth in the Agreement, together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon during the remainder of the term of this Agreement (hereinafter collectively referred to as the "Space"), except as may be reduced in accordance with paragraph 7 hereof.

4. The parties agree that within six (6) months of the date of execution by the Port Authority of the Consent Agreement granting the Port Authority's consent to the Supplement, the User shall, in accordance with subsection 3.3,3.4,3.5 and 3.6 of the Agreement, submit a construction application and complete plans and specifications for the paving of the ramp expansion of approximately 31,150 square feet, the construction of the lean-to expansion of approximately 1,914 square feet, and the existing lean-to renovations (hereinafter collectively referred to as the "Construction Work"), with a minimum investment of Seven Hundred Fifty Thousand Dollars ($750,000). Upon approval by the Port Authority of said construction application and complete plans and specifications, the User agrees to promptly commence performance of the Construction Work as provided in Section 3 of the Agreement and to complete construction within one (1) year following approval by the Port Authority but not later than June 1, 2000, subject to delays by the Port Authority or Force Majeure.

5. Section 5 of the Agreement "Fees" shall be amended by adding new subparagraphs 5.4,5.5,5.6 and 5.7 as follows:

"5.4 Effective July 1, 1999 and continuing until July 31, 1999, the User shall pay to Johnson Controls a monthly land use fee of

Exemption (2.a.)

5.4.1 Effective August 1, 1999 and continuing until December 31, 1999 the User shall pay to Johnson Controls a monthly land use fee of

Exemption (2.a.)

a fraction, the numerator of which shall be the CPI for the month of July 1999 and the denominator of which shall be the CPI published for the month of December 1983."

5.5 In the event that the Construction Work set forth in Paragraph 4 hereof is not completed in the time frame set forth therein and in Subsection 3.2 of the Agreement, the User agrees to pay to Johnson Controls a surcharge equal to

Exemption (2.a.)

representing one half (1/2) of the monthly land use fee, for each month, or fraction thereof, that the completion of the Construction Work extends beyond the twelve (12) month time frame. This surcharge shall be in addition to all other fees and charges set forth in this Section.

5.6 Effective January 1, 2000 and continuing until December 31, 2004, in addition to the monthly land use fee, the User shall pay to Johnson Controls a monthly building rental fee of

Exemption (2.a.)

foot and does not include the lean-to expansion portion of the Construction Work.

5.6.1 Effective January 1, 2005 and annually thereafter, in addition to the monthly land use fee, the User shall pay to Johnson Controls a monthly building rental fee equal to either (a) the prior year's fee multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year prior to the then current year and the denominator of which shall be the CPI published for the month of December of two years prior to the then current year, or (b) the prior year's fee, whichever is greater. In computing the annual building rental fee payable in no event shall the annual building rental fee be less than the prior year's fee or increased by an amount greater than Exemption (2.a.)

5.6.2 Effective January 1, 2015 and continuing for the remainder of the term of the Agreement, in addition to the monthly building rental fee stated above and the monthly land use fee, the User shall pay to Johnson Controls a monthly building rental fee on 1,914 square feet of hangar lean-to space constructed by the User. Said monthly building rental fee shall be based on the rate per square foot

calculated in subparagraph 5.6 above and shall also be annually escalated commencing January 1, 2016 in accordance with subparagraph 5.6.1 above.

5.7 In addition to the monthly building rental fee referenced above, effective January 1, 2000 and annually thereafter the User shall pay to Johnson Controls a monthly land use fee equal to

Exemption (2.a.)

feet) multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year prior to the then current year and the denominator of which shall be the CPI published for the month of December of two years prior to the affected year or the prior year's fee, which ever is greater. Effective January 1, 2001, in computing the annual land use fee payable in no event shall the annual land use fee be less than the prior year's fee or increased by an amount greater than

6. It is hereby agreed by the parties that, as of the effective date of this Supplement, but retroactive to January 1, 1999, the additional fee as referenced in Section 15.1 of the Agreement shall be calculated as follows:

6.1 At the end of each calendar quarter certain Operating Expenses, as hereinafter defined, for the quarter ending shall be divided by three (3) to obtain the average monthly operating cost for the quarter. Said average monthly operating cost shall then be divided by 33,402 square feet for the period ending June 30, 1999 and 35,316 square feet for the period after July 1, 1999, the square footage of the improvements made by the User, and then multiplied by the square feet occupied by then sub-user to obtain the sub-user monthly expense. Said sub-user monthly expense shall be deducted from the sub-use fee paid to the User, hereinafter referred to as "Net Sub-use Fee".

6.2 Johnson Controls, in addition to all other fees payable under the Agreement, as amended, shall receive as additional fees, Exemption (2.a.) of the amount by which the Net Sub-use Fee, as hereinafter defined, exceeds the Imputed Base Rent for the space covered by each sub-use and occupancy agreement. Effective January 1, 2000 the additional fee shall be at a minimum be Exemption (2.a.) of the total fee paid by

the sub-user(s) to the User. The User shall pay to Johnson Controls the additional fees quarterly, by the 20th of the month following the end of the quarter.

6.2.1 Effective January 1, 2000, the Imputed Base Rent as defined in Section 15.1 of the Agreement shall be defined as the cost of the Construction Work as referenced in Paragraph 4 above amortized on a straight line basis over a period of 180 months divided by 1,914 square feet, plus the then current building rental use fee as defined in Section 5.6 of this Agreement, plus the then current monthly land use fee as defined in Section 5.7 of this Agreement, and plus the cost of major repairs. The cost of said major repairs shall only be applied to the Imputed Base Rent calculation if the User has received prior written approval from Johnson Controls, which approval shall indicate the number of months the cost shall be amortized and the applicable square feet.

6.2.2 Effective January 1, 2015 the cost of the Construction Work shall be deleted from the Imputed Base Rent calculation.

6.3 The phrase "Operating Expenses" as used herein shall mean the amount actually paid by the User for hangarkeeper's, general and property liability insurance; utilities, meaning light, heat, water, power and sanitation; fire protection systems and hangar security systems monthly monitoring; heating and air conditioning maintenance and service; janitorial cleaning services for sub-user office area; janitorial cleaning supplies, excluding aircraft cleaning supplies; major facility repairs that are subject to the prior approval of Johnson Controls and demonstration that said repair is of value to the sub-user. Specifically excluded are facility and/or equipment upgrades, extraordinary expenses, or repairs to damages caused by accident or abuse, except if required by Federal, State, Municipal or Local Laws, Ordinances or Regulations, or by the Port Authority or Johnson Controls.

6.4 The User hereby agrees to notify Johnson Controls within thirty (30) days of any effective change in the sub-user fee or space occupied. For the purposes of this Section, sub-user fees are defined as all fees paid by the sub-user to the User for the use and occupancy of the space covered by the sub-use and occupancy agreement and operating expenses related thereto, and include, either in the basic fee or as add-on thereto, charges for normal maintenance and operation of said space.

7. The Airport Master Plan provides for a future Taxiway to be constructed East of Hangar No. 107, as indicated on Exhibit A-1. In the event that said Taxiway is constructed, the portion of the User's Space required, including the Taxiway clearance area, shall be deleted from the Space and any structure located on such deleted area shall be removed at the User's expense. The corresponding land use fee and building rental fee, if applicable, shall be abated and the User shall be reimbursed the unamortized portion of the ramp extension cost of ramp and also possible building construction as was performed on such deleted area, to be calculated on a straight line basis over 180 months.

8. In accordance with the construction of the expansion of the lean-to and ramp expansion required in this Supplemental Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

9. (a) The following Subsection 11.9 shall be added to Section 11 of the Agreement entitled "Various Obligations of the User":

"11.9 The following terms shall have the following respective meanings as used herein:

11.9.1 "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or (v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

11.9.2 "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statues,

enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all Governmental Agencies, and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various Governmental Agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

11.9.3 "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement, however, excluding normal office supplies and cleaning supplies for aircrafts.

11.9.4 "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

(b) The User, prior to the execution of this Supplemental Agreement, has thoroughly examined the Space and determined it to be suitable for the User's operations hereunder and has so used and occupied the Space. The User restates and continues said determination in connection with the extension hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Space whether any aspect of such condition existed prior to, on or after the effective date of Agreement, including, without limitation, all Environmental Requirements and Environmental Damages, as herein defined and all soil remediation to the extent required under Environmental Requirements, including but not limited to, remediation which may be required as a result of discovery of any contaminants while performing test borings or in the performance of the Construction Work, and to indemnify and hold harmless the Port Authority and Johnson Controls with respect to third party claims for Section 8 of this Agreement, as amended, unless determined to the contrary under subsection 11.9.4. Without limiting the foregoing, the User shall be responsible for the removal of and remediation of Hazardous Substances placed, or permitted or caused to be placed, on, in or under the Space by the User or by its employees,

agents, contractors, or others using or occupying the Space under this Agreement".

10. Neither the Directors of Johnson Controls, its subsidiaries and affiliates, nor any officer or employee thereof shall be charged personally by the User with any liability or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

11. The User hereby acknowledges that Johnson Controls has no authority to extend any rights, nor does it incur any obligations to the User that extend beyond the termination date of the Basic Agreement.

12. Except as provided herein, all the terms, covenants and conditions of the Agreement remain and shall be in full force and effect.

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

ATTEST: JOHNSON CONTROLS WORLD SERVICES INC.

Laura Conner By: C N Borders

Exec. Secretary Title: Vice President

ATTEST: AMERICAN INTERNATIONAL AVIATION CORPORATION

Elizabeth M. McC By: David J. Colyff

Title: SECRETARY Title: Power of Attorney

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On this 3rd day of August, 1999, before me, a duly authorized Notary Public in and for the County of New York, State of New York, U.S.A., personally came Elizabeth M. Tuck, known to me to be the person whose signature appear on the attached document and she by me being duly sworn did depose and say that she is Secretary, of AMERICAN INTERNATIONAL AVIATION CORPORATION, a corporation organized and existing under the laws of the State of Delaware, U.S.A., the Company described in and which executed the attached document, and that she signed her name and affixed the seal of the Company thereto by authority of the Board of Directors of the Company as their free act and deed.

Given under my hand and seal of office the day and date aforesaid.

Notary Public

NANCY WONG
Notary Public, State of New York
No. 01W05078917
Qualified in Kings County
Certificate filed in New York County
Commission Expires June 2, ~~1999~~ 2001

SEAL:

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned AMERICAN INTERNATIONAL AVIATION CORPORATION (the "Company"), a corporation organized and existing under the laws of the state of Delaware, United State of America, with its principal office and place of business at 70 Pine Street, New York, New York, U.S.A., represented by Elizabeth M. Tuck, Secretary, does hereby make, constitute and appoint Daniel J. Calipa as its true and lawful attorney-in-fact (the "Attorney-in-Fact") acting in the name, place and stead of the Company with respect to the signing of the Supplement (the "Agreement") between the Company and Johnson Controls World Services Inc. ("JC") and the Consent Agreement (the "Consent") between the Company, JC and the Port Authority of New York and New Jersey (the "Port").

This Power of Attorney shall continue until September 31, 1999 unless otherwise extended or revoked by notice to such Attorney-in-Fact.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed this 3rd day of August, 1999 in New York, NY, USA.

AMERICAN INTERNATIONAL
AVIATION CORPORATION

By: Elizabeth M. Tuck
Elizabeth M. Tuck
Secretary

CONSENT AGREEMENT

THIS AGREEMENT, dated as of May 1, 1999 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "The Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "the Airport Operator") and AMERICAN INTERNATIONAL AVIATION CORPORATION (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator's predecessor in interest have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Basic Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Basic Agreement, the Airport Operator's predecessor in interest and the User, have entered into a Use and Occupancy Agreement dated June 15, 1984 which Use and Occupancy Agreement has been designated TA-173 (hereinafter called "TA-173"); and

WHEREAS, the Port Authority, the Airport Operator and the User entered into a Consent Agreement dated as of June 15, 1984 (hereinafter called "the Use and Occupancy Consent Agreement"), wherein the Port Authority gave its consent to TA-173; and

WHEREAS, the Airport Operator and the User desire to supplement TA-173, a copy of which Supplemental Agreement is attached hereto, made a part hereof and hereinafter called "the Supplement", subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree, effective as of May 1, 1999, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Supplement.

2. (a) If the Basic Agreement shall terminate (whether through the expiration of its term or by earlier termination as provided in the Basic Agreement) before the expiration date of TA-173 as amended herein, TA-173 shall terminate as hereinafter provided and, if the User is in occupancy and using the Space, the Port Authority or a

successor airport operator selected by the Port Authority shall enter into a successor use and occupancy agreement with the User covering the use and occupancy of the Space, with the term thereof commencing as of the expiration or earlier termination of TA-173, the permitted uses of the Space, the fees and charges thereunder being as set forth in TA-173 as amended by this Supplement, and on substantially the same remaining terms and conditions as set forth in TA-173 as amended by this Supplement and such additional terms as may be necessary or appropriate.

(b) Any successor airport operator that may be selected by the Port Authority shall be required to assume all Port Authority obligations hereunder and under any successor use and occupancy agreement and relieve the Port Authority of the same.

(c) The expiration date of "December 30, 1999", as referenced in Section 1, "Term" of TA-173 shall be changed to read "December 31, 2019".

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Basic Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by TA-173 except as amended by this Supplement if not granted to the Airport Operator under the Basic Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Basic Agreement. TA-173 is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of TA-173 shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Basic Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of TA-173, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto

under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Basic Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of TA-173 to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Basic Agreement shall, in all respects, be controlling, effective and determinative.

4. No provision of TA-173 including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of TA-173 covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the Space covered by TA-173, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Basic Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in TA-173 which are not specifically referred to herein.

5. The User, in its operations under or in connection with TA-173 and in its occupancy of the Space covered by TA-173, shall be subject to the applicable terms, provisions, covenants and conditions of the Basic Agreement. Without in any way affecting the obligations of the Airport Operator under the Basic Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Basic Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Basic Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

6. TA-173 shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

7. If the Airport Operator shall at any time be in default of its obligations under the Basic Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Basic Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Basic Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Basic Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Basic Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

8. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Basic Agreement or TA-173 or of any rights under either of them, whether in whole or in part.

9. In the event of any default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days (or such longer period as is required in the reasonable opinion of the Port Authority, to correct such default, provided the User promptly commences and diligently continues to effectuate a cure) after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Basic Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Basic Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate TA-173.

10. Reference herein to the User shall mean and include the User, its officers, agents, employees and all others on the Space covered by TA-173 with the consent of the User.

11. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

Title: SECRETARY

Title: ASSISTANT DIRECTOR

JOHNSON CONTROLS WORLD SERVICES INC.

ATTEST: Laura Conner

Title: Exec. Secretary

Title: Vice President

AMERICAN INTERNATIONAL AVIATION CORPORATION
(User)

ATTEST:

Title: SECRETARY

Title: Power of Attorney

APPROVED:

FORM	TERMS
RG	DF

P.A.

AVIATION DEPT.
FILE COPY

USE AND OCCUPANCY AGREEMENT

BETWEEN

PAN AMERICAN WORLD AIRWAYS, INC.

AND

AMERICAN INTERNATIONAL AVIATION CORPORATION

TA 173

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Exhibit A
Exhibit B
Consent Agreement

TA-173

USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, made this 15th day of June 1984 by and between PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "Pan American"), a New York corporation, and American International Aviation Corporation, a Delaware corporation (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Pan American is the operator of Teterboro Airport and has the right to operate and use the Airport under an agreement between Pan American and the Port Authority dated September 19, 1967 ("Basic Agreement"); and

WHEREAS, User desires to use and occupy certain area of the Airport as set forth on Exhibit A, attached hereto and made a part thereof, which is hereinafter described;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto hereinafter set forth, Pan American hereby grants to the User the right to use and occupy the ground area at the airport shown in diagonal hatching on Exhibit A together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon (hereinafter called "the Space") during the terms of this Agreement upon the following terms and conditions and it is hereby mutually agreed as follows:

1. Term

1.1 The term of this Agreement shall commence on June 15, 1984 (hereinafter called "the Effective Date"), and, unless sooner terminated, shall expire on December 30, 1999.

2. Use and Occupancy

2.1 The User shall use the Space for the following purposes only and for no other purpose whatsoever:

2.1.1 For the parking, storage and maintenance of aircraft owned and operated by the User.

2.2 Nothing contained in this Agreement shall give or shall be construed to give the User any right to sell aviation fuel of any kind at the Airport.

2.A. Administration of the Public Aircraft Parking Apron

2.A.1 The User shall administer the space shown in cross hatching on Exhibit A (hereinafter called "Public Aircraft Parking Apron"), on behalf of Pan American, as a public aircraft parking area for the parking of aircraft, the enplaning and deplaning of passengers, crews and their baggage.

3. Construction by User

3.1 The User agrees to construct on the Space the following facilities;

3.1.1 An aircraft hangar consisting of a minimum of 20,000 square feet; and

3.1.2 a minimum 4,000 square feet of office and shop area; and

3.1.3 paving to accommodate auto parking spaces,

3.1.4 together with the clearing and grading of the ground area contained within the Space and the installation on or in the Space of such utilities as may be appropriate or necessary for the utilization of the Space for the purposes the User is permitted to use the same hereunder.

3.2 the User agrees to complete the construction of the facility set forth in subsection 3.1 above on or before twelve (12) months from the date of approval of the construction application and the plans and specifications by the Port Authority, provided, however, the User shall not be held in default under this subsection in the event construction cannot be completed within the said time limit due to acts of God.

3.3 Prior to the commencement of construction of the facilities set forth in subsection 3.1 above, or any part thereof, User shall submit to Pan American a construction application and complete plans and specifications of such proposed construction.

3.3.1 The plans and specifications shall be submitted by Pan American to the Port Authority for approval and Pan American or the Port Authority may refuse to grant approval if, in their reasonable opinion, the proposed facilities as laid out and indicated by the User on such plans, or if constructed according to such plans and specifications, the facilities:

3.3.1.1 will be structurally unsound or unsafe or hazardous for human occupancy or improper for the use and occupancy for which it is designed;

3.3.1.2 will not comply with all the requirements of this Agreement;

3.3.1.3 will not comply with Pan American's or the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

3.3.1.4 will not comply with the standards set by Pan American or the Port Authority with respect to utility or rentability;

3.3.1.5 will be so located that there will not be sufficient clearances in respect to existing or planned projecting aprons, runways or taxiways adjacent thereto;

3.3.1.6 are designed for use for purposes other than those for which User is permitted to use the Space under this Agreement;

3.3.1.7 will be in violation of any local code, OSHA-70, NFPA as it pertains to hangars and the National Electric Code or any other law, ordinance of regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation;

3.3.1.8 will not be compatible with external and interior building materials and finishes of similar existing or future construction at the Airport;

3.3.1.9 will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

3.3.1.10 will not provide adequate circulation arteries for vehicular and pedestrian traffic and fire-fighting equipment;

3.3.1.11 will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

3.4 Upon approval of such plans and specifications by Pan American and the Port Authority the User shall proceed expeditiously and with all reasonable diligence to construct, at its own expense and cost, the facilities in accordance with such approved plans and specifications and complete the facilities in accordance with the time limit set forth above.

3.4.1 the User or User's construction contractor shall furnish Pan American performance and payment bonds in a sum equal to the estimated cost of construction, in a form and with sureties satisfactory to Pan American, for the faithful performance by User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of materialmen, workmen and subcontractors. User shall deliver such bonds to Pan American prior to commencement of construction or within (30) days after the award by User of construction contract or contracts, which ever occurs first.

3.5 Upon completion of any work to be performed by User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

3.6 All construction work shall be done in accordance with the following terms and conditions:

3.6.1 The User hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of loss or damage to all property of Pan American and of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the construction work and the property of Pan American or of the Port Authority without cost or expense to Pan American.

The User shall itself and shall also require its contractors to indemnify and hold harmless Pan American, its subsidiaries, their Directors, officers, agents and

employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of Pan American and its subsidiaries) arising or alleged to arise out of the performance of the construction work and for all expenses, (whether or not such claims, demands, causes of action, liabilities etc, are made or asserted before or after termination or expiration of this agreement) incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise out of (to include reasonable attorneys and other professional fees) or from the acts or omissions of the User, of any contractors of the User, of Pan American or of third persons, or from acts of God or of the public enemy, or otherwise (including claims of the Port Authority of New York and New Jersey against Pan American pursuant to the Basic Agreement whereby Pan American has agreed to indemnify the Port Authority against claims) excepting only claims and demands which result solely from negligent acts done by Pan American, its subsidiaries, its Directors, officers, agents and employees subsequent to the commencement of the construction work.

3.6.2 Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to Pan American for its approval. Pan American shall have the right to disapprove any architect who may be reasonably unacceptable to it. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by Pan American and the Port Authority prior to the commencement of the construction work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The User shall re-do, replace or reconstruct at its own cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of Pan American made in accordance with this Agreement.

3.6.3 Prior to entering into a contract for any part of the construction work, the User shall submit to Pan American for its approval the names of the contractors to whom the User proposes to award said contracts. Pan American shall have the right to disapprove any contractor who may be unacceptable to it for reasonable cause. The User shall include in all such contracts such provisions and conditions as may be required by Pan American, including without limitation thereto, the provision set forth in Exhibit B attached hereto and hereby made a part thereof.

3.6.4 The User shall furnish or require its architect to furnish a resident engineer during the construction period as Pan American may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by Pan American from time to time.

3.6.5 The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same have been approved by Pan American and the Port Authority and notwithstanding the incorporation therein of Pan American or Port Authority recommendations or requirements. Notwithstanding the requirements for approval by Pan American of the contracts to be entered into by the User on the incorporation therein of Pan American requirements or recommendations, and notwithstanding any rights Pan American may have reserved to itself hereunder, Pan American shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges Pan American its subsidiaries, their Directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any construction work pursuant to the contracts between the User and its contractors (to include reasonable attorneys and other professional fees). Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of Pan American and the Port Authority as well as the User.

3.6.6 Pan American shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work, but the taking of samples and testing shall be conducted so as to minimize interference with the construction work. If such minimization of impact can be accomplished without diminishing the effectiveness or accuracy of the samples and or tests.

3.6.7 The User agrees that it shall deliver to Pan American "as-built" drawings (capable of being reproduced) of the construction work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications to be made without Pan American's consent.)

3.6.8 The User shall, if requested by Pan American, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the construction work, including but not limited to thefencing of the space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as Pan American may direct.

3.6.9 The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, materialmen and workmen, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, materialman, workman and/or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep Pan American fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful performance of and also for the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said construction contract.

3.6.10 The User shall procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the User herein which shall be in addition to all policies of insurance otherwise required under this Agreement or the User may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name Pan American and the Port Authority as an additional insureds and be for a minimum of $20,000,000 combined single limit Comprehensive General Liability insurance including Bodily Injury Liability, Property Damage Liability, Products Liability, Completed Operations Liability, Owners Protective Liability, Mobile and Automotive Equipment Liability and Contractual Liability.

The insurance required hereunder shall be maintained in effect during the performance of the construction work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to Pan American at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or

certificate shall contain a valid provision or endorsement that the policy certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to Pan American and the Port Authority. The aforesaid insurance shall be written by a company or companies approved by Pan American, Pan American agreeing not to withhold its approval unreasonably. If at any time any of the insurance substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement, Pan American agreeing not to act unreasonable hereunder.

3.6.11 The User shall prior to the commencement of the construction work at all times during the construction work submit to Pan American all engineering studies with respect to the construction work and samples of construction materials as may be required at any time and from time to time by Pan American.

3.6.12 The User shall procure and maintain or cause to be procured and maintained Builder's Risk Completed Value Insurance covering the construction work during the performance therof including material delivered to the construction site but not attached to the reality in an amount and form satisfactory to Pan American. Such insurance shall name Pan American, the Port Authority, the User and its contractors and subcontractors as additional assureds and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to Pan American. The policies or certificates representing this insurance shall be delivered by the User to Pan American prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority and Pan American fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or change or modification of the insurance evidenced by said policy or certificate. The insurance shall be written by companies approved by Pan American, Pan American agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall be or become unsatisfactory to

Pan American as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement, Pan American agreeing not to act unreasonably hereunder.

3.6.13 Nothing contained herein shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor or any other person engaged by the User of any of its contractors in the performance of any part of the construction work any right of action or claim against Pan American, its subsidiaries, their Directors, officers, agents and employees or the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work.

3.6.14 Nothing contained herein shall create or be deemed to create any relationship between Pan American and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work and neither Pan American nor the Port Authority shall be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

3.6.15 When the construction work is substantially completed and is ready for use by the User, the User shall advise Pan American to such effect and shall deliver to Pan American a certificate by an authorized officer of the User certifying that such construction work has been constructed strictly in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders. Thereafter, such construction work will be inspected by Pan American and if the same has been completed as specified by the User, a certificate to such effect shall be delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User.

The User shall not use or permit the use of the construction work for the purposes set forth in this Agreement until such certificate is received from Pan American. The date of delivery of the certificate by Pan American shall constitute the Completion Date for the purposes of this Agreement.

3.6.16 The construction work shall be conducted in such a manner that there will be at all times a minimum, of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from arising out of or resulting from the operations of the User under the this Agreement. Accordingly, and in addition to all other obligations imposed on the User under the this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the construction work hereunder such necessary or appropriate systems to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User and shall be part of the construction work hereunder.

3.6.16.1 Notwithstanding the provisions of the foregoing paragraph and in addition thereto, Pan American hereby reserves the right from time to time and at any time during the term of this Agreement to require the User, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of said subsection.

3.6.16.2 All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by Pan American. The User shall submit for Pan American's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. All other provisions of this Section with respect to the construction work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this paragraph and upon completion of each portion of such work it shall be and become a part of the construction work. The obligations assumed by the User under this subsection 3.6.16 are a special inducement and consideraton to Pan American in granting this Agreement to the User.

4. Other Construction by the User

4.1 Except as otherwise expressly provided herein, the User shall not erect any structures, make any improvements or do any construction work on the Space, or install any fixtures other than trade fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior

written approval of Pan American through the medium of a construction or alteration application and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice to do so, the User will remove the same or at the option of Pan American, cause the same to be changed to the satisfaction of Pan American. In case of any failure on the part of the User to comply with such notice, Pan American may effect the removal or change and User shall pay the cost thereof to Pan American.

4.2 Title to any construction, improvement, alteration, modification or addition performed by User at or on the Space in accordance with a Pan American approved construction or alteration application shall vest in the Port Authority immediately upon completion without any further action or notice of any kind.

5. Fees to Pan American

5.1 Upon execution of this Agreement User agrees to pay to Pan American a one time Frontage Development fee of

Exemption (2.a.)

5.2 Commencing on the Effective Date of the Agreement and continuing each and every month throughout the remaining term of the Agreement the User shall pay to Pan American a monthly land use fee of , subject to adjustment as herinafter provided for the Space shown in diagonal hatching on Exhibit A.

5.2.1 If the Effective Date occurs on a date other than the first day of a month the fee set forth in subsection 5.2 above shall be prorated on the basis of the number of days from the Effective Date to the end of such month.

5.3 Starting with monthly payment number sixty one (61) counting from the month following the month in which the Effective Date falls and continuing for the next succeeding sixty (60) monthly payments the fee shall be

Exemption (2.a.)

multiplied by a fraction, the numerator of which shall be the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United

States Department of Labor, all items, Selected Large Cities, for the New York-Northeastern New Jersey area (hereinafter called "the CPI") as published for the month that payment number sixty (60) shall be due and the denominator of which shall be the CPI published for the month of December 1983.

5.3.1 Starting with monthly payment number one hundred twenty one (121) and continuing for the next succeeding sixty (60) months the monthly payments shall be computed in the same manner as in subsection 5.3 above, except that the numerator of the fraction shall be the CPI published for the month that payment number one hundred twenty (120) shall be due.

7/94-7/99

5.3.2 Starting with monthly payment number one hundred eighty one (181) and continuing for the next succeeding sixty (60) months the monthly payments shall be computed in the same manner as in subsection 5.3 above except that the numerator of the fraction shall be the CPI published for the month that payment number one hundred eighty (180) shall be due.

7/99-12/99

5.3.3 Starting with monthly payment number two hundred forty one (241) and continuing throughout the remaining term of the Agreement the monthly payments shall be computed in the same manner as in subsection 5.3 above except that the numerator of the fraction shall be the CPI published for the month that payment number two hundred forty (240) shall be due.

5.3.4 In computing the adjustments for the monthly fees, in no event shall the monthly fees be less than the monthly fees payable during the five year period immediately preceding.

6. Care, Maintenance and Repair

6.1 The User shall at its own expense at all times keep the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public, in a clean and orderly condition and appearance.

6.2 The User shall at its own expense repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

6.3 Further, the User at its own expense shall take good care of the Space, including without limitation paved areas, fences, roofs, skylights, steelwork, walls, partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, lights, fire-protection, fire-alarm, sewerage, drainage, water-supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures and shall make all necessary structural and nonstructural repairs and replacements and do all necessary rebuilding and repainting, regardless of the cause or the condition requiring the same.

6.4 In the event the User fails to commence to so repair, replace, rebuild or paint as required above within a period of twenty (20) days after notice from Pan American so to do, or fails diligently to continue to complete the repair, rebuilding, replacement, or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, Pan American 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

7. Obstruction Lights

7.1 The User shall furnish such obstruction lights as Pan American shall direct, of the type and design approved by Pan American, and shall install said lights in the locations on the Space designated by Pan American and shall maintain them in first class operating condition at all times.

The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of the said lights, and shall operate the same in accordance with the directions of Pan American. Pan American hereby directs that all said obstruction lights shall, until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

8. Insurance

8.1 During the term of this Agreement the User shall, insure and keep insured to the extent of One Hundred Percent (100%) of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey, and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction.

8.2 The aforesaid insurance coverages and renewals thereof shall insure the Port Authority and Pan American as their interests may appear and shall provide that the loss, if any, shall be adjusted with Pan American and the Port Authority and shall be payable to the Port Authority or Pan American as their interests may appear.

8.3 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section, the User shall promptly notify Pan American of such casualty and shall thereafter furnish to Pan American such information and data as shall enable the parties to adjust the loss.

8.4 At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to Pan American and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority and Pan American twenty (20) days' advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or certificates shall

be delivered to Pan American at least twenty (20) days before the expiration of the insurance which such policies are to renew.

8.4.1 The aforesaid insurance shall be written by a company or companies approved by Pan American.

8.5 To the extent that any loss is recouped by actual payment to the Port Authority or Pan American of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by Pan American to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include an itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligations under the Agreement. If the proceeds of any such insurance paid to Pan American exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by Pan American.

8.6 If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space.

8.7 If the User does not so properly proceed then Pan American may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement, or Pan American in its discretion may elect to relieve the User of its obligations under this Agreement to repair, replace and rebuild the damaged or destroyed property, and not to have said property repaired, replaced or rebuilt and in such latter event the entire proceeds of the insurance shall be retained by Pan American.

8.8 If, moreover, there is damage or destruction to the property covered under this Section which occurs within the last three years of the term of the Agreement, the obligations of the User to repair, replace or rebuild such damaged or destroyed property shall be discharged (provided that the insurance applicable thereto has been maintained in full force and effect) and the entire proceeds of the insurance applicable thereto shall be retained by Pan American.

9. Ingress and Egress

9.1. The User, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport, as may from time to time be designated by Pan American for the use of the public.

9.2 The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

9.3 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. Pan American may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User.

The User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; Pan American, its subsidiaries, their Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

10. Indemnity, Liability Insurance

10.1 The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives; and Pan American, its subsidiaries, their Directors, officers, employees and agents (to include reasonable attorney and other professional fees) from and against all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damage arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on the Space or out of the acts or omissions of others on the Space with the consent of the User whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or against termination or expiration of this Agreement.

10.2 In addition to the obligations set forth in the subsection immediately above, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

10.2.1 Combined single limit of $10,000,000 for bodily injury and property damage.

10.2.2 In addition to the obligations set forth in the above subsections, the User in its own name as assured shall maintain personal property insurance covering loss or damage to its property on or at the Space. Such policy shall be in an amount to cover maximum exposure at any time, but in no event less than $5,000,000 per loss.

10.2.3 The User in its own name as assured shall maintain and pay the premium for a policy of hangar-keeper's legal liability insurance covering loss or damage to aircraft or aircraft parts belonging to others and which are on the Space in the custody of the User for storage, parking, repair, servicing or safekeeping. Such policy shall be in an amount sufficient to cover maximum exposure at any time, but in no event less than $3,000,000 per loss.

10.3 Neither the Port Authority nor Pan American shall be named as an insured in any policy of insurance required by this Agreement, unless the Port Authority or Pan American shall, at any time during the effective period of this Agreement, direct otherwise in writing, in which case the User shall cause the Port Authority and/or Pan American to be so named.

10.4 As to any insurance required by the provisions of this Agreement to be obtained by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders, together with evidence of the payment of the premium thereon, shall be delivered to Pan American within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to Pan American. A renewal policy shall be delivered to Pan American at least twenty (20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or become unsatisfactory to Pan American as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement.

11. Various Obligations of the User

11.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space on the Airport. The User shall take all reasonable measures:

11.1.1 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

11.1.2 to keep the sound level of its operations as low as possible.

11.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon objection from Pan American concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If Pan American shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Manager of the Airport.

11.3 It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User will employ the maximum amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event Pan American determines that the User has not curbed the prop or jet blast interference, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference subject, however, to the prior written approval of Pan American as to type, manner and method of construction.

11.4 The User shall daily remove from the Space by means of facilities provided by User all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris

and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of Pan American. No facilities of the Airport shall be used for such removal unless with Pan American's prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space.

11.5 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable Federal, State and Municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

11.6 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction.

If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to Pan American that part of all premiums paid by Pan American which shall have been charged because of such violation or failure by the User.

11.7 In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the

operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by Pan American or the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under the Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. Pan American hereby reserves the right from time to time and at any time during the term of the Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by Pan American. The User shall submit for Pan American approval a Construction Application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

11.7.1 The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that Pan American or the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of Pan American's or the Port Authority's recommendations or requirements and notwithstanding that Pan American and the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or Pan American or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to Pan American in entering into this Agreement with the User.

11.8 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of Pan American shall relieve the User of such responsibility.

12. Prohibited Acts

12.1 The User shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following:

12.1.1 Hot and cold packaged foods;

12.1.2 Hot and cold beverages;

12.1.3 Candy and chewing gum;

12.1.4 Tobacco and tobacco products;

12.1.5 Newspapers and periodicals;

12.1.6 Telephone services (pay stations) (hereinafter called "vending machines").

12.2 If User, installs or causes to be installed vending machines on the Space for the limited sale of merchandise or services permitted hereunder, User shall have the right to retain the revenues derived therefrom, provided, however, that:

12.2.1 The User shall itself, and shall also require its contractors, to indemnify and hold harmless Pan American, its subsidiaries, their Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees (to include reasonable attorney's and other professional fees) from and against all claims and demands of third persons (including employees, (to include reasonable attorney and other professional fees) officers and agents of Pan American and the Port Authority) arising or alleged to arise out of the installation, operation or maintenance of the vending machines (or consumable obtained therefrom) or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any

alleged or actual unfair competition in any wise connected with the operation of the vending machines whether or not such claims, demands, causes of action, liabilities, etc. are made or asserted before or after termination or expiration of this agreement.

12.3 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by Pan American at any time during the term of this Agreement upon ninety (90) days' notice to the User and Pan American, at any time thereafter, may substitute for the User's vending machines other machines selling similar merchandise or services operated by Pan American or by its permittee or concessionaire and thereupon User shall remove its machines.

12.4 Upon installation by Pan American or by its permittee or concessionaire of vending machines in substitution of User's vending machines, all revenues derived therefrom shall be retained by Pan American.

12.5 Upon rendering of notice to User of termination of the right to operate vending machines, Pan American may elect to permit User's vending machines to remain, but in such case, User shall pay or cause to be paid to Pan American each month for each machine upon the same basis for the preceding month as any permittee or concessionaire of Pan American then operating machines at the Airport for sale to the general public of similar merchandise or rendering of similar services.

12.6 The termination by Pan American of the limited right of User to install vending machines at the Space shall be nondiscriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by Pan American User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

12.7 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

12.8 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

12.9 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

12.10 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

12.11 The User shall not do or permit to be done any act or thing upon the Space which:

12.11.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport or any part thereof; or

12.11.2 which, in the opinion of Pan American, may constitute an extrahazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

12.11.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building or structure thereon.

13. Rules and Regulations

13.1 User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such Rules and Regulations of the Airport as are now in effect or as may be promulgated from time to time for the government and conduct of operations of the Airport for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then Pan American will make a copy thereof available to the User at the office of the Manager of Teterboro Airport.

14. Signs

14.1 Except with the prior written approval of Pan American, which approval shall not be unreasonably withheld or delayed, the User shall not erect, maintain or display any advertising, signs, posters or similar devices at or on the Space.

14.2 If without the prior written approval of Pan American, signs were erected, maintained or displayed, the User shall remove, obliterate or paint out any and all advertising, signs, posters and similar devices placed by the User on the Space or elsewhere on the Airport, upon demand by Pan American. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, Pan American may perform the necessary work and the User shall pay the costs thereof to Pan American on demand.

15. Assignment

15.1 The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of Pan American, which approval shall not be unreasonably withheld or delayed, provided that should the User grant the right of sub-use pursuant to such permission, Pan American, in addition to all fees payable under Section 5 of this Agreement, shall receive as additional fees, fifty percent (50%) of the amount by which such sub-use fees exceed the Imputed Base Rent for that space. The Imputed Base Rent is defined hereunder to be the cost of the improvements made by the User amortized on a straight line basis over a period of 180 months divided by the square footage of the improvements, plus the then current land use fee per square foot as defined in Section 5 of this Agreement. In the event that the User desires to assign this Agreement to its parent company, subsidiary or affiliate, the User shall give Pan American thirty (30) days written notice of such assignment.

15.1.1 Pan American and User hereby agree to abate such additional fees as provided in article 15.1 next above for a period of 60 months commencing upon the Effective Date of this Agreement.

15.2 If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by anyone other than the User, Pan American may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by said assignees, sub-user or other user and no such payment shall be deemed a waiver by Pan American of the covenants or agreements contained in this Section nor of acceptance by Pan American of any assignee, claimant or occupant, nor as a release of the User by Pan American from the further performance by the User of the agreements contained herein including but not limited to the payment fees.

16. Condemnation

16.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or Pan American, or its subsidiaries for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between Pan American and the User that Pan American shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

16.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be cancelled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and expire in the same manner and with the same effect as if the Agreement had on that date expired.

16.3 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rules, regulation, requirement, order or direction, Pan American may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required.

Such termination shall be effective on the date specified in the notice. The User hereby agrees to deliver possession of all or such portion of Space so required upon the effective date of such termination.

16.3.1 No taking by or conveyance to any governmental authority as described above nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or Pan American or its subsidiaries for damages, consequential or otherwise.

17. Non-Discrimination

17.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant

running with the land that (1) no person on the grounds of sex, race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination 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, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between Pan American and the United States Government or otherwise.

17.2 The User assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E.

The User assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The User assures that it will require that its covered suborganization provide assurances to the User that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

17.3 The User shall include the provisions of the above subsections in every agreement or concession pursuant to which any person or persons, other than the User, operates any business or facility in or at the Space providing services to the public and shall also include therein a provision granting Pan American a right to take such action as the United States may direct to enforce such covenant.

17.4 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above nondiscrimination provisions, Pan American may take any appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from Pan American, Pan American shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, Pan American may take such action as the United States may direct.

17.5 The User shall indemnify and hold harmless Pan American, its subsidiaries and the Port Authority (to include reasonable attorney's and other proposed fees) from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse Pan American and the Port Authority for any loss or expense incurred by reason of such noncompliance, whether or not such claims, demands, causes of action, liability, etc., are made or asserted before or after termination or expiration of this agreement.

17.6 Nothing contained in Section 17 shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

18. Governmental Requirements

18.1 The User shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

18.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

18.3 Pan American has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction of the airport and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to Pan American. Unless otherwise directed in writing by Pan American because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to Pan American but prior to the receipt by the User of a written direction from Pan American, such compliance shall not constitute a breach of this Agreement, although Pan American thereafter notifies the User to refrain from such compliance.

18.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space.

18.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

19. Rights of Entry Reserved

19.1 The Port Authority, by its officers, employees, agents, representatives and contractors and Pan American and its subsidiary by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or Pan American may be obligated or have the right to do under this Agreement.

19.2 Without limiting the generality of the foregoing, Pan American and its subsidiaries, by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the reasonable opinion of Pan American, be deemed necessary or advisable and, from time to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction Pan American shall not unreasonably interfere with the use and occupancy of the Space by the User.

19.3 The exercise of any or all of the foregoing rights by the Port Authority, Pan American or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

19.4 Nothing in this Section shall impose or shall be construed to impose upon Pan American or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

20. Basic Agreement

20.1 In the event the Basic Agreement is terminated, revoked, cancelled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement and such termination, revocation, cancellation or expiration of the Basic Agreement shall not be deemed a breach of this Agreement.

21. Patents, Trademarks

21.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to indemnify and to save and hold the Port Authority, Pan American, its subsidiary, their Commissioners, Directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement and to include reasonable attorney's and other professional fees.

22. Additional Fees and Charges

22.1 If Pan American is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 Fees thereafter due hereunder, and each and every part of the same shall be and become additional Fees, recoverable by Pan American in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to Pan American" hereof.

23. Right of Re-Entry

23.1 Pan American shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by Pan American" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise.

Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

24. Surrender

24.1 The User covenants and agrees to yield and deliver peaceably to Pan American possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

25. Termination by Pan American

25.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, Pan American may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

25.1.1 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

25.1.2 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

25.1.3 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

25.1.4 Except as may be provided in the Section of this Agreement entitled "Assignment", the interest of User under this Agreement shall be transferred to, pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

25.1.5 The User, if a corporation, shall, without the prior written approval of Pan American, which approval shall not be unreasonably withheld or delayed, become a successor or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

25.1.6 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of thirty (30) working days; or

25.1.7 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

25.1.8 Any lien is filed against the Space because of any act or omission of the User and is not removed within fifty (50) days after notice to the User thereof; or

25.1.9 The User shall fail duly and punctually to pay the Fees or to make any other payment required hereunder when due to Pan American and shall persist in its failure for a period of twenty (20) days following the receipt of written notice of such default from Pan American; or

25.1.10 The User shall fail to keep, perform and observe each and every other promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within ten (10) days after receipt of notice of default hereunder from Pan American (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced substantially to perform whatever may be required for fulfillment within fifteen (15) days after receipt of notice and continues diligently such substantial performance without interruption except for causes beyond its control); or

25.1.11 There shall be an occurrence of any of the events of default resulting in termination of any other use and occupancy agreements or permits between the User and Pan American at the Airport.

25.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the User shall not be entitled to enter into possession of the Space, and Pan American upon the occurrence of any such event, or at any time thereafter during the continuance thereof by forty-eight (48) hours' notice may cancel this Agreement, such cancellation to be effective upon the date specified in such notice.

25.3 No acceptance by Pan American of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of Pan American to terminate this Agreement.

25.4 No waiver by Pan American of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by Pan American of any other or subsequent default in performance of any of the valid terms, agreements and conditions.

25.5 The rights of termination 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 Pan American would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by Pan American of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User", the sole right of Pan American shall be a right of termination.

26. Survival of the Obligations of the User

26.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by Pan American" hereof, or in the event that Pan American has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to Pan American to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. Pan American may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, for the entire unexpired term of the Agreement.

26.2 The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's Fee obligations, shall be the sum of the following:

26.2.1 The amount of the total of all installments of fees pursuant to the Section entitled "Fees to Pan American" hereof, less the installments thereof paid prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month; and an amount equal to all expenses incurred by Pan American in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to attorneys' fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

27. Use Subsequent to Cancellation or Termination

27.1 Pan American, upon termination or cancellation pursuant to the Section entitled "Termination by Pan American" of this Agreement, or upon any re-entry, regaining or resumption of possession pursuant to the Section entitled "Right of Re-Entry" of this Agreement, may occupy the

Space or may enter into an agreement with another User and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be part only of the Space or of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. Pan American shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder.

27.2 In the event either of use by others or of any actual use and occupancy by Pan American, there shall be credited to the account of the User against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any User, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as Pan American may itself during such period actually use and occupy, less all expenses, costs and disbursements incurred or paid by Pan American in connection therewith.

27.3 No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of Pan American hereunder. Pan American will use its best efforts to minimize damages to User under this Section commensurate with its obligations under the Basic Agreement.

28. Remedies to be Non-Exclusive

28.1 Except where otherwise specifically provided, 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 either party at law or in equity.

29. Limitation of Rights and Privileges Granted

29.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

30. Removal of Personal Property

30.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

30.2 If the User shall fail to remove its property upon termination or expiration of the term, Pan American may remove such property to a public warehouse for deposit or retain the same in its own possession, all without insurance, and sell the same at public auction, the proceeds of which shall be applied first, to the expense of removal, storage and sale; second, to any sums owed by the User to Pan American, with any balance remaining to be paid to the User, but if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to Pan American upon demand.

31. Brokerage

31.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless Pan American of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the User, whether or not such claims, demands, causes of action, liabilities, etc., are made or asserted before or after termination or expiration of this Agreement (to include reasonable attorney's and other professional fees.

32. Notices

32.1 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 mail.

Notices to Pan American shall be directed to:

Harry E. McKillop
Authorized Representative
Pan American World Airways, Inc.
Pan Am Building
Teterboro Airport, New Jersey 07608

With copy to:

Airport Manager
399 Industrial Avenue
Teterboro Airport, New Jersey 07608

Notices to User shall be directed to:

President (with copy to Corporate Secretary)
AIG Realty, Inc.
70 Pine Street
New York, NY 10270

and

Director of Corporate Aviation
American International Aviation Corporation
Teterboro Airport
Teterboro, New Jersey 07608

33. Construction and Application of Terms

33.1 The Section and subsection 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 of intent of any provision hereof.

34. Non-Liability of Individuals

34.1 Neither the Directors of Pan American, its subsidiaries, or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

35. Abatement

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

36. Quiet Enjoyment

36.1 Pan American shall not disturb the User's and its successors' or assigns' quiet use and occupancy of the Space and its rights, privileges or immunities under this Agreement provided that the User shall pay the monthly Fees and observe and perform or comply with all of the terms, conditions and promises of this Agreement.

37. Port Authority Consent

37.1 This Agreement shall become effective upon the execution hereof by all parties hereto and the execution of a Consent Agreement between and among the Port Authority, Pan American, and User.

38. Entire Agreement

38.1 This Agreement consists of the following:

The foregoing constitutes the entire Agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by Pan American and the User. The User agrees that no representations or warranties shall be binding upon Pan American 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.

PAN AMERICAN WORLD AIRWAYS, INC.

ATTEST:

By: Harry E. McKillop

Title: Authorized Representative
Pan American World Airways, Inc.

(User)

ATTEST:

By:

William E. Whiting

Title: Attorney-in-Fact for American International Aviation Corporation

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

EXHIBIT B

If (i) the Contractor fails to perform any of his obligations under the Contract, including his obligation to the User to pay any claims lawfully made against him by any materialman, subcontractor or workman or other third person which arises out of or in connection with the performance of the Contract or (ii) any claim (just or unjust) which arises out of or in connection with the Contract is made against the User or (iii) any subcontractor under the Contract fails to pay any claims lawfully made against him by any materialman, subcontractor, workman or other third person which arises out of or in connection with the Contract or if in the User's opinion any of the aforesaid contingencies is likely to arise, then the User shall have the right, in its discretion, to withhold out any payment (fail) or otherwise and may deem ample to protect it against delay or loss or to assume the payment of just claims of their persons, and to apply such sums in such manner as the User may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the User to withhold out of any payment, final or otherwise, a sum for any of the above contingencies even though such contingency has occurred at the time of such payment shall not be demed to indicate that the User does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the User to withhold and apply monies nor any exercise, or attempted exercise of, or omission to exercise such rights by the User shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons. Until actual payment is made to the Contractor, his right to any amount to be paid under the Contract (even though such amount has already been certified as due) shall be subordinate to the rights of the User under this provision.

The User shall file with Pan American a copy of its contract with its contractors prior to start of the construction work.

Initialed:

N. E. McKillop

For Pan ~~American~~

For the User: William E. Whiting

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS that the American International Aviation Corporation, a Delaware Corporation ("AIACO"), does hereby authorize William Whiting to sign , on behalf of AIACO, a Construction Management Agreement with Pan American World Services, Inc., a Use & Occupancy Agreement with Pan American World Airways, Inc., and any and all documents related to either Agreement, and to do any and all other acts necessary, proper or expedient to effect the design, construction and maintenance of an airplane hangar at Teterboro Airport in New Jersey.

This Power of Attorney shall be effective as of the 20th day of January, 1984 and shall continue in effect for an indefinite term until such time as it is revoked in a writing duly signed and sealed by AIACO.

IN WITNESS WHEREOF, AIACO has authorized its Secretary and its Assistant Secretary to sign this Power of Attorney and affix the Company Seal hereto.

Done at Wilmington, Delaware, this 20th day of January, 1984.

AMERICAN INTERNATIONAL AVIATION CORPORATION

By: Joseph D. Allen
Joseph D. Allen
Secretary

ATTEST:

Bruce E. Dozier
Bruce E. Dozier
Assistant Secretary

STATE OF DELAWARE)
) ss:
COUNTY OF NEW CASTLE)

Sworn to and subscribed before me this 20th day of January, 1984.

Pat Werkheiser
Pat Werkheiser
Notary Public

CONSENT AGREEMENT

THIS AGREEMENT, dated as of June 15, 1984 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "the Airport Operator"), and
(hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement") pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator proposes as of the effective date hereof to enter into a Use and Occupancy Agreement with the User dated as of June 15, 1984, a copy of which is attached hereto, made a part hereof and hereafter called "the Use Agreement," subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of June 15, 1984, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Use Agreement.

2. The Use Agreement shall terminate, without notice to the User, on the day preceding the date of expiration or earlier termination of the Main Agreement, or on such earlier date as the Airport Operator and the User may agree upon. The User shall quit the space covered by the Use Agreement and remove its property and property for which it is responsible therefrom on or before the termination of the Use Agreement.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by the Use Agreement if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. The Use Agreement is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of the Use Agreement shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of the Use Agreement, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Use Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

No provision of the Use Agreement including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Use Agreement covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the space covered by the Use Agreement, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Main Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in the Use Agreement which are not specifically referred to herein.

4. The User, in its operations under or in connection with the Use Agreement and in its occupancy of the space covered by the Use Agreement, shall be subject to the applicable terms, provisions, covenants and conditions of the Main Agreement. Without in any way affecting the obligations of the Airport Operator under the Main Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Main Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Main Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

5. The Use Agreement shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

6. If the Airport Operator shall at any time be in default of its obligations under the Main Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Main Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Main Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Main Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Main Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

7. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or the Use Agreement or of any rights under either of them, whether in whole or in part.

8. In the event of any substantial default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Main Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Main Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate the Use Agreement.

9. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the space covered by the Use Agreement or on the Airport with the consent of the User.

10. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term or provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

ATTEST:

SECRETARY

By: M Sloane

Title: Morris Sloane-Deputy Director of Aviation

PAN AMERICAN WORLD AIRWAYS, INC.
(Airport Operator)

ATTEST:

By: Harry E. McKillop

Harry E. McKillop

Title: Authorized Representative
Pan American World Airways, Inc.

(User)

ATTEST:

By:

William E. Whiting

Title: Attorney-in-Fact for American
International Aviation Corporation

APPROVED:

FORM	TERMS

THIS AGREEMENT SHALL NOT BE BINDING UPON
JOHNSON CONTROLS UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE OF
JOHNSON CONTROLS

AVIATION DEPT.
FILE COPY

Use and Occupancy Agreement No. TA-121

SURRENDER AGREEMENT

THIS SURRENDER AGREEMENT, dated as of August 1, 1999, by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls") and ATLANTIC AVIATION CORPORATION (hereinafter called the "User");

WITNESSETH, That:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called the "Port Authority") is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as successor - assignee to an agreement bearing file No. TA-204 and dated September 19, 1967 between Pan American World Airways, Inc. ("Pan American") and the Port Authority (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-121 and dated February 14, 1979 was entered into between Johnson Controls and the User for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement is hereinafter called "the Agreement"); and

WHEREAS, the User, upon receipt of notice (hereinafter called the "Notice") from the Port Authority within two (2) years of the date hereof that the Port Authority or the current operator of the Airport has entered into an agreement with the then-current user of Hangar No. 1 at the Airport covering, among other things, the incorporation of the surrendered space, as hereinafter defined, in the Port Authority's agreement with said user of Hangar No.1 covering its operations at the Airport, agrees to terminate its occupancy of certain portions of the Space under the Agreement consisting of a total of approximately 7,813 square feet of outside ground area designated Area 1A and Area 3A on the drawing attached hereto, hereby made a part hereof and marked "Exhibit A-4,"

said portions being hereinafter collectively called "the surrendered space," and to surrender the same to Johnson Controls effective as of 11:59 o'clock P.M. on the date set forth in the Notice, which hour and date are hereinafter, for purposes of Paragraphs 1 through 4 hereof, collectively called "the effective date;" and

WHEREAS, Johnson Controls is willing to accept such surrender on the terms and conditions hereinafter set forth; and

WHEREAS, the parties desire to amend the Agreement in certain other respects as hereinafter set forth;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter set forth, it is hereby agreed by and between Johnson Controls and the User to amend the Agreement, effective as of August 31, 1999, as follows:

1. Upon receipt by the User of the Notice from the Port Authority to surrender the surrendered space, as herein before set forth, the User shall grant, bargain, sell, surrender and yield up and does by these presents grant, bargain, sell, surrender and yield up unto Johnson Controls, its successors and assigns, forever, the surrendered space and the term of years with respect thereto under the Agreement yet to come and give, grant and surrender and by these presents does give, grant and surrender to Johnson Controls, its successors and assigns, all the rights, rights of renewal, licenses, privileges and options of the User granted by the Agreement with respect to the surrendered space, all to the intent and purpose that the said term under the Agreement and the said rights of renewal, license, privileges and options may be wholly merged, extinguished and determined on the effective date, with the same force and effect as if the said term were in and by the provisions of the Agreement originally fixed to expire on the effective date;

TO HAVE AND TO HOLD the same unto Johnson Controls, its successors and assigns forever.

2. The User hereby covenants on behalf of itself, its successors and assigns that (a) it has not done or suffered and will not do or suffer anything whereby the surrendered space, or the User's rights therein, have been or shall be encumbered as of the effective date in any way whatsoever; (b) the User is and will remain until the effective date the sole and absolute owner of the rights, rights of renewal, licenses, privileges and options granted by the Agreement with respect thereto and that the same are and will remain until the effective date free and clear of all liens and encumbrances of whatsoever nature created or suffered by the User; and (c) the User has full right and power to make this Agreement.

3. All promises, covenants, agreements and obligations of the User with respect to the surrendered space, under the Agreement or otherwise, which under the provisions thereof would have matured upon the date originally fixed in the Agreement for the expiration of the term thereof, or upon the termination of the Agreement prior to the said date, or within a stated period after expiration or termination, shall notwithstanding such provisions, mature upon the effective date and shall survive the execution and delivery of this Agreement.

4. The User does by these presents release and discharge Johnson Controls from any and all obligations of every kind, past, present or future on the part of Johnson Controls to be performed under the Agreement with respect to the surrendered space. Johnson Controls does by these presents release and discharge the User from any and all obligations on the part of the User to be performed under the Agreement with respect to the surrendered space for that portion of the term subsequent to the effective date; it being understood that nothing herein contained shall release, relieve or discharge the User from any liability for feess or for other charges that may be due or become due to Johnson Controls for any period or periods prior to the effective date, or for breach of any other obligation on the User's part to be performed under the Agreement for or during such period or periods or maturing pursuant to Paragraph 3 above; it being further understood that nothing herein contained shall release, relieve or discharge Johnson Controls from any liability for breach of any obligation on the part of Johnson Controls to be performed under the Agreement for or during such period or periods.

5. From and after the effective date, fees for the Space under the Agreement shall be appropriately abated in accordance with the terms thereof.

6. Each party represents and warrants to the other that no broker has been concerned in the negotiation of this Surrender Agreement or the surrender hereunder and that there is no broker who is or may be entitled to be paid a commission in connection therewith. Each party shall indemnify and save harm-less the other of and from any and all claims for commission or brokerage made by any and all persons, firms or corporations whatsoever as a result of the indemnifying party's actions for services in connection with the negotiation and execution of this Surrender Agreement or the surrender hereunder.

7. Neither the directors of Johnson Controls nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Surrender Agreement, or because of its execution or attempted execution or because of any breach thereof.

8. As hereby amended, all of the terms, covenants, provisions, conditions and agreements of the Agreement shall be and remain in full force and effect.

9. This Surrender Agreement and the Agreement which it amends constitute the entire agreement between Johnson Controls and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of Johnson Controls and the User. The User agrees that no representations or warranties shall be binding upon Johnson Controls unless expressed in writing in the Agreement or this Surrender Agreement.

IN WITNESS WHEREOF, Johnson Controls and the User have executed and sealed these presents as of the date first written above.

ATTEST:

~~Secretary~~
Vice President

JOHNSON CONTROLS WORLD SERVICES INC.

By _____
(Title) Vice President
(Corporate Seal)

ATTEST:

~~Secretary~~

ATLANTIC AVIATION CORPORATION

By _____
(Title) President
(Corporate Seal)

APPROVED
TRENTON
FORM
DF

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD

On this 12th day of October, 1999, before me, the subscriber, a _____, personally appeared Charles L. Borders the Vice President of **JOHNSON CONTROLS WORLD SERVICES INC.** who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Denise E. Minacapelli
(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
DENISE E. MINACAPELLI
My Comm Exp. 1/28/2002
No. CC 711703
Personally Known [ ] Other I.D.

STATE OF Delaware)
) ss.
COUNTY OF New Castle)

On this 11th day of October, 1999, before me, the subscriber, a _____, personally appeared RN Fitzgerald the _____ President of **ATLANTIC AVIATION CORPORATION** _____ who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Kathleen A. Stanwell
(notarial seal and stamp)

CONSENT AGREEMENT

THIS AGREEMENT, dated as of October 15, 1999 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called the "Airport Operator") and ATLANTIC AVIATION CORPORATION (hereinafter called "the User"),

WITNESS, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport") and;

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator and the User entered into a Use and Occupancy Agreement dated February 14, 1979 with the consent of the Port Authority (which consent was set forth in an agreement hereinafter called the "Consent Agreement") which Use and Occupancy Agreement has been designated TA-121 and hereinafter called "TA-121"; and

WHEREAS, the Airport Operator and the User desire to execute a Surrender Agreement which calls for the User, under certain conditions, to surrender a portion of the Space associated with TA-121. A copy of which Surrender Agreement is attached hereto, made a part hereof and hereafter called "the Surrender Agreement", subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority.

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of the Effective Date of the Surrender Agreement as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Surrender Agreement.

2. (a) If the Main Agreement shall terminate (whether through the expiration of its term or by earlier termination as provided in the Main Agreement) before the expiration date of the two year period identified in the Surrender Agreement, if the User is in occupancy of and using the "surrender space" identified in the Surrender Agreement, the Surrender Agreement will be terminated. Under these conditions, the User is obligated to enter into another surrender agreement with the Port Authority or a successor airport operator selected by the Port Authority with the same terms and conditions of the Surrender Agreement, and with such additional terms as may be necessary or appropriate.

3 Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by TA-121 if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. The Surrender Agreement is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of Surrender Agreement shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of Surrender Agreement, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Surrender Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

4. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or TA-121 or of any rights under either of them, whether in whole or in part.

5. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the Space covered by TA-121 or elsewhere on the Airport with the consent of the User.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

ATTEST:

Lawrence S. Hofrichter
Assistant Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Title: Aviation Director

ATTEST:

_____

Title: Vice President

JOHNSON CONTROLS WORLD SERVICES INC.

By: _____

Title: Vice President

ATTEST:

_____

Title: Secretary

ATLANTIC AVIATION CORPORATION

By: _____

Title: President

APPROVED FOR TRANSMITTAL

FORM	TERMS
RV	DF

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 15th day of October, in the year 1999, before me, the undersigned, a Notary Public in and for said state, personally appeared Robert J Kelly personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Karen E Eastman
(notarial seal and stamp)

KAREN E. EASTMAN
Notary Public, State of New York
No. 01EA4766314
Qualified in New York County
Commission Expires Feb. 28, 2001

STATE OF FLORIDA)
) ss.
COUNTY OF BREVARD

On this 12th day of October, 1999, before me, the subscriber, a NOTARY PUBLIC, personally appeared Charles R. Borders the Vice President of **JOHNSON CONTROLS WORLD SERVICES INC.** who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Denise E Minacapelli
(notarial seal and stamp)

STATE OF FLORIDA NOTARY PUBLIC
DENISE E. MINACAPELLI
My Comm Exp. 1/28/2002
No. CC 711703
X Personally Known ( ) Other I.D.

STATE OF Delaware)
) ss.
COUNTY OF New Castle

On this 11th day of October, 1999, before me, the subscriber, a NOTARY PUBLIC, personally appeared RN Fitzgerald the _____ President of **ATLANTIC AVIATION CORPORATION** who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Maureen A. Stansell
(notarial seal and stamp)

DELEGATION OF AUTHORITY

In accordance with the authority granted by the General Delegation Resolutions of Johnson Controls World Services Inc. (the "Company"), as modified by the Resolutions adopted at that certain meeting of the Board of Directors of the Company held on December 19, 1989, I, Mark C. Filteau, hereby delegate to C. Robert Borders, Vice President (Acting) the authority to act on my behalf with respect to matters related to the Airport Management Services Division of the Company and Teterboro Airport, including the authority to sign the following documents related thereto:

General correspondence
Payroll Notifications in accordance with Company policy
Contractual Agreements for supplies and services not exceeding $100,000.
*Teterboro Airport Use and Occupancy Agreement for tenants and modifications thereto.
*Permits to conduct business at Teterboro Airport and modifications and amendments thereto.
*Licenses as may be required for activities at Teterboro Airport.
*Consent Agreements.
*FAA Reimbursement Documentation

*Subject to the terms of the Teterboro Operating Agreement executed between Pan American World Airways, Inc. and the Port of New York Authority dated September 19, 1967, which may require the consent of the Port Authority.

This Delegation of Authority is valid from July 1, 1996 through March 31, 1999, unless earlier rescinded by the writer.

JOHNSON CONTROLS WORLD SERVICES INC.

BY: _____
Mark C. Filteau, Vice President, Federal Services

DATE: 12-23-98

CERTIFICATION

I, Robert M. Carter, hereby certify that I am the Secretary of Johnson Controls World Services Inc. (the "Company"); that Mark C. Filteau, who executed the above Delegation of Authority, is the Vice President of the Company and has been authorized by the General Delegation Resolutions, as modified by the Resolutions of the Board of Directors adopted on December 19, 1989, to delegate the authority to execute in the name of and on behalf of the Company certain documents further described above; and, that said Resolutions have not been revoked, canceled, modified or superseded, to date.

BY: _____
Robert M. Carter, Secretary

SEAL

DATE: 12-23-98

delegate5.doc

THIS SUPPLEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

Teterboro Airport
Port Authority Agreement No. TA-121
Supplement No. 7

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, dated as of December 31, 2010, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (the "**Port Authority**") and **ATLANTIC AVIATION CORPORATION**, a corporation organized under the laws of the State of Delaware (the "**User**");

WITNESSETH, that:

WHEREAS, the Port Authority is the owner of Teterboro Airport (the "**Airport**") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. ("**Johnson Controls**") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. and the Port Authority dated September 19, 1967 (the "**Basic Agreement**"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-121 and made effective as of February 14, 1979, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at the Airport (such Use and Occupancy Agreement, as heretofore amended, the "**Agreement**"); and

WHEREAS, the Basic Agreement was terminated as of November 30, 2000, and the Port Authority has succeeded to all the rights and obligations of Johnson Controls under the Agreement; and

WHEREAS, in addition to the Space, as defined in the Agreement, the User desires to use and occupy additional areas at the Airport as hereinafter described, as well as perform certain construction work at the said additional space as hereinafter described; and

WHEREAS, the parties desire to amend the Agreement in certain other respects, as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of the dates set forth below, as follows:

1. (a) "**Additional Space Effective Date**" shall mean the date upon which the Port Authority shall deliver to the Permittee notice setting forth the date on which the Additional Space shall be available for use and occupancy by the User, as permitted by the provisions of this Supplemental Agreement.

(b) Effective as of the Additional Space Effective Date, the approximately 45,529 square feet of open area, together with the associated 90,000-gallon bulk fuel storage facility located therein, as delineated by a broken dotted line on the sketch attached hereto, hereby made a part hereof and marked "Exhibit A-5", shall be added to the Space under the Agreement (such additional space, the "**Additional Space**"). The parties hereto acknowledge that the Additional Space constitutes non-residential real property.

2. The User shall use the Additional Space for the bulk storage of aviation fuel and for the receipt, storage, sale and delivery of aviation fuel and lubricants at the Airport and for no other purpose or purposes whatsoever.

3. The User, prior to the execution of this Supplemental Agreement, has thoroughly examined the Additional Space and determined it to be suitable for the User's operations hereunder, and the User restates and continues said determination in connection with its continued occupancy hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Additional Space, whether existing prior to, on or after the date of its original occupancy of the Additional Space, including without limitation all Environmental Requirements and Environmental Damages, and all soil remediation to the extent required under Environmental Requirements, and to indemnify and hold harmless the Port Authority with respect to third party claims in accordance with Section 15 of the Agreement. Notwithstanding the foregoing, the User shall be responsible for the removal of and remediation of Hazardous Substances placed, or permitted or caused to be placed, on, in or under the Additional Space by the User or by its employees, agents, contractors, or others using or occupying the Additional Space under the Agreement or this Supplemental Agreement.

4. The User acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of the Additional Space for the operations permitted thereon by the Agreement, as herein amended. Without limiting any obligation of the User to commence operations under the Agreement, as herein amended, at the time and in the manner stated elsewhere in this Supplemental Agreement, the User agrees that no portion of the Additional Space will be used initially or at any time during the effective period of the permission granted under the Agreement, as herein amended, which is in a condition unsafe or improper for the conduct of the User's operations therein under the Agreement, as herein amended, so that there is possibility of injury or damage to life or property, and the User further agrees that before any use of the Additional Space, it will immediately correct any such unsafe or improper condition. Without limiting the generality of any of the provisions of the Agreement, as herein amended, or this Supplemental Agreement, the Port Authority shall not be liable to the User for any claims for loss, theft or damage involving any property stored or placed in the Additional Space.

5. (a) In addition to all other fees and charges provided for under the Agreement, as herein amended, from and after the Additional Space Effective Date:

(i) The User shall pay a fee to the Port Authority for the use and occupancy of the Additional Space (the "**land fee**") at the annual rate of , payable in advance on the Additional Space Effective Date and on the first day of each and every calendar month thereafter during the term of the Agreement in equal installments of Five Thousand Three Hundred Fifty-five Dollars and Three Cents ($5,355.03). The land fee shall be subject to adjustment in accordance with the provisions of Section 5 of the Agreement, as amended by paragraph 11 of Supplemental Agreement No. 4 to the Agreement; and

(ii) Further, the User shall pay a Facility Fee to the Port Authority for the use and occupancy of the Additional Space at the annual rate of

payable in advance on the Additional Space Effective Date and on the first day of each and every calendar month thereafter during the term of the Agreement in equal installments of

(b) If the Additional Space Effective Date shall occur on a date other than the first day of a month, the land fee and the Facility Fee due to the Port Authority for the

Additional Space for the month in which the Additional Space Effective Date shall occur shall be prorated on the basis of the actual number of days from the Additional Space Effective Date to the end of such month.

(c) (i) In the event that the User shall at any time by the provisions of the Agreement, as herein amended, become entitled to an abatement of the land fee for the Additional Space, then said abatement shall be computed at the following daily land rate, as the same may be adjusted during the term of the Agreement, at the rate of $1.31 for each square foot of area of the Additional Space the use of which is denied to the User.

(ii) In the event that the User shall at any time by the provisions of the Agreement, as herein amended, become entitled to an abatement of the Facility Fee for the Additional Space, then said abatement shall be computed at the following daily rate, as the same may be adjusted during the term of the Agreement, at the rate of for each square foot of area of the Additional Space the use of which is denied to the User.

6. (a) The User hereby agrees to upgrade, improve and refurbish the Additional Space, such upgrades, improvements and refurbishments (the "**Additional Space Upgrade Work**") shall consist of, without limitation, paving, installation of state of the art metering equipment, pumps and the installation of equipment to create additional facility capacity. The User shall submit to the Port Authority a Tenant Alteration Application in connection with the Additional Space Upgrade Work. The Additional Space Upgrade Work shall be performed in accordance with the provisions of Section 3 of the Agreement, have a cost of not less than One Million Four Hundred Thousand Dollars and No Cents ($1,400,000.00) and shall be completed within six (6) months following the Additional Space Effective Date. Wherever the term "construction work" shall appear in said Section 3, it shall be deemed to include the Additional Space Upgrade Work. Upon completion of the Additional Space Upgrade Work, title thereto shall immediately and without execution of any further instrument vest in the Port Authority, and all such repairs, alterations, improvements or additions shall thereupon become and thereafter be part of the Additional Space.

(b) The provisions of paragraphs (b) and (c) of Section 3 of Supplemental Agreement No. 6 to the Agreement, relating to insurance requirements during the performance of the Hangar Upgrade Work and the payment of Port Authority fees, respectively, shall be deemed to apply equally with respect to the Additional Space Upgrade Work, and all references in such

provisions to the Hangar Upgrade Work shall be deemed to include the Additional Space Upgrade Work.

(c) In the event that the Additional Space Upgrade Work has not been completed within the six-month period following the Additional Space Effective Date, subject to *force majeure* (which shall not, in any event, include any cause due to the financial circumstances of the User), then, in such event, the User shall pay, for each month or portion thereof that the Additional Space Upgrade Work remains incomplete following such six-month period, in addition to the land fee provided under Section 5 above, an additional land fee in an amount equal to 50% of such land fee.

7. As of the date of this Supplemental Agreement, the amount of the letter of credit to be provided by the User to the Port Authority pursuant to the provisions of Section 4 of Supplemental Agreement No. 6 to the Agreement shall be increased to Six Hundred Thirty Thousand Dollars and No Cents ($630,000.00), and the User shall, together with the User's execution and delivery to the Port Authority of this Supplemental Agreement, provide to the Port Authority an amendment to, or replacement of, the existing letter of credit hitherto provided to the Port Authority.

8. Subject to and in accordance with the terms of the Agreement, the User agrees that, on or before January 1, 2011, it shall enter into an agreement of subuse of the Additional Space with General Aviation Aircraft Service, Inc. (the "**Subuser**"), the terms and form of which shall be satisfactory to the Port Authority. Such agreement of subuse shall be the subject of a Consent to Subuse Agreement by and among the Port Authority, the User and the Subuser substantially in the form as attached hereto, hereby becoming a part hereof and marked "Exhibit X".

9. No Commissioner, officer, agent or employee of the Port Authority shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

10. Except as otherwise provided herein, all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

11. This Supplemental Agreement and the Agreement, which it amends, constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the Port Authority and the User have executed these presents as of the date first hereinabove set forth.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

Secretary

(name) DAVID KAGAN
(title) Assistant Director

ATLANTIC AVIATION CORPORATION

ATTEST:

(name) JOHN SANTOMAURO
(title) SR. REGIONAL CONTROLLER

(name) GLEN GROSS
(title) VP OPERATIONS
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

JJL

EXHIBIT A-5

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

EXHIBIT X

THIS AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER AND SUBUSER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

Agreement No. TA-121
Teterboro Airport

CONSENT TO SUBUSE AGREEMENT

THIS CONSENT AGREEMENT, dated as of _____, 20___ (hereinafter referred to as the "Effective Date"), by and among **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **ATLANTIC AVIATION CORPORATION** (hereinafter called the "User"), and **GENERAL AVIATION AIRCRAFT SERVICE, INC.**, a corporation organized under the laws of the State of New Jersey (hereinafter called the "Subuser"), with an office and place of business at 111 Charles Lindbergh Drive, Teterboro, New Jersey 07608, whose representative is_____ _____,

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of November 30, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-121 and made effective as of February 14, 1979, was entered into between Pan American and the User, with the consent of the Port Authority, for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement, as the same has been heretofore amended, supplemented and extended on a month-to-month basis, is hereinafter referred to as the "Use and Occupancy Agreement"); and

WHEREAS, the User and the Subuser have requested the consent of the Port Authority to a proposed Subuse Agreement (a copy of which is attached hereto, hereby made a part hereof and hereinafter called the "Subuse Agreement") between the User and the Subuser covering the use and occupancy of a portion of the Space (said portion of the Space being hereinafter called the "Subuse Space"), effective as of _____, 20___;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the User and the Subuser hereby agree, effective as of _____, 20___, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Subuse Agreement.

2. (a) Notwithstanding any provision of the Subuse Agreement to the contrary, both this Consent Agreement and the Subuse Agreement shall terminate, without notice to the User or the Subuser, on the earlier to occur of the day preceding the date of expiration or earlier termination of the Subuse Agreement, or such earlier date for the expiration or termination of the Subuse Agreement as the User and the Subuser may agree upon. The Subuser shall quit the Space and remove its property for which it is responsible therefrom on or before termination of the Subuse Agreement.

(b) In the event of an early termination of the Agreement by the Port Authority, and provided that the Subuser is not then in default of any of its obligations under the Subuse Agreement and no breach exists which with the passage of time would constitute a default under the Subuse Agreement, the right of the Subuser to possession of the Subuse Space shall not be disturbed and the Subuse Agreement shall continue in full force and effect. The Subuser shall attorn to and shall perform all of its obligations under the Subuse Agreement, including without limitation the payment of rent and fees to the Port Authority.

3. If the User shall at any time be in default under the Agreement, the Subuser shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the User. No such payment shall relieve the User from any obligation under the Agreement or under this Consent Agreement, but all such payments shall be credited against the obligations of the User or of the Subuser, as the Port Authority may determine for each payment or part thereof.

4. (a) Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall

they create an inference or implication that there has been consent to any enlargement, variation or change in the rights and privileges granted to the User under the Agreement, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the User under the Agreement. The Subuse Agreement is an agreement between the User and the Subuser with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the User that the provisions of the Subuse Agreement shall apply and pertain as between the User and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Agreement shall, in all respects, be controlling, effective and determinative. It is the intention of the Port Authority hereunder merely to permit the exercise of the User's rights and privileges thereunder by the Subuser (to the extent permitted by the Agreement and this Consent Agreement). The specific mention of or reference to the Port authority in any part of the Subuse Agreement, including without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall hereafter grant its consent or approval thereto or that the subject mater as to which the consent or approval applies has been or shall be approved or consent to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the Subuse Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Agreement shall in all respects be controlling, effective and determinative.

(b) No provision of the Subuse Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules and regulations, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Subuse Agreement covering action which may be undertaken by the User, be deemed to imply or infer that Port Authority consent or approval thereto has or will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this Consent to specific matters and provisions as contained in the Subuse Agreement shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to granting or withholding approvals or consents as to other matters and provision in the Subuse Agreement which are not specifically referred to herein.

(c) With respect to this Consent Agreement, the User and the Subuser understand and agree that although the User is permitted under the Agreement to perform services and functions for itself the User may not and is expressly prohibited from performing any services or functions at the Airport for the Subuser (even though the User may perform the same for itself pursuant to the Agreement) which are performed by organizations at the Airport authorized by permit from the Port Authority to perform such services or functions, unless the User is specifically authorized by permit to perform such services or functions for other users or operators at the Airport and the space under the Agreement and in such event said services and functions shall be performed pursuant thereto. The User, however, may make the necessary arrangements with the authorized organizations performing such services or functions at the Airport to have such services or functions performed for the Subuser by such organizations or the Subuser may perform such services and functions itself.

5. The Subuser, in its operations under and in connection with the Subuse Agreement and its use and occupancy of the Subuse Space, agrees to assume, observe, be bound by and comply with all the terms, provisions and conditions of the Agreement to the extent that such obligations relate to the portion of the Space covered by the Subuse Agreement.

6. Without in any wise affecting the obligations of the User under the Agreement and under this Consent Agreement and notwithstanding the terms and provisions of the Subuse Agreement (but without limiting the rights and duties of the User and the Subuser as between themselves), the parties agree as follows:

(a) With respect to the Subuse Space, the Subuser shall make repairs and replacements as if it were the User under the Agreement. In addition, the Subuser shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority, its Commissioners, officers, employees and representatives for its and their costs and expenses, including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death, for personal injuries and for property damages, arising out of a breach or default of any term or provision of this Consent Agreement by the Subuser or out of its operations under the Subuse Agreement or at the Subuse Space, or out of the use of the Subuse Space by the Subuser or by others with its consent, or out of any other acts or omissions of the Subuser, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Subuser at the Subuse Space or out of any other acts or

omissions of the Subuser, its officers and employees at the Airport. However, all acts and omissions of the Subuser shall be deemed to be acts and omissions of the User under the Agreement and the User shall also be severally responsible therefor, including but not limited to, the obligations of indemnification, repair and replacement.

(b) If so directed, the Subuser shall at its own expense defend any suit based upon any such claim or demand (even if such claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting any suits against the Port Authority.

(c) Each policy and each certificate with respect to the insurance naming the Port Authority as an additional insured under the Subuse Agreement shall contain any additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The parties acknowledge that the Port Authority and the User entered into a Use and Occupancy Agreement and not a Master Lease and that the Subuse Agreement is not a Sublease and, therefore, the terminology describing the parties and their agreements set forth in this Consent Agreement shall prevail over the terminology used in the Subuse Agreement.

7. This Consent Agreement may be revoked at any time by the Port Authority without cause on thirty (30) days' notice to the User and the Subuser and no such revocation shall be deemed to affect the Agreement or the continuance thereof, but the Subuse Agreement shall be deemed terminated thereby.

8. The granting of this Consent Agreement by the Port Authority shall not be deemed to operate as a waiver of the rights of the Port Authority, or as a consent to any subsequent subuse agreement (by the User or by the Subuser) or to any assignment of the Agreement or to any assignment of the Subuse Agreement or of any rights under any rights under any of the foregoing, whether in whole or in part.

IN WITNESS WHEREOF, the Port Authority, the User and the Subuser have executed these presents.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Secretary

(name)
(title)

ATTEST:

ATLANTIC AVIATION CORPORATION User

(name)
(title)

(name)
(title)
(Corporate Seal)

ATTEST:

GENERAL AVIATION AIRCRAFT SERVICE, INC., Subuser

(name)
(title)

(name)
(title)
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

(Port Authority Acknowledgment)

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the day of in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
(Signature of Notary Public)

(User Acknowledgment)

STATE OF)
)ss.:
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
(Signature of Notary Public)

(Subuser Acknowledgment)

STATE OF)
)ss.:
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
(Signature of Notary Public)

For the Port Authority

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 9th day of December in the year 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notary seal and stamp)

MICHAEL F. SCHMIDT
Notary Public, State of New York
No. 01SC6118149
Qualified in New York County
Commission Expires November 1, 2012

For the User

STATE OF New York)
)ss.:
COUNTY OF Suffolk)

On the 3rd day of October in the year 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared Glen Gross

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notary seal and stamp)

MARGARET GIUGLIANO
Notary Public, State of New York
No. 02GI6111912
Qualified in Nassau County
Commission Expires 06/28/2012

THIS SUPPLEMENT SHALL NOT BE BINDING UPON
THE PORT AUTHORITY UNTIL DULY EXECUTED BY
AN EXECUTIVE OFFICER THEREOF AND DELIVERED
TO THE USER BY AN AUTHORIZED REPRESENTATIVE
OF THE PORT AUTHORITY

AVIATION DEPT.
FILE COPY

Teterboro Airport
Port Authority Agreement No. TA-121
Supplement No. 6

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, dated as of August 31, 2008, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **ATLANTIC AVIATION CORPORATION**, a corporation organized under the laws of the State of Delaware (hereinafter called the "User");

WITNESSETH, that:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of November 30, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-121 and made effective as of February 14, 1979, was entered into between Johnson Controls and the User for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement, as the same has heretofore been or may hereafter be amended, supplemented or extended, is hereinafter referred to as the "Agreement"); and

WHEREAS, in addition to the Space as defined in the Agreement, the User desires to use and occupy additional areas at the Airport as hereinafter described, as well as perform certain construction work at the said additional space as hereinafter described; and

WHEREAS, the parties desire to amend the Agreement in certain other respects as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of the dates set forth below, as follows:

1. The term of the Agreement shall be extended through and including December 31, 2026, unless sooner terminated as provided for in the Agreement.

2. Effective as of the date of delivery by the Port Authority to the User of a fully-executed copy of this Supplemental Agreement, paragraph 10 of Supplement No. 4 to the Agreement shall be deemed deleted and of no force and effect.

3. (a) (i) The User hereby agrees to upgrade, improve and refurbish the portions of the Space denominated as "Hangar 3" and "Hangar 4" on Exhibit A-4 annexed to Supplemental Agreement No. 4 to the Agreement (collectively the "Hangars"), such upgrades, improvements and refurbishments (hereinafter referred to as the "Hangar Upgrade Work") shall consist of, without limitation, a structural, infrastructure and aesthetic renewal of the Hangars. The Hangar Upgrade Work shall be performed in accordance with the provisions of Section 3 of the Agreement, have a cost of not less than Four Million Dollars and No Cents ($4,000,000.00) and be completed within fifteen (15) months of the Port Authority's approval of the Tenant Alteration Application described in the following sentence. In accordance with the provisions of Section 3 of the Agreement, within sixty (60) days of its execution of this Supplemental Agreement, the User shall submit to the Port Authority a Tenant Alteration Application, the subject of which shall be the Hangar Upgrade Work. Wheresoever the term "construction work" shall appear in said Section 3, it shall also mean and include the term "Hangar Upgrade Work" as defined herein. Upon completion of the Hangar Upgrade Work, title thereto shall immediately and without execution of any further instrument vest in the Port Authority, and all such repairs, alterations, improvements or additions shall thereupon become and thereafter be part of the Space.

(ii) The User shall expend not less that Four Million Dollars and No Cents ($4,000,000.00) on the Hangar Upgrade Work. Should the User expend less than the amount hereinabove set forth on the Hangar Upgrade Work, then within thirty (30) days of such determination by the Port Authority, the User shall pay to the Port Authority the amount equal to the difference between the actual amount expended and the required costs specified above for the Hangar Upgrade Work.

(b) (i) During the performance of the Hangar Upgrade Work, the User in its own name as insured and including the Port Authority as additional insured shall procure and maintain a policy or policies of Commercial General Liability Insurance, including but not limited to, coverage with a broad form property damage endorsement for premises-operations, products liability/completed operations (for a minimum of two (2) years after the completion of the Hangar Upgrade Work) and explosion, collapse and underground property damages coverage, and personal injury and providing for the coverage in the limit set forth below; and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles, automatically covering newly acquired vehicles, and providing for coverage in the limit set forth below; with contractual liability coverage for the obligations assumed by the User pursuant to subparagraph (a) above; and Worker's Compensation and Employer's Liability Insurance in accordance with the requirements of law; and Environmental Impairment Liability Insurance, which insurance shall be in addition to all policies of insurance otherwise required by the Agreement or this Supplemental Agreement, or the User may provide such insurance by requiring each contractor engaged by it for the Hangar Upgrade Work to procure and maintain such insurance in the contractor's name as insured and with the Port Authority and the User as additional insureds including such contractual liability endorsements, said insurance not to contain any care, custody or control exclusions, and not to contain any exclusion for bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. The

said policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the named insured thereunder with respect to any claim or action against the named insured by a third person shall pertain and apply with like effect with respect to any claim or action against the User by the Port Authority but such endorsement shall not limit, vary, change, or affect the protections afforded the Port Authority thereunder as additional insured. In addition, said policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by the User or its contractors shall be the same as the protections afforded the named insured thereunder with respect to any claim or action against the named insured by a third person as if the Port Authority were the named insured thereunder. Said insurance and any applicable excess liability insurance shall be in not less than the following amounts:

	Minimum Limits
Commercial General Liability Insurance: Combined single limit per occurrence for death, bodily injury and property damage liability	$25,000,000.00
Commercial Automobile Liability Insurance: (covering owned, non-owned and hired vehicles) Combined single limit per occurrence for death, bodily injury and property damage liability	$25,000,000.00
Environmental Impairment Liability Insurance	$ 5,000,000.00

(ii) The insurance required hereunder shall be maintained in effect during the performance of the Hangar Upgrade Work and shall be in compliance with and subject to the applicable insurance provisions of the Agreement and this Supplemental Agreement.

(iii) The Environmental Impairment Liability Insurance, which shall include lead abatement liability, shall be on a claims-made basis, providing coverage for bodily injury, property damage and environmental damage caused by pollution conditions, with a limit of not less than Five Million Dollars and No Cents ($5,000,000.00) per claim. The policy shall include coverage for environmental clean-up on land, in air and on water. The policy shall also include coverage for completed operations (for two (2) years after the completion of the Hangar Upgrade Work), gradual and sudden and accidental pollution coverage. In addition, the policy shall provide transportation coverage for the hauling of lead based materials, including but not limited to lead paint, from the construction site to the final disposition location. Deductibles are subject to the approval of the Port Authority and shall not reduce the limit of liability. The policy form must "pay on behalf of" rather than "indemnify the insured". The insurance shall be primary insurance as respects the Port Authority, its representatives, officials, and employees. Any insurance or self-insurance maintained by the Port Authority shall be excess of this insurance and shall not contribute with it. The policy shall provide pollution coverage as respects lead based materials, including but not limited to lead paint for all phases of the abatement process. The policy shall not contain any provisions or definition that would serve to eliminate third party over-claims, including exclusions of the premises owner.

(c) The User shall pay to the Port Authority all fees and other amounts imposed by the Port Authority on tenants and others in connection with its review and approval of plans and specifications submitted to the Port Authority pursuant to the tenant alteration process at the Airport. In connection with any additional review for approval of any changes, modifications or revisions of the original plans and specifications which may be proposed by the User for the Port

Authority's approval, the User agrees to pay to the Port Authority upon its demand the expenses incurred by the Port Authority in connection with same. The expenses of the Port Authority for any such additional review and approval shall be computed on the basis of direct payroll time expended in connection therewith plus one hundred percent (100%). Wherever in this Supplemental Agreement reference is made to "direct payroll time", costs computed thereunder shall include a *pro rata* share of the cost to the Port Authority of providing employee benefits, including but not limited to, pensions, hospitalization, medical and life insurance, vacations and holidays. Such computations shall be in accordance with the Port Authority's accounting principles as consistently applied prior to the execution of this Supplemental Agreement.

4. (a) Upon the execution of this Supplemental Agreement by the User and delivery thereof to the Port Authority, the User shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the User, all of the terms, provisions, covenants and conditions of the Agreement on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of Five Hundred Thousand Dollars and No Cents ($500,000.00). The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the term of the Agreement, as extended hereby, and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the User agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the term of the Agreement, as extended hereby, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of the Agreement on the part of the User. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the User, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the User under the terms of the Agreement, and all remedies under the Agreement and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(b) The User acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon fifteen (15) days' notice to the User, to adjust the amount of the letter of credit as set forth above in subparagraph (a). Not later than the effective date set forth in said notice by the Port Authority the User shall furnish an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the letter of credit, and such adjusted (or replaced) letter of credit shall thereafter constitute the letter of credit required under this paragraph.

5. Section 6.6 shall be deemed deleted and the following shall be deemed inserted in lieu thereof:

"6.6 Payments of the fees made hereunder shall be sent to the following address: The Port Authority of New York and New Jersey, P. O. Box 95000-1517, Philadelphia, Pennsylvania 19195-1517; or made via the following wire transfer instructions: Bank: Commerce Bank; Bank ABA Number: 031201360; Account Number: Ex. 1/4 (for monthly fees) or Ex. 1/4 (for percentage fees); or to such other address as may hereafter be substituted therefor by the Port Authority from time to time, by notice to the User."

6. The following shall be deemed added to the end of Section 12.7.4 of the Agreement:

"In the event that upon conducting an examination and audit as described in this paragraph the Port Authority determines that unpaid amounts are due to the Port Authority by the User, the User shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the User under this Agreement or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including, without limitation, the Port Authority's rights to revoke this Agreement or (ii) any obligations of the User under this Agreement."

7. Effective as of the date of this Supplemental Agreement, paragraph 10.1 of the Agreement shall be deemed deleted and the following shall be deemed inserted in lieu thereof:

"10.1 (a) The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs or expenses including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death or personal injuries, or for property damages, arising out of the use or occupancy of the Space, or arising out of any other acts or omissions of the User, its officers, employees, guests, invitees and business visitors on the Space, or out of the acts or omissions of others on the Space, or arising out of the acts or omissions of the User, its officers and employees elsewhere at the Airport.

"(b) If so directed, the User shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express

advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provision of any statutes respecting suits against the Port Authority."

8. Section 9 of the Agreement shall be deemed deleted in its entirety and the following shall be deemed inserted in lieu thereof:

"9. (a) The User, in its own name as insured and including the Port Authority as an additional insured, including without limitation, for both premises-operations and completed operations, shall maintain and pay the premiums during the term of the Agreement on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the limit set forth below, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the limit set forth below. All the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the User thereunder with respect to any claim or action against the User by a third person shall pertain and apply with like effect with respect to any claim or action against the User by the Port Authority but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by the User shall be the same as the protections afforded the User thereunder with respect to any claim or action against the User by a third person as if the Port Authority were the named insured thereunder. The said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the User under Section 10 of the Agreement.

	Minimum Limits
Commercial General Liability Insurance	
Combined single limit per occurrence for death, bodily injury and property damage liability:	$10,000,000.00
Automobile Liability Insurance	
Combined single limit per occurrence for death, bodily injury and property damage liability:	$25,000,000.00

Without limiting any of the terms and provisions hereof, in the event the User maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured to the full extent of all such insurance in accordance with all terms and provisions of this Agreement, including without limitation this Section.

(b) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of

coverage at any time and from time to time during the term of this Agreement. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the above-scheduled insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the User shall promptly comply therewith.

(c) A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Agreement by the User to the Port Authority. Each policy, certificate or binder delivered shall bear the endorsement or be accompanied by evidence of payment of the premium thereon. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each such copy or certificate required by this Section shall contain a provision that the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. Any renewal policy shall be delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Agreement. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the User shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority."

9. Without in any way limiting any provisions of the Agreement, unless otherwise notified by the Port Authority in writing, in the event the User continues its use and occupancy of the Space after the expiration, revocation or termination of the term of this Agreement, as such term may be extended from time to time, in addition to any damages to which the Port Authority may be entitled under the Agreement or other remedies the Port Authority may have by law or otherwise, the User shall pay to the Port Authority a fee for the period commencing on the day immediately following the date of such expiration or the effective date of such revocation or termination and ending on the date that the User shall surrender and completely vacate the Space at a rate equal to twice the aggregate land fees and the Facility Fees as provided for under the Agreement. Nothing herein contained shall give, or be deemed to give, the User any right to continue its use and occupancy of the Space after the expiration, revocation or termination of the term of the Agreement. The User acknowledges that the failure of the User to surrender, vacate and yield up the Space to the Port Authority on the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss. The User hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the

User hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss.

10. The User hereby waives its right to trial by jury in any summary proceeding or action that may hereafter be instituted by the Port Authority against the User in respect of the Space and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under the Agreement, as herein amended. The User specifically agrees that it shall not interpose any claims as counterclaims in any summary proceeding or action for non-payment of fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed. The foregoing reference to summary proceedings shall not be construed to mean that a landlord-tenant relationship exists between the Port Authority and the User.

12. No Commissioner, officer, agent or employee of the Port Authority shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

13. Except as otherwise provided herein, all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

14. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

IN WITNESS WHEREOF, the Port Authority and the User have executed these presents as of the date first hereinabove set forth.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____ Secretary

By _____

Name David Kagan
Assistant Director
Business, Properties & Airport Development
(Please Print Clearly)

(Title) _____

(Seal)

ATTEST:

ATLANTIC AVIATION CORPORATION

By _____ Secretary

By _____

Name LOUIS T. Pepper
(Please Print Clearly)

(Title) President

(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
	MG

MG/ALQ

For the Port Authority

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 18TH day of DECEMBER in the year 2008, before me, the undersigned, a Notary Public in and for said state, personally appeared DAVID KAGAN personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Gail E. Mitchell
(notary seal and stamp)

GAIL E. MITCHELL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MI6026210
Qualified in Queens County
My Commission Expires June 14, 20_11_

For the User

STATE OF Texas)
)ss.:
COUNTY OF Collin)

On the 10th day of November in the year 2008, before me, the undersigned, a Notary Public in and for said state, personally appeared Louis J. Peppel personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Virginia Jill Crider
(notary seal and stamp)

VIRGINIA JILL CRIDER
MY COMMISSION EXPIRES
September 23, 2011

THIS SUPPLEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

IATION DEPT.
FILECOPY

Teterboro Airport
Agreement TA-121
Supplement No. 5

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 23rd day of August, 2000 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and ATLANTIC AVIATION CORPORATION, a corporation organized under the laws of the State of Delaware (hereinafter called the "User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") is the operator of Teterboro Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. (hereinafter called "Pan American") and the Port Authority dated September 19, 1967 (hereinafter called the "Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-121 and made effective as of February 14, 1979, was entered into between Pan American and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement is hereinafter referred to as "the Agreement"); and

WHEREAS, Johnson Controls and the Port Authority intend to terminate the Basic Agreement effective as of the Termination Date, as hereinafter defined; and

WHEREAS, effective from and after the Termination Date the Port Authority will be the operator of the Airport and now desires, together with the User, to provide for the continuation of the Agreement and the substitution of the Port Authority in the place and stead of Johnson Controls as the Airport Operator under the Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, as of the date first set forth above, as follows:

1. The parties hereby agree that if, as and when the Basic Agreement shall expire or be terminated, the Port Authority shall notify the User of the effective date thereof, with such date set forth in said notice being herein referred to as the "Effective Date." From and after the Effective Date, the term of the Agreement shall continue as provided in the Agreement with the Port Authority as the Airport Operator thereunder, with the Port Authority succeeding to all the rights and obligations of Johnson Controls under the Agreement from and after the Termination Date. The obligations and liabilities of Johnson Controls to the User arising under the Agreement prior to the Termination Date shall be and remain the obligations and liabilities of Johnson Controls and the Port Authority shall have no responsibility therefor.

2. As between the Port Authority and the User, this substitution of the Port Authority shall not in any way whatsoever affect or impair the liability of Johnson Controls to the User or to the Port Authority to perform all the terms, provisions and conditions of the Agreement on the part of Johnson Controls to be performed, for the period from the effective date of the Agreement to and including the Termination Date and the obligation to comply with all requirements of the Port Authority and appropriate federal, state and local governmental agencies arising from any environmental condition of the Space.

3. From and after the Termination Date, the Port Authority shall assume all the rights, obligations and duties of Johnson Controls under the Agreement as well as the performance of, and does hereby agree to perform, all the terms, provisions and conditions of the Agreement on the part of the Airport Operator thereunder to be performed. The execution of this instrument by the Port Authority does not constitute a representation by it that Johnson Controls has performed or fulfilled every obligation required by the Agreement; as to such matters the User agrees to look solely to Johnson Controls.

4. No provision of the Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Agreement covering actions which shall or may be undertaken by the User or the Airport Operator, including but not limited to, construction on the Space covered by the Agreement, be deemed to imply or infer that Port Authority consent or approval thereto has been or

shall be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to matters and provisions in the Agreement which are not specifically referred to herein.

5. Except as otherwise provided herein, during the remainder of the term of the Agreement all the terms, provisions, covenants and conditions of the Agreement shall be and continue in full force and effect.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the User with any liability, or held liable to it under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution or because of any breach thereof.

7. This Supplemental Agreement and the Agreement which it amends constitute the entire agreement between the Port Authority and the User on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the User.

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Title: FRANCIS A. DIMOLA ASSISTANT DIRECTOR AVIATION DEPT.

(Seal)

ATTEST:

ATLANTIC AVIATION CORPORATION

By:

Title: President

(Corporate Seal)

APPROVED: FORM | TERMS

CSL-61273; - Ack. N.J.; Corp. & Corp.

STATE OF NEW JERSEY)
) ss.
COUNTY OF)

On this 4 day of December, 2000, before me, the subscriber, a notary public of New York, personally appeared Francis A. Di Mola the Assist Dir Aviation Dept of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate and delivered the same as such officer aforesaid and the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Commissioners.

MARY ANN GRASSO
Notary Public, State of New York
No. 41-4890605
Qualified in Queens County
Commission Expires April 27, 2001

Mary Ann Grasso
(notarial seal and stamp)

STATE OF DELAWARE)
) ss.
COUNTY OF NEW CASTLE)

On this 3rd day of November, 2000, before me, the subscriber, a Notary Public personally appeared Raymond N. Fitzgerald the President of **Atlantic Aviation Corporation,** who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate and delivered the same as such officer aforesaid and the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

VICTORIA A. TAIT
NOTARY PUBLIC-DELAWARE
My Commission Expires Aug. 27, 2002

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-121
Supplement No. 4

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 18 day of May, 1999 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls"), a Florida corporation, and ATLANTIC AVIATION CORPORATION (hereinafter called "the User"), a Delaware corporation.

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport (the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of the Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 ("Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement dated February 14, 1979 was entered into between Pan American and the User for the use and occupancy of certain Space at Teterboro Airport, bearing file No. TA-121 (which Use and Occupancy Agreement, as has heretofore been supplemented or amended, is hereinafter referred to as the "Agreement"); and

WHEREAS, the User desires to construct and Johnson Controls desires to permit the User to construct a hangar facility at the Space provided for in the Agreement and in consideration of said construction extend the term of the Agreement,

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained and made by the parties hereto, the parties hereby agree, effective as of June 1, 1999 (the "Effective Date" of this Supplement) unless otherwise stated, as follows:

1. Effective on May 31, 1999, Exhibits A-1, A-2 and A-3 to the Agreement shall be deemed deleted and of no further effect, and reference to "Exhibits A-1"," A-2" and "A-3" in the Agreement shall be deleted and substituted by the reference "Exhibit A-4."

2. Effective on June 1, 1999, the Space under the Agreement shall be the area set forth in hatching and cross hatching on Exhibit A-4, attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent

Ext 1/10/2022

installations constructed and installed or to be constructed and installed therein or thereon or thereunder during the remainder of the term of this Agreement (hereinafter collectively referred to as the "Space").

3. The parties hereby agree that within six (6) months of the date of execution by the Port Authority of the Consent Agreement granting the Port Authority's consent to this Supplement No. 4 to the Agreement, the User shall, in accordance with subsection 3.3 of the Agreement, submit plans and specifications for the demolition of the facility currently on the Space in Area No. 1 known as Hangar 2 and the construction of a replacement facility consisting of a minimum of 30,000 square feet of aircraft hangar space together with approximately 7,500 square feet of adjoining office and shop space (hereinafter referred to as the "Construction Work") with a minimum investment of Four Million Dollars ($4,000,000.00). Upon approval by the Port Authority of said plans and specifications the User agrees to promptly commence performance of the construction work as provided for in Section 3 of the Agreement and to complete construction within one (1) year from the date of Port Authority approval .

4. The parties acknowledge that the Consent Agreement granting the Port Authority's consent to this Supplemental Agreement and the matters herein set forth shall provide that the expiration date of December 30, 1999, as referenced in Section 1, "Term" of the Agreement shall be changed to expire, unless sooner terminated as hereinafter provided or as provided for in the Consent Agreement, on the day before the Twentieth (20th) Year Anniversary of the Completion Date, as defined in subsection 3.6.14 of the Agreement and as amended by Paragraph 7 of this Supplemental Agreement, of construction as provided for in Paragraph 3 hereof.

5. Effective on December 30, 1999, the User's right to use and occupy the portion of the Space in Area 4 shall be terminated.

6. Subsection 3.2 of the Agreement shall be deleted in its entirety and the following substituted therefor:

"3.2 The User agrees to complete the construction of the facility set forth in Paragraph 3 of Supplement No. 4 to the Agreement on or before twelve (12) months from the commencement of construction as set forth in subsection 3.4 below and Paragraph 3 of said Supplement, provided, however, the User shall not be held in default under this subsection in the event construction cannot be completed within the said time limit due to Force Majure."

7. Subsection 3.6.14 of the Agreement shall be deleted in its entirety and the following substituted therefor:

"3.6.14 When the construction work on the new Hangar 2 facility is substantially completed and is ready for use by the User, the User shall advise Johnson Controls to such effect and shall deliver to Johnson Controls a certificate by an authorized officer of the User and the User's architect or engineer certifying that

such construction work has been constructed strictly in accordance with the approved plans and specifications and the provisions of the Agreement and Supplement No. 4 to the Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders. Within thirty (30) days after receipt of said certificate from the User, such construction work will be inspected by Johnson Controls and if the same has been completed as certified by the User, a certificate to such effect shall be delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User.

The User shall not use or permit the use of the construction work for the purpose set forth in this Agreement until such certificate is received from Johnson Controls. The date of delivery of the certificate by Johnson Controls shall constitute the Completion Date for the purposes of the Agreement."

8. The User hereby agrees to upgrade, improve and refurbish Hangar 3 located on the Space. The specific list of these upgrades, improvements and refurbishments (hereinafter referred to as the "Construction Work") are shown in Exhibit D, attached hereto and made a part hereof. Said upgrades, improvements and refurbishments shall be done in accordance with Section 3 of the Agreement, have a cost of not less that and be completed within one (1) year of the Completion Date of the new Hangar 2 facility.

9. In the event that Taxiway P at the Airport is relocated, then, upon notice by Johnson Controls to the User that said Taxiway has been decommissioned, Area 3 as shown on Exhibit A-4 shall be added to and become part of the Space as herein defined. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 3 of the Agreement, to pave and construct an aircraft parking ramp on said Area 3.

10. In the event that the Airport's administrative office is relocated and the existing structure is demolished, then, upon notice by Johnson Controls to the User that said building has been demolished, Area 2 as shown on Exhibit A-4 shall be added to and become part of the Space as herein defined. The User shall proceed expeditiously and with all reasonable diligence, in accordance with Section 3 of the Agreement, to construct an aircraft hangar facility consisting of a minimum of 30,000 square feet of aircraft hangar space together with approximately 7,500 square feet of adjoining office and shop space (hereinafter referred to as the "Construction Work") with a minimum investment of Four Million Dollars ($4,000,000.00) in accordance with plans and specifications to be submitted by the User to the Port Authority for its approval and in accordance with Section 3 of the Agreement. The User shall pay to Johnson Controls the then prevailing land use fee for Area 2, in addition to all other fees and charges.

11. The following subsections 5.14, 5.15, 5.16, 5.17, 5.18, 5.19 and 5.20 shall be added to Section 5 "Fees" of the Agreement:

"5.14 Effective on the Effective Date of Supplement No. 4 to the Agreement and continuing until December 31, 1999, the User shall pay to Johnson Controls a total monthly fee of

as detailed on Exhibit E, attached hereto and made a part hereof.

5.14.1 Upon notice by the User to the Port Authority of the date that it has vacated and no longer using the existing structure known as Hangar 2 and is prepared to demolish it, the total monthly fee stated above shall be abated from and after said date by the then current building rental fee.

5.15 In the event that the construction set forth in Paragraph 3 of Supplement No. 4 of the Agreement is not completed in the time frame set forth therein and in subsection 3.2 above, as amended by Paragraph 6 of Supplement No. 4 of the Agreement, the User agrees to pay to Johnson Controls a surcharge equal to

representing one half (1/2) of the monthly land use fee as stated in subsection 5.14 above, for each month, or fraction thereof, that the completion of construction extends beyond the twelve (12) month time frame. This surcharge shall be in addition to all other fees and charges set forth in this Section.

5.16 In the event that Area 3 as shown on Exhibit A-4 becomes part of the Space prior to December 31, 1999, effective on the date of notice to such effect and continuing until December 31, 1999, the User shall pay to Johnson Controls a monthly land use fee of

5.17 Effective January 1, 2000 the User shall pay to Johnson Controls a total monthly fee for building space and land area in Area 1 determined as follows: a total base fee of

) shall first be multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December 1999 and the denominator of which shall be the CPI published for the month of December 1998 and the User shall pay the product thereof on January 1, 2000 and on the first day of each and every month thereafter. In computing the total monthly fee payable January 1, 2000 in no event shall the monthly fee be less than

5.17.1 In the event that Area 3 as shown on Exhibit A-4 has become part of the Space, effective January 1, 2000 the User shall pay to Johnson Controls a total monthly fee for the land area in Area 3 determined as follows: a total base fee of

shall first be multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December 1999 and the denominator of which shall be the CPI published for the month of December 1998 and the User shall pay the

product thereof on January 1, 2000 and on the first day of each and every month thereafter. In computing the total monthly fee payable January 1, 2000 in no event shall the monthly fee be less than

5.17.2 Effective January 1, 2001 and annually thereafter the User shall pay to Johnson Controls a total monthly fee for building and land for Area 1 and Area 3, if then a part of the Space, equal to the greater of either the prior year's fee multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year prior to the affected year and the denominator of which shall be the CPI published for the month of December of two years prior to the affected year or the prior year's fee. In computing the total monthly fee payable in no event shall the monthly fee be less than the prior year's fee or increased by an amount greater than

5.18 Johnson Controls reserves the right, at its option, to perform a real estate appraisal of the User's Space in the year 2009. In the event that such an appraisal is performed, from and after January 1, 2010 the monthly fee payable by the User shall be the greater of either (i) one twelfth of the appraised building rate for Hangar 3 and Hangar 4 plus the appraised land rate for Area 1 and 3, if Area 3 is then a part of the Space or (ii) the December 2009 total monthly fee payable for Area 1 and 3 multiplied by a fraction the numerator of which shall be the CPI as published for the month of December 2009 and the denominator of which shall be the CPI published for the month of December 2008. In the event that the fee calculated in accordance with (ii) above is fifteen percent (15%) or higher than that calculated in accordance with (i) above, then the monthly fee payable effective January 1, 2010 would be the greater of (a) the fee payable January 2000 adjusted annually by 1/2 of the change in the CPI or (b) the rate calculated per (i) above.

5.18.1 In the event that a real estate appraisal of the User's Space is not performed in the year 2009, effective January 1, 2010 the User shall pay to Johnson Controls a total monthly fee for building and land for Area 1 and Area 3, if then a part of the Space, equal to the greater of either (i) the fee payable December 1, 2009 multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December 2009 and the denominator of which shall be the CPI published for the month of December 2008 or (ii) the rate payable December 1, 2009. In computing the total monthly fee payable in no event shall the monthly fee be less than the prior year's fee or increased by an amount greater than six percent (6%).

5.19 Effective January 1, 2011 and annually thereafter the User shall pay to Johnson Controls a total monthly fee for building and land for Area 1 and Area 3, if then a part of the Space, equal to the greater of (i) the prior year's fee multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year prior to the affected year and the denominator of which

shall be the CPI published for the month of December of two years prior to the affected year, or (ii) the rate payable December of the prior year. In computing the total monthly fee payable in no event shall the monthly fee be less than the prior year's fee or increased by an amount greater than six percent (6%).

5.20 In the event that the term of the Agreement is extended beyond the twenty (20) year anniversary of the completion of the construction provided for in Paragraph 3 of Supplement No. 4 of the Agreement due to the later completion of the construction provided for in Paragraph 10 above, the User shall, from the day after the twentieth (20th) year anniversary of the Completion Date of the construction provided for in Paragraph 3 of Supplement No. 4 of the Agreement until the expiration of the term of the Agreement, pay to Johnson Controls a monthly building rental fee based upon the appraised building rate derived from a real estate appraisal performed of the facility, with the appraiser to be selected by the Port Authority. If an appraisal is not conducted the building rental fee will be determined using the prevailing rate for comparable space at the Airport or the existing rate increased by the CPI, whichever is higher.

5.20.1 Effective on the January 1st following the twentieth (20th) year anniversary of the Completion Date described in Paragraph 3 of Supplement No. 4 of the Agreement and annually thereafter, the User shall pay to Johnson Controls the monthly building rental fee stated above, multiplied by a fraction, the numerator of which shall be the CPI as published for the month of December of the year immediately preceding January 1 of the fee increase and the denominator of which shall be the CPI published for the month of December two years preceding. In computing the total monthly fee payable in no event shall the monthly fee be less than the year preceding."

12. In accordance with the construction required in Section 3 of the Agreement, the User hereby agrees to use its reasonable efforts to ensure that minority business enterprises (M.B.E.) and women-owned business enterprises (W.B.E.) as defined in 49 CFR Part 23 have the maximum opportunity to participate in said construction. The participation goal for M.B.E. and W.B.E. participation in the total contract price shall be twelve percent (12%) for firms owned and controlled by minorities and five percent (5%) for firms owned and controlled by women.

13. (a) The following Subsection 12.10 shall be added to Section 12 of the Agreement entitled "Various Obligations of the User":

"12.10 The following terms shall have the following respective meanings as used herein:

12.10.1 "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the Space of any Hazardous Substance, as hereinafter defined, and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the Space, and/or (iii) an Off-Space Hazardous Substance, as hereinafter defined, and/or (iv) any personal injury (including

wrongful death) or property damage arising out of or related to such Hazardous Substances, and/or (v) the violation of any Environmental Requirements, as hereinafter defined, pertaining to such Hazardous Substances or Off-Space Hazardous Substances, the Space and/or the activities thereon.

12.10.2 "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statues, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders (including agreed upon consent orders), approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all Governmental Agencies, and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, as among the various Governmental Agencies, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance taking into account the nature and intended use of the Space, the foregoing to-include without limitation:

(a) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(b) All Environmental Requirements pertaining to the protection of the health and safety of employees or the public.

12.10.3 "Hazardous Substances" and "Hazardous Substance" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have been or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

12.10.4 "Off-Space Hazardous Substance" shall mean the presence of any Hazardous Substance in, about or under property at the Airport other than the Space as a result of the User's use and occupancy of the Space, whether by migration, release, discharge or any other manner, it being understood that the User shall have the burden of proof to establish that any migration of a Hazardous Substance from the Space was not a result of the User's use and occupancy of the Space.

(b) The User, prior to the execution of this Agreement, had thoroughly examined the Space and determined it to be suitable for the User's operations hereunder and the User restates and continues said determination in connection with the extension hereunder. Except as otherwise provided herein, the User hereby agrees to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with the condition of the Space whether any aspect of such condition existed prior to, on or after the effective date of the letting of the Space, including, without limitation, all Environmental Requirements and Environmental Damages, as herein defined and all soil remediation to the extent required under Environmental Requirements, including but not limited to, remediation which may be required as a result of discovery of any contaminants while performing test borings or in the performance of any construction work, and to indemnify and hold harmless the Port Authority and Johnson Controls with respect to third party claims for Section 8 of this Agreement, as amended. Notwithstanding the foregoing, the User shall be responsible for the removal of and remediation of Hazardous Substances placed, or permitted or caused to be placed, on, in or under the Space by the User or by its employees, agents, contractors, or others using or occupying the Space under this Agreement.

14.0 Port Authority's Additional Rights to Recapture or Accommodate Others on Portions of User's Ramp Space

The User acknowledges that the Airport serves the transportation needs of the public and that the Public Aircraft Facilities should be utilized to the fullest extent possible with airport users afforded fair and reasonable access. The User also acknowledges that the following subsections provide that if the User does not utilize its facilities to the level set forth in stated performance criteria such underutilized facilities may be either recaptured by the Port Authority or required to be offered by the User to another user in accordance with the following:

14.1 It is hereby agreed that, commencing either one year after the effective date of the addition of Area 3 to the Space, or January 1, 2002, whichever occurs earlier and which will be known as the "Start Date", and for each and every calendar year thereafter, the Port Authority may ascertain the User's percentage share (hereinafter referred to as the "User's Current Fuel Share") of the total aircraft fuel gallons sold (hereinafter referred to as "Total Current Fuel Dispensed") at the Airport for the preceding calendar year. The fuel dispensed by the User for the year preceding the Start Date and the year preceding each and every calendar year thereafter during which such calculation is made shall be known as the "User's Current Fuel Dispensed". The User's Current Fuel Share shall be calculated by dividing the User's Current Fuel Dispensed by the Total Current Fuel Dispensed preceding the year during which such calculation is made. The User's Current Fuel Share for calendar year 1998 shall hereinafter be defined as "the Base Year Fuel Share" and is shown below:

Teterboro Airport User	Fuel Share in 1998
Atlantic Aviation Corporation	
First Aviation Services, Inc.	

Jet Aviation of America, Inc.
General Aviation Aircraft Services, Inc. (doing
business as Million Air-Teterboro
Signature Flight Support-New Jersey, Inc.

14.2 As of the Start Date and as of January 1 of each succeeding calendar year, in the event that the User's Current Fuel Share for the respective preceding calendar year is determined to be at least twelve and one-half percent (12.5%) less than the User's Base Year Fuel Share, the Port Authority shall have the right but not the obligation, upon two (2) month's written notice to the User, to require the User and the User hereby agrees to make ramp space in Area 3 (hereinafter called "Accommodation Space") available to other users, sub-users or the Port Authority in useable increments as directed by the Port Authority in the manner and amount and to the extent set forth below:

Percentage of the User's Current Fuel Share Divided by User's Base Year Fuel Share	Ramp Space to be Made Available in Area 3

14.3 In the event the User is so notified by the Port Authority it shall either (a) enter into a sub-use and occupancy agreement with another user as determined by the Port Authority or (b) enter into a surrender agreement as directed by the Port Authority. Any such sub-use and occupancy agreement shall be subject to the prior and continuing approval of the Port Authority and the execution by and among the User, the Sub-user, the Airport Operator, and the Port Authority of a Consent Agreement in form satisfactory to the Port Authority. Moreover, and without limiting the forgoing, the User shall provide any and all information to the Airport Operator as may be requested by the Airport Operator from time to time as to all aspects of its accommodation of a Sub-user hereunder. Nothing contained herein shall in any way affect the discretion of the Airport Operator or the Port Authority in granting or withholding its consent to a sub-use and occupancy agreement.

14.4 The failure of the Port Authority to exercise its right under this Section during any year in which it may have such a right shall not affect, waive or limit its rights to exercise such right in any subsequent year during any period of underutilization. In no event will the Accommodation Space exceed the percentages set forth above.

14.5 The User shall make such ramp space available during the period set forth in the aforesaid notice. The Port Authority shall consider a request by the User to restore the Accommodation Space to the User when the User's Current Fuel Share shall have returned to within or less of the User's Base Year Fuel Share, provided the Accommodation Space is not then covered by a sub-use or

other agreement or at such other time as the Port Authority deems it is in the best interest of the Airport to restore the Accommodation Space to the User.

14.6 The User agrees that all handling, sublease, sub-use and occupancy agreements shall be reasonable and at non-discriminatory rates, fees and charges and shall be based on the recovery by the User of a pro rata share of the User's costs of (1) operation and maintenance, (2) services provided, and (3) the User's fees and investment in the Accommodation Space.

15.0 Construction Payments—In the event that the User seeks Port Authority financing for construction of any of the hangars or other improvements the following will apply.

15.1 (a) The following terms as used in this Agreement shall have the respective meanings given below:

(1) "Accrued Amount" shall mean the monthly amount, calculated on the last day of each calendar month, equal to the product obtained by multiplying the daily average of the Construction Payment Amount, as hereinafter defined, during such month by the decimal .006875, for each month during the period commencing on the first Construction Payment Date and ending on the day preceding the Additional Rental Commencement Date.

(2) "Construction Commencement Date" shall mean the first date any contractor of the User enters upon any portion of the Space to perform any portion of the Construction Work.

(3) "Construction Costs" shall mean the following costs actually paid by the User to the extent that the inclusion of the same is permitted by sound accounting practices consistently applied;

(i) amounts actually paid to independent contractors for work actually performed and labor actually furnished and materials actually delivered in connection with the performance of the Construction Work; and

(ii) amounts actually paid in connection with the Construction Work for engineering, architectural, professional and consulting services, construction management and supervision of construction provided, however, payments under this paragraph (a) (3) (ii) shall not exceed fifteen percent (15%) of the amounts paid under paragraph (a) (3) (i);

provided and to the extent that such work is performed by the User in accordance with all the terms and provisions of (i) this Agreement and (ii) the final Construction Application (s) (including the final plans and specifications) as approved by the Port Authority pursuant to Section 3.3

of the Agreement. Notwithstanding the foregoing, the Construction Costs shall not include:

(i) the costs of Construction Work which although performed pursuant to an approved plan or specification is not incorporated in the final plans and specifications as approved by the Port Authority or the cost of altering such Construction Work; or

(ii) any amounts paid for or in connection with any trade fixtures or other personal property of the User.

(4) "Construction Payment" shall mean each payment made by the Port Authority to the User for Construction Costs.

(5) "Construction Payment Amount" shall mean the aggregate amount of all Construction Payments made by the Port Authority to the User at any time during the term of this Agreement pursuant to paragraph (b) of this Paragraph 15 of Supplement No. 4 to the Agreement together with the Accrued Amount accumulated thereon.

(6) "Construction Payment Date" shall mean the date upon which each Construction Payment is made pursuant to the Paragraph.

(7) "Final Date" shall mean the last day of the twelfth month following the month in which the certificate of the User is delivered to the Port Authority pursuant to Section 3.6.14 of the Agreement.

(b) The Port Authority shall reimburse the User for Construction Costs, subject to and in accordance with the terms and provisions hereinafter set forth.

(1) On the twentieth day of the calendar month following the month in which the Construction Commencement Date occurs, and on the twentieth day of each calendar month thereafter up to and including the calendar month following the Final Date, the User shall deliver to the Port Authority a certificate which shall be signed by a responsible fiscal office of the User, sworn to before a notary public, and shall:

(i) certify the amounts of actual payments made by the User and the amounts actually due and payable from the User to its independent contractors for work actually performed and labor and materials actually furnished for the Construction Work;

(ii) certify the amounts of actual payments made by the User and the amounts due and payable from the User in connection with the Construction Work for engineering, architectural, professional, consulting services, construction management and supervision of construction;

(iii) certify all due and payable amounts included by the User in previous certificates against which a Construction Payment has been made by the Port Authority to the User and which have been paid by the User since the submission of each such previous certificate, and shall have attached there to or included therein such verification as shall be required by the Port Authority, that such amounts have been paid;

(iv) certify the total cumulative payments made by the User from the commencement of the Construction Work to the date of each certificate;

(v) contain a representation by the User that the User will apply the Construction Payment only against expenses actually incurred as Construction Costs and for no other purpose whatsoever;

(vi) certify that the amounts, payments and expenses therein set forth constitute Construction Costs;

(vii) certify that the work for which payment is requested has been accomplished, that the amounts requested have been paid or are due and payable to the User's contractors, and, subject to the concurrence of the Port Authority, that such work is in place and has a value of not less than the amount requested to be paid;

(viii) certify that each portion of the Construction Work covered by such certificate has been performed in accordance with the terms of this Agreement;

(ix) have attached thereto reproduction copies or duplicate originals of the invoices of such independent contractors and other persons (whether such invoices are paid or unpaid) and for such invoices which have been paid, an acknowledgement by such independent contractors and other persons of the receipt by them of such amounts and payments; and

(x) contain such further information and documentation with respect to the User's costs as the Port Authority may from time to time require, which information, documentation and certification shall be given on such forms as may be adopted by the Port Authority.

(2) In addition to the foregoing, the User shall furnish to the Port Authority information concerning Construction Costs and timing of the performance of the Construction Work as may be requested by the Port Authority from time to time and at any time, including but not limited to, the following:

(i) The User's original detailed Construction Costs projections, accompanied by a certification signed by an independent engineering consultant or independent licensed architect, to the effect that the Construction Costs projections submitted by the User are accurate, and that the same represent reasonable prices for the work in question.

(ii) Reports of the full-time resident engineer or licensed architect and reports of the User's chief architect, which reports or log must contain reports as to activity conducted in connection with the Construction Work for each and every day that such activity occurred from the commencement of the work to the date of submission;

(iii) A certification signed by the User's architect or architects certifying the value of work in place, both on and off the site; and

(iv) Accurate, readable and complete copies of all change orders, extra work authorizations, design change authorizations and purchase orders in connection with the Construction Work.

(3) The User shall mark as "final" its final certificate covering the Construction Work, which certificate, with respect to amounts withheld by the User which have been deducted from a Construction Payment and which have subsequently been paid by the User, shall have attached thereto or included thereon such verification as shall be required by the Port Authority that such withheld and deducted amounts have been paid by the User and to the extent such withheld and deducted amounts have been so paid, such withheld and deducted amounts shall be included in the amount of the final Construction Payment. After submitting such final certificate the User shall submit no further certificate hereunder.

(c) Subject to the provisions of subparagraphs (c) (1) through (c) (4) hereof, within thirty (30) days after the delivery of duly submitted certificates by the User satisfying in full the requirements set forth of this Paragraph, the Port Authority shall pay to the User the amounts paid by the User as certified in such certificates, to the extent that such amounts or any portion thereof have not theretofore been included in any Construction Payment.

(1) In the event this Agreement is not in full force and effect, or the User shall be under a notice of termination of the use of the Space under this Agreement, or in default under any term or provision hereof, the Port Authority shall have the right, in its discretion, to withhold the payment of any Construction Payment to the User, provided, further, no payment or withholding of a Construction Payment shall be or be deemed to be a waiver of any rights of the Port Authority with respect to the termination of the use of the Space under this Agreement, or to a default by the User under any term or provision therefore, or to the withholding or payment of future Construction Payments, or with respect to any determination as to the usability of any item of work.

(2) It is hereby understood and agreed that nothing in this Section shall be or be deemed to be for the benefit of any contractor of the User.

(3) It is further understood that at the election of the Port Authority no payment will be made if the Port Authority's inspection or audit does not substantiate the contents of any such certificate and until such matters have been resolved to the satisfaction of the Port Authority, but the Port Authority shall have no obligation to conduct any such inspection or audit.

(4) No Construction Payment shall be made by the Port Authority to the User until all due and payable amounts included on all previously submitted certificates have been paid by the User and the payment thereof verified to the satisfaction of the Port Authority (unless such amounts are being withheld by the User and the amount so withheld shall have been deducted from the amount of a Construction Payment).

(d) If for any reason the construction of the Construction Work or any portion thereof is not performed in accordance with the terms and provisions of (i) this Agreement, and (ii) the Construction Application(s) (including the final plans and specifications) as finally approved by the Port Authority, it is understood and agreed that the Port Authority shall not be obligated to make any Construction Payments nor shall the Construction Payment Amount include any amount for such work or any costs in connection with the removal, restoration, modification, correction or change required to cause such work to comply with such terms and provisions, and in the event that the Port Authority shall have made a Construction Payment for such work, the Port Authority shall have the right to withhold and credit future Construction Payments against any such amount or upon demand of the Port Authority, the User shall pay to the Port Authority the amount of any such Construction Payment or portion thereof covering such work.

(e) The entire obligation of the Port Authority under this Agreement for Construction Costs shall be limited in amount to a total sum of Twelve Million Dollars and No Cents ($12,000,000.00), and limited in time to Construction Costs adequately documented and covered by certificates of the User submitted in accordance with subparagraph (b) of this Paragraph no later than the Final Date.

(f) The User shall promptly submit to the Port Authority further information, including but not limited to its estimate of the amounts and times of the various payments it will be making for Construction Costs as the Port Authority may from time to time, and at any time, request, and shall be available itself or cause its architect or engineer to be available for consultation in connection with payment certificates submitted pursuant to subparagraph (b) of this Paragraph.

(g) Without limiting any other provision of this Agreement, the Port Authority shall have the right at any time and from time to time by its agents, employees and representatives to audit and inspect during regular business hours the books, records and other data of the User relating to the cost of the Construction Work, it being understood that the Port Authority shall not be bound by any prior audit conducted by

it. The User agrees to keep such books, records and other data within the Port of New York District. The User shall maintain such books, records and other data for five (5) years after the User has delivered the certificate marked "final" called for under subparagraph (b) above.

(h) If the User has included in any portion of the cost of the Construction work any item as having been incurred, but which in the opinion of the Port Authority was not so incurred, or which in the opinion of the Port Authority was not so incurred is not an item properly chargeable to such element of cost under sound accounting practice, or does not represent an appropriate division of the costs of a particular contract which are required to be designated according to time of performance or delivery, and the parties have been unable to resolve their differences within 90 days after the Port Authority gave its notice objecting to the same, the Port Authority's decision as to the nature of the items in question shall be final.

(i) Any payment by the Port Authority which may exceed the limitation set forth in subparagraph (a) (3) (ii) shall be promptly refunded to the Port Authority upon demand. Further, in connection with the limitation set forth in subparagraph (a) (3) (ii), of this Paragraph, it is agreed that such limitation shall not be applied for the purpose of calculating the amount of a Construction Payment until the User has submitted the final certificate as hereinbefore provided, at which time such fifteen percent limitation shall be applied).

16. Additional Rental

16.1 These paragraphs related to Additional Rental are only used when the User accepts Port Authority advances for construction payments.

16.1.1 The following terms as used in this Agreement shall have the respective meanings given below:

(1) "Monthly Additional Rental Commencement Date" shall mean the earlier occurring of (i) January 1, 2002 or (ii) the first day of the month following the month during which the Completion Date, as defined as the date a certificate of occupancy has been issued occurs.

(2) "Monthly Additional Rental Factor" shall mean the factor or factors derived in accordance herewith from time to time by the application of the following formula:

= Additional Rental Factor

Where n (a power) equals the number of calendar months (expressed in whole numbers) from the Monthly Additional Rental Commencement Date to the expiration date of the Agreement.

(3) The term "Accrued Amount" shall mean the monthly amount, calculated on the last day of each calendar month, equal to the product obtained by multiplying 0.004375 and the amount of the Construction Investment Amount (including any previously calculated Accrued Amount) during said month, for each month during the period commencing on the first Construction Advance Date and ending on the day preceding the Monthly Additional Rental Commencement Date.

(4) The term "the Reimbursement Amount" shall mean the period commencing on the Monthly Additional Rental Commencement Date and ending on the expiration date of the Agreement.

(5) The "Monthly Additional Rental Period" shall mean the period commencing on the Monthly Additional Rental Commencement Date and ending on the expiration date of the Agreement.

16.1.2 The User shall pay to the Port Authority a Monthly Additional Rental as follows:

(1) Commencing on the Monthly Additional Rental Commencement Date, the User shall pay to the Port Authority a Monthly Additional Rental which shall be an amount determined for and payable on the first day of each and every calendar month occurring during the Monthly Additional Rental Period equal to the product obtained by multiplying the Reimbursement Amount by the Monthly Additional Rental Factor.

(2) (i) In the event the Monthly Additional Rental Commencement Date shall precede the Final Date and the Port Authority shall make a Construction Advance or Construction Advances to the User on or after the Monthly Additional Rental Commencement Date (each such payment being a part of the Construction Advance Amount and being herein called a "Subsequent Construction Advance"), then, with respect to each such Subsequent Construction Advance, a Monthly Additional Rental Factor shall be calculated using the formula set forth in item (2) of subparagraph (a) hereof where n (a power) shall equal the number of calendar months (expressed in whole numbers) from the date of each such Subsequent Construction Advance if such date be the first day of a calendar month, or if not then the first day of the following calendar month, to the expiration date of the Agreement.

(ii) As a part of the payment of Monthly Additional Rental due as provided in this subparagraph (b) and in addition to the foregoing, the User shall pay to the Port Authority on the first day of each and every calendar month during the Monthly Additionally Rental Period subsequent to the payment of each Subsequent Construction Advance, an amount equal to the product obtained by multiplying (A) the amount of each Subsequent Construction Advance and (B) the Monthly Additional Rental Factor applicable to said Subsequent Construction Advance; such amount to be payable as a part of the Monthly Additional Rental payments to be made hereunder and to be deemed a part thereof for all purposes of the Agreement.

(iii) As a part of the payment of Monthly Additional Rental due as provided in this subparagraph (b) and in addition to the foregoing, the User shall pay to the Port Authority an amount equal to the product obtained by multiplying (A) the amount of each Subsequent

Construction Advance made on other than the last day of a month, and (B) the number of days in the period from the date of such Subsequent Construction Advance is made to and including the last day of the calendar month in which such Subsequent Construction Advance is made; and (C) the quotient derived from dividing 0.006875 by 30; such amount to be payable as part of the Monthly Additional Rental payment due on the first day of the month following the month in which such Subsequent Construction Advance is made.

16.1.3 In the event that a Port Authority audit shall disclose that the User has expended Construction Costs which total less than the total of all Construction Advances made to the User hereunder up to the time of such audit then, upon demand of the Port Authority, the User shall immediately pay to the Port Authority an amount equal to the difference between the amounts expended by the User as disclosed by the Port Authority audit and the aforesaid amount of the total of all Construction Advances made to the User and effective from and after such date of payment the Construction Advance Amount shall be reduced by the amount of such payment and the Monthly Additional Rental payable by the User adjusted appropriately hereunder.

17. The Port Authority may advance funds to the User for the construction of hangars. If Port Authority funds are provided to the User a security deposit in the form of any of the following will need to be provided: Cash, Letter of Credit, Treasury Bonds, Treasury Notes. The bonds can be issued by any of the following: States of New Jersey or New York or the Port Authority of New York and New Jersey. Security will be in the amount of one million dollars ($1,000,000) for each hangar to be constructed. If two hangars are being constructed simultaneously one million dollars will need to be provided to the Port Authority for each hangar for which funding is being provided. If the hangars are being constructed consecutively (only one is being constructed at a time), the one million dollar security from the first hangar can be rolled over to be used for the second. The security is only required during the construction period until a certificate of occupancy has been issued.

18. Except as herein supplemented, all terms, provisions, covenants and conditions of the Agreement shall continue in full force and effect.

19. No director, officer, agent, employee, shareholder, principal, parent, subsidiary or affiliate of any party hereto shall be charged personally or held contractually liable by or to the other party under any term or provision of this Supplemental Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof. Notwithstanding the foregoing, the person or persons executing this Supplemental Agreement on behalf of Johnson Controls and the User respectively represent that such person is authorized to execute this Supplemental Agreement.

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

ATTEST:

Laura Conner

Title: Administrative Assistant

JOHNSON CONTROLS WORLD SERVICES INC.

By: C R Borders

Title: Vice President

ATTEST:

Sidney J Haif

Title: Secretary

ATLANTIC AVIATION CORPORATION

By: R W Fitzgerald

Title: President

CONSENT AGREEMENT

THIS AGREEMENT, dated as of May 18, 1999 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "the Airport Operator") and ATLANTIC AVIATION CORPORATION (hereinafter called "the User"),

WITNESS, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport") and;

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator and the User entered into a Use and Occupancy Agreement dated February 14, 1979 with the consent of the Port Authority (which consent was set forth in an agreement hereinafter called the "Consent Agreement") which Use and Occupancy Agreement has been designated TA-121 and hereinafter called "TA-121"; and

WHEREAS, the Airport Operator and the User desire to supplement TA-121, a copy of which Supplement is attached hereto, made a part hereof and hereafter called "the Supplement", subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority.

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of the Effective Date of the Supplement as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Supplement.

2. (a) If the Main Agreement shall terminate (whether through the expiration of its term or by earlier termination as provided in the Main Agreement) before the expiration date of TA-121, TA-121 shall terminate as hereinafter provided and, if the User is in occupancy and using the Space, the Port Authority or a successor airport operator selected by the Port Authority shall enter into a use and occupancy agreement with the User covering the use and occupancy of the Space, with the term thereof commencing as of the expiration or earlier termination of TA-121, the permitted uses of the Space, the fees and charges thereunder being as set forth in TA-121, and on substantially the same remaining terms and conditions as set forth in TA-121 and such additional terms as may be necessary or appropriate.

(b) Any successor airport operator that may be selected by the Port Authority shall be required to assume all Port Authority obligations hereunder and under any successor use and occupancy agreement and relieve the Port Authority of same.

(c) In the event the User has substantially completed performance of the construction work set forth in Paragraph 3 and 10 of Supplement No. 4 to TA-121, the expiration date of December 30, 1999, as referenced in Section 1, "Term" of TA-121 shall be changed to expire, unless sooner terminated in accordance with TA-121, on the day before the Twentieth (20th) Year Anniversary of the completion of the construction as provided for in Paragraph 3 and 10 of said Supplemental Agreement, whichever occurs last.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by TA-121 if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. TA-121 is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of TA-121 shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of TA-121, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of TA-121 to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

4. No provision of TA-121 including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of TA-121 covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the Space covered by TA-121, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Main Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and

provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in TA-121 which are not specifically referred to herein.

5. The User, in its operations under or in connection with TA-121 and in its occupancy of the Space covered by TA-121, shall be subject to the applicable terms, provisions, covenants and conditions of the Main Agreement. Without in any way affecting the obligations of the Airport Operator under the Main Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Main Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Main Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy.

6. TA-121 shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

7. If the Airport Operator shall at any time be in default of its obligations under the Main Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Main Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Main Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Main Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Main Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

8. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or TA-121 or of any rights under either of them, whether in whole or in part.

9. In the event of any default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days (or such longer period as is required in the reasonable opinion of the Port Authority, to correct such default, provided the User promptly commences and diligently continues to effectuate a cure) after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Main Agreement and the

continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Main Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate TA-121.

10. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the Space covered by TA-121 or elsewhere on the Airport with the consent of the User.

11. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

ATTEST:

Karen E. Eastman

ASSISTANT Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: B. Kelly

Title: DIRECTOR OF AVIATION

ATTEST:

Laura Canner

Title: Administrative Assistant

JOHNSON CONTROLS WORLD SERVICES INC.

By: [illegible]

Title: Vice President

ATTEST:

[illegible]

Title: Secretary

ATLANTIC AVIATION CORPORATION

By: [illegible]

Title: President

APPROVED:
FORM | TERMS
RB | SEB DF

I, Victoria A. Tait, certify that I am the Secretary of the corporation named in the attached agreement, that Raymond N. Fitzgerald who signed said authorized agreement on behalf of the corporation was then the President of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Victoria A. Tait

(Corporate Seal)

STATE OF DELAWARE

COUNTY OF NEW CASTLE

On this 19th day of May, One Thousand Nine Hundred and Ninety Nine (1999) before me, Kathleen A. Stansell, a Notary Public in and for the County of New Castle, State of Delaware, duly commissioned and qualified, personally appeared Raymond N. Fitzgerald, known to me to be the person described in and whose name is subscribed to the attached instrument, and acknowledged to me that he executed the instrument for the purposes and consideration therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my office seal, at my office the day and year in this certification first written above.

Kathleen A. Stansell
Notary Public
My Commission Expires: February 13, 2001

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-121
Supplement No. 3

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated this 1st day of January, 1995 by and between JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "Johnson Controls") a Florida corporation, and ATLANTIC AVIATION CORPORATION, a Delaware corporation (hereinafter called "the User").

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls is the operator of Teterboro Airport and has the right to operate and use the Airport as successor - assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 ("Basic Agreement"); and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-121 and made effective as of February 14, 1979, was entered into between Pan American and the User for the use and occupancy of certain Space at Teterboro Airport (which Use and Occupancy Agreement as has heretofore been supplemented and amended is hereinafter referred to as "the Agreement"); and

WHEREAS, the User desires to extend the area of use and occupancy covered under this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and respective promises herein contained, and made by the parties hereto, the parties hereby agree, effective as of the date of this Supplemental Agreement, as follows:

1. Effective ~~January~~ June 1, 1995, Johnson Controls here by grants to the User the right to use and occupy the additional area set forth as shown in stipple on Exhibit A-3, attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon during the reminder of the term of this Agreement (hereinafter to be deemed to be a part of the "Space").

2. In addition to the Space set forth in diagonal hatching on Exhibit A-1 and the Space set forth in stipple on Exhibit A-2, from and after January 1, 1995, the Space set forth in cross hatching on Exhibit A-3 shall become part of the Agreement and subject to all terms, provisions and conditions of the Agreement.

3. The User agrees to use the portion of the Space outlined in cross hatching on Exhibit A-3 for the purpose of parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User and for no other purposes.

4. The following Subsections 5.12, 5.13 and 5.13.1 shall be added to Section 5 "Fees", of the Agreement:

RCH

5.12 Effective ~~January~~ June 1, 1995 and continuing each and every month throughout the remaining term of the Agreement, the User agrees to pay to Johnson Controls a monthly fee of Exemption (2.a.) for the additional portion of the Space as shown in cross hatching on Exhibit A-3. The fee is in addition to that specified in Subsection 5.1 of the Agreement and 5.10 of Supplement No. 2 to the Agreement.

5.13 Effective March 1, 1999 and continuing throughout the remaining term of the Agreement, the monthly fee as stated in Subsection 5.12 above shall be Exemption (2.a.) multiplied by a fraction the numerator of which shall be the CPI as published for the month of February 1999 and the denominator of which shall be the CPI published for the month of June 1993.

5.13.1 In computing the adjustments for the monthly fee stated in Subsection 5.12, in no event shall the monthly fee be less than the monthly fee payable during the year period immediately preceding.

5. The User hereby agrees to construct on the Space, as shown in cross hatching on Exhibit A-3, paving to accommodate the approved uses of said Space, together with the clearing and grading of the ground area contained within said Space and the installation on or in said Space such utilities as may be appropriate or necessary for the utilization of said Space for the permitted uses.

6. The User agrees to perform the construction stated in paragraph 5 above in accordance the requirements of Section 3 "Construction by User" of the Agreement, to submit a construction application and complete plans and specifications of such proposed construction and obtain Port Authority approval of the construction application prior to start of construction.

7. The following words shall be inserted after the words "Exhibits A-1, B and C and A-2" on the second line of the first sentence of Subsection 39.1 of the Agreement pursuant to the terms of Supplement No. 2:

   "and A-3"

8. Except as herein supplemented, all terms, provisions, covenants and conditions of the Agreement shall continue in full force and effect.

9. Neither the Directors of Johnson Controls, its subsidiaries and affiliates, nor any officers, agents, or employees thereof, shall be charged personally by the User with any liability or held liable to it under any term of provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

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

ATTEST:

Title: Director Operations

JOHNSON CONTROLS WORLD SERVICES INC.

By:

Title: Vice President

ATTEST:

Title: Secretary

ATLANTIC AVIATION CORPORATION

By: Joseph J. McSchulkin

Title: SR-VP

I, Franklin S. Eyster, II, certify that I am the _____ Secretary of the corporation named in the attached agreement, that Joseph J. McShulkis who signed said authorized agreement on behalf of the corporation was then the Sr. Vice President of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

F S Eyster

(Signature)

(Corporate Seal)

STATE OF DELAWARE

COUNTY OF NEW CASTLE

On this 26th day of April, One Thousand Nine Hundred and Ninety ~~Four~~ Five before me, Victoria A. Tait, a Notary Public in and for the County of New Castle, State of Delaware _____, duly commissioned and qualified, personally appeared Franklin S. Eyster, II known to me to be the person

described in and whose name is subscribed to the attached instrument, and acknowledged to me that he executed the instrument for the purposes and consideration therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my office seal, at my office the day and year in this certification first written above.

By: Victoria A. Tait

My Commission Expires: August 27, 1998

_____

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

Teterboro Airport
Agreement TA-121
Supplement No. 3

CONSENT AGREEMENT

THIS AGREEMENT, dated as of January 1, 1995 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and JOHNSON CONTROLS WORLD SERVICES INC. (hereinafter called "the Airport Operator") and ATLANTIC AVIATION CORPORATION (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator and the User have entered into a Use and Occupancy Agreement made effective as of February 14, 1979 with the consent of the Port Authority (which consent was set forth in an agreement hereinafter called the "Consent Agreement") which Use and Occupancy Agreement has been designated TA-121; and

WHEREAS, Airport Operator and User desire to supplement the above referenced Use and Occupancy Agreement, copy of which is attached hereto, made a part hereof and hereafter called "the Supplement," subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority; and

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree, effective as of the effective date of the Supplement, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Supplement.

2. It is hereby specifically agreed that all of the terms and provisions of the Use and Occupancy Consent Agreement shall apply with like effect to this consent to the Supplement as though each and every such term and such provision were incorporated herein.

3. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or the User under any term of provision of this Consent Agreement to the Supplement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

Lysa C. Meduri

Title: ACTING SECRETARY

By: [signature]

Title: Gary L. Davis
General Manager
Central Business Division
Aviation Department

JOHNSON CONTROLS WORLD SERVICES INC.
(Airport Operator)

ATTEST:

[signature]

Title: Director Operations

By: [signature]

Title: Vice President

ATLANTIC AVIATION CORPORATION
(USER)

ATTEST:

A. J. Esposito

Title: Div. Marketing Mgr

By: [signature]

Title: SR-VP

APPROVED:
FORM | TERMS

AVIATION DEPT.
FILE COPY

TETERBORO AIRPORT
AGREEMENT TA-121
SUPPLEMENT NO. 2

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of January 1, 1987 by and between PAN AMERICAN WORLD AIRWAYS, INC., a New York State Corporation (hereinafter called "Pan American"), and ATLANTIC AVIATION CORPORATION, (hereinafter called "the User"), a Delaware Corporation,

WITNESSETH THAT:

WHEREAS, the Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport (hereinafter called "the Airport") located in the boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and,

WHEREAS, Pan American is the operator of the Airport and has the right to operate and use the Airport under an agreement between Pan American and the Port Authority dated September 19, 1967 (hereinafter called "the Basic Agreement"); and,

WHEREAS, the User and Pan American have entered into a Use and Occupancy Agreement dated February 14, 1979, designated Agreement No. TA-121 (which agreement as has heretofore been supplemented and amended is hereinafter called "the Agreement"); and

WHEREAS, the User desires to extend the area of use and occupancy by incorporating into the Agreement the area previously covered under a Use and Occupancy Agreement dated June 14, 1972, designated Agreement NO. TA-028;

NOW, THEREFORE, for and in consideration of the convenants, respective promises and mutual agreements herein contained and made by the parties hereto, it is hereby mutually agreed as follows:

1. Effective January 1, 1987, Pan American hereby grants to the User the right to use and occupy the additional area set forth as shown in stipple on Exhibit A-2 attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon during the reminder of the term of this Agreement (hereinafter to be deamed to be a part of the "Space").

2. In addition to the Space set forth in diagonal hatching on Exhibit A-1, from and after January 1, 1987 the Space set forth in stipple on Exhibit A-2 shall become part of the Agreement and subject to all terms, provisions and conditions of the Agreement.

3. Section 2.2.2 of the Agreement shall be deleted and the following substituted therefore:

"2.2.2 for the sale of aircraft assemblies, aircraft accessories, aircraft radio and electronic equipment and any component parts thereof;"

4. Sections 5.9.2, 5.9.5, 5.9.6, 5.9.6.1, 5.9.6.2, 5.9.6.3, 5.9.6.4, 5.9.7, 5.9.8 and 6.5 of the Agreement shall be deleted in their entirety.

5. The User agrees to use the portion of the Space outlined in stipple on Exhibit A-2 shall be and become a part of Area A under the Agreement and used, for purposes as outlined in Section 2.2 of the Agreement and for no other purposes.

6. The following Subsections 5.10, 5.11, 5.11.1, 5.11.2 and 5.11.3 shall be added to Section 5 "Fees to Pan American", of the Agreement:

5.10 Effective January 1, 1987 and continuing each and every month throughout the remaining term of the Agreement, the User agrees to pay to Pan American a monthly fee of Exemption (2.a.) for the additional portion of the Space as shown in stipple on Exhibit A-2. The fee is in addition to that specified in Section 5.1 of the Agreement.

5.11 Effective March 1, 1989 and continuing for the next succeeding sixty (60) monthly payments the monthly fee as stated in Section 5.10 above shall be Exemption (2.a.) multiplied by a fraction the numerator of which shall be the Consumer Price Index for all Urban Consumers of the Bureau of Labor Statistics of the United States Department of Labor, all items, Selected Large Cities, for the New York - Northeastern New Jersey area (hereinafter called "the CPI") as published for the month of February 1989 and the denominator of which shall be the CPI published for the month of October 1984.

5.11.1 Effective March 1, 1994 and continuing for the next succeeding sixty (60) monthly payments the monthly fee as stated in Section 5.10 above shall be computed in the same manner as in Section 5.11 above except that the numerator of the fraction shall be the CPI published for the month of February 1994.

5.1.2 Effective March 1, 1999 and continuing throughout the remaining term of the Agreement, the monthly fee as stated in Section 5.10 above shall be computed in the same manner as in Section 5.11 above, except that the numerator of the fraction shall be the CPI published for the month of February 1999.

5.11.3 In computing the adjustments for the monthly fee stated in Section 5.10, in no event shall the monthly fee be less than the monthly fees payable during the year period immediately preceding."

7. The following words shall be inserted in the last sentence of Section 5.1 of the Agreement after the words "hereinafter provided":

", for the portion of the Space as shown in diagonal hatching on Exhibit A-1."

8. The following words shall be inserted after the words "the monthly fee" on the third line of the first sentence of Section 5.8 of the Agreement:

"for the portion of the Space as shown in diagonal hatching on Exhibit A-1."

9. The following Subsections 16.1.1 and 16.1.2 shall be added to Section 16 of the Agreement:

~~"16.1.1 In the event that such right of sub-use is granted by Pan American, the User agrees to pay to Pan American an amount equal to Fifty Percent (50%) of any fees paid by the sub-user to the User in excess of the fees due to Pan American under Section 5 of the Agreement.~~

INITIAL

16.1.2 Nothwithstanding the above, the User agrees that Pan American will not grant the right of sub-use of the entire Space to a single entity or individual or to various entities or individuals controlled, represented or managed by a single entity or individual."

10. The following words shall be inserted after the words "Exhibits A-1, B and C" on the second line of the first sentence of Section 39.1 of the Agreement pursuant to the terms of Supplement No. 1:

"and A-2"

11. Except as supplemented and amended herein, all of the covenants terms and conditions of the Agreement shall remain in full force and effect.

12. Neither the Directors of Pan American, its subsidiaries and affiliates, nor any of their officers, agents or employees thereof, shall be charged personally by the User with any liability or held liable to it under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

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

PAN AMERICAN WORLD AIRWAYS, INC.

ATTEST:

By _____
Linda B. Young

Title: Authorized Representative

ATLANTIC AVIATION CORPORATION

ATTEST:

By _____

Title VP GM

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

CONSENT AGREEMENT

THIS AGREEMENT, dated as of January 1, 1987 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "the Airport Operator" and ATLANTIC AVIATION CORPORATION (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator and the User have entered into a Use and Occupancy Agreement dated February 14, 1979 which Use and Occupancy Agreement has been designated TA-121; and

WHEREAS, Pan American and User desire to supplement the above referenced Use and Occupancy Agreement, copy of which is attached hereto, made a part hereof and hereafter called "the Supplement," subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority; and

WHEREAS, the Port Authority, Pan American and the User entered into a Consent Agreement dated as of February 14, 1979 (hereinafter called "the Use and Occupancy Consent Agreement"), wherein the Port Authority gave its consent to the Use and Occupancy Agreement;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of January 1, 1987 as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Supplement.

2. It is hereby specifically agreed that all of the terms and provisions of the Use and Occupancy Consent Agreement shall apply with like effect to this consent to the Supplement as though each and every such term and such provision were incorporated herein.

3. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement to the Supplement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

SECRETARY

By:

Title: DEPUTY DIRECTOR OF AVIATION

PAN AMERICAN WORLD AIRWAYS, INC.

ATTEST:

Secretary

By: Linda B. Young

Title: Authorized Representative
Pan Am World Airways, Inc.

ATLANTIC AVIATION CORPORATION

ATTEST:

Sec'y
Corporate Secretary

By:

Title: VP GM

AVIATION DEPT.
FILE COPY

Teterboro Airport
Agreement TA-121
Supplement No. 1

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made this January 1, 1985 day of by and between PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "Pan American"), New York State corporation, and ATLANTIC AVIATION CORPORATION, a Delaware corporation (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, The Port Authority of New York and New Jersey (hereinafter called "The Port Authority") is the owner of Teterboro Airport located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Pan American is the operator of Teterboro Airport and has the right to operate and use the Airport under an agreement between Pan American and the Port Authority dated September 19, 1967 ("Basic Agreement); and

WHEREAS, Pan American and the User have entered into a Use and Occupancy Agreement dated February 14, 1979, bearing file No. TA-121 (hereinafter called "the Agreement"); and

WHEREAS Exhibit C of the Agreement shows a building entitled "Power Bldg"; and

WHEREAS the Power Bldg. is used exclusively by the Federal Aviation Administration (FAA) for the storage of equipment;

NOW, THEREFORE, for and in consideration of the covenants, respective promises and mutual agreements herein contained and made parties hereto, it is hereby mutually agreed:

1) Effective January 1, 1985, the Power Building shall no longer be deemed to be part of the Space under the Agreement.

2) In the event that the FAA shall at anytime vacate the Power Building, then upon the effective date of such surrender by the FAA, the Power Building shall be and become a part of the space under the Agreement and shall be subject to all of the terms and provisions of the Agreement.

3) Except as herein supplemented and amended, all the terms, conditions and covenants of the Agreement shall be and remain in full force and effect.

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

ATTEST:

Pan American World Airways, Inc.

By: Linda B. Young

Title: Authorized Representative
Pan American World Airways, Inc.

ATTEST:

Atlantic Aviation Corporation

By: J. J. McSkulski

Title VP GM.

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

CONSENT AGREEMENT

THIS AGREEMENT, dated as of January 1, 1985 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "the Airport Operator") and Atlantic Aviation, Corporation, a corporation in the State of Delaware (hereinafter called "the User"),

WITNESSETH, THAT:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19,1979 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement"), pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator and the User have entered into a Use and Occupancy Agreement dated February 14, 1979 which Use and Occupancy Agreement has been designated TA-121; and

WHEREAS, Pan American and User desire to supplement the above referenced Use and Occupancy Agreement, copy of which is attached hereto, made a part hereof and hereafter called "the Supplement," subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority; and

WHEREAS, the Port Authority, Pan American and the User entered into a Consent Agreement dated as of February 14, 1979 (hereinafter called "the Use and Occupancy Consent Agreement"), wherein the Port Authority gave its consent to the Use and Occupancy Agreement;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of January 1, 1985 as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Supplement.

2. It is hereby specifically agreed that all of the terms and provisions of the Use and Occupancy Consent Agreement shall apply with like effect to this consent to the Supplement as though each and every such term and such provision were incorporated herein.

3. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term of provision of this Consent Agreement to the Supplement or because of its execution or because of any breach or alleged breach hereof.

IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST:

SECRETARY

By: Gerald P. Fitzgerald

Title: DEPUTY DIRECTOR OF AVIATION

PAN AMERICAN WORLD AIRWAYS, INC.

ATTEST:

Secretary

By: Linda B. Young

Title: Authorized Representative
Pan American World Airways, Inc.

ATLANTIC AVIATION CORPORATION

ATTEST:

Corporate Secretary

By: J. J. McSkulki

Title: VP GM

THIS AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE USER AND SUBUSER BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

Agreement No. TA-121
Teterboro Airport

CONSENT TO SUBUSE AGREEMENT

THIS CONSENT AGREEMENT, dated as of _____, 20___ (hereinafter referred to as the "Effective Date"), by and among **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority") and **ATLANTIC AVIATION CORPORATION** (hereinafter called the "User"), and **GENERAL AVIATION AIRCRAFT SERVICE, INC.**, a corporation organized under the laws of the State of New Jersey (hereinafter called the "Subuser"), with an office and place of business at 111 Charles Lindbergh Drive, Teterboro, New Jersey 07608, whose representative is_____ STEVEN CHANDOHA.

WITNESSETH, That:

WHEREAS, the Port Authority is the owner of Teterboro Airport (hereinafter called the "Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and

WHEREAS, Johnson Controls World Services Inc. (hereinafter called "Johnson Controls") was the operator of the Airport and had the right to operate and use the Airport as successor-assignee to an agreement between Pan American World Airways, Inc. ("Pan American") and the Port Authority dated September 19, 1967 (hereinafter, as the same has been extended, called the "Basic Agreement"), which Basic Agreement the parties thereto terminated as of November 30, 2000 with the Port Authority entering into an operations services and maintenance contract with another party to operate and maintain the Airport; and

WHEREAS, a Use and Occupancy Agreement, bearing file No. TA-121 and made effective as of February 14, 1979, was entered into between Pan American and the User, with the consent of the Port Authority, for the use and occupancy of certain Space at the Airport (which Use and Occupancy Agreement, as the same has been heretofore amended, supplemented and extended on a month-to-month basis, is hereinafter referred to as the "Use and Occupancy Agreement"); and

WHEREAS, the User and the Subuser have requested the consent of the Port Authority to a proposed Subuse Agreement (a copy of which is attached hereto, hereby made a part hereof and hereinafter called the "Subuse Agreement") between the User and the Subuser covering the use and occupancy of a portion of the Space (said portion of the Space being hereinafter called the "Subuse Space"), effective as of _____, 20___;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the User and the Subuser hereby agree, effective as of _____, 20___, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Subuse Agreement.

2. (a) Notwithstanding any provision of the Subuse Agreement to the contrary, both this Consent Agreement and the Subuse Agreement shall terminate, without notice to the User or the Subuser, on the earlier to occur of the day preceding the date of expiration or earlier termination of the Subuse Agreement, or such earlier date for the expiration or termination of the Subuse Agreement as the User and the Subuser may agree upon. The Subuser shall quit the Space and remove its property for which it is responsible therefrom on or before termination of the Subuse Agreement.

(b) In the event of an early termination of the Agreement by the Port Authority, and provided that the Subuser is not then in default of any of its obligations under the Subuse Agreement and no breach exists which with the passage of time would constitute a default under the Subuse Agreement, the right of the Subuser to possession of the Subuse Space shall not be disturbed and the Subuse Agreement shall continue in full force and effect. The Subuser shall attorn to and shall perform all of its obligations under the Subuse Agreement, including without limitation the payment of rent and fees to the Port Authority.

3. If the User shall at any time be in default under the Agreement, the Subuser shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the User. No such payment shall relieve the User from any obligation under the Agreement or under this Consent Agreement, but all such payments shall be credited against the obligations of the User or of the Subuser, as the Port Authority may determine for each payment or part thereof.

4. (a) Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall

they create an inference or implication that there has been consent to any enlargement, variation or change in the rights and privileges granted to the User under the Agreement, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the User under the Agreement. The Subuse Agreement is an agreement between the User and the Subuser with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the User that the provisions of the Subuse Agreement shall apply and pertain as between the User and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Agreement shall, in all respects, be controlling, effective and determinative. It is the intention of the Port Authority hereunder merely to permit the exercise of the User's rights and privileges thereunder by the Subuser (to the extent permitted by the Agreement and this Consent Agreement). The specific mention of or reference to the Port authority in any part of the Subuse Agreement, including without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall hereafter grant its consent or approval thereto or that the subject mater as to which the consent or approval applies has been or shall be approved or consent to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the Subuse Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Agreement shall in all respects be controlling, effective and determinative.

(b) No provision of the Subuse Agreement, including but not limited to, those imposing obligations on the User with respect to laws, rules and regulations, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Subuse Agreement covering action which may be undertaken by the User, be deemed to imply or infer that Port Authority consent or approval thereto has or will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this Consent to specific matters and provisions as contained in the Subuse Agreement shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to granting or withholding approvals or consents as to other matters and provision in the Subuse Agreement which are not specifically referred to herein.

(c) With respect to this Consent Agreement, the User and the Subuser understand and agree that although the User is permitted under the Agreement to perform services and functions for itself the User may not and is expressly prohibited from performing any services or functions at the Airport for the Subuser (even though the User may perform the same for itself pursuant to the Agreement) which are performed by organizations at the Airport authorized by permit from the Port Authority to perform such services or functions, unless the User is specifically authorized by permit to perform such services or functions for other users or operators at the Airport and the space under the Agreement and in such event said services and functions shall be performed pursuant thereto. The User, however, may make the necessary arrangements with the authorized organizations performing such services or functions at the Airport to have such services or functions performed for the Subuser by such organizations or the Subuser may perform such services and functions itself.

5. The Subuser, in its operations under and in connection with the Subuse Agreement and its use and occupancy of the Subuse Space, agrees to assume, observe, be bound by and comply with all the terms, provisions and conditions of the Agreement to the extent that such obligations relate to the portion of the Space covered by the Subuse Agreement.

6. Without in any wise affecting the obligations of the User under the Agreement and under this Consent Agreement and notwithstanding the terms and provisions of the Subuse Agreement (but without limiting the rights and duties of the User and the Subuser as between themselves), the parties agree as follows:

(a) With respect to the Subuse Space, the Subuser shall make repairs and replacements as if it were the User under the Agreement. In addition, the Subuser shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority, its Commissioners, officers, employees and representatives for its and their costs and expenses, including legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death, for personal injuries and for property damages, arising out of a breach or default of any term or provision of this Consent Agreement by the Subuser or out of its operations under the Subuse Agreement or at the Subuse Space, or out of the use of the Subuse Space by the Subuser or by others with its consent, or out of any other acts or omissions of the Subuser, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Subuser at the Subuse Space or out of any other acts or

omissions of the Subuser, its officers and employees at the Airport. However, all acts and omissions of the Subuser shall be deemed to be acts and omissions of the User under the Agreement and the User shall also be severally responsible therefor, including but not limited to, the obligations of indemnification, repair and replacement.

(b) If so directed, the Subuser shall at its own expense defend any suit based upon any such claim or demand (even if such claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting any suits against the Port Authority.

(c) Each policy and each certificate with respect to the insurance naming the Port Authority as an additional insured under the Subuse Agreement shall contain any additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The parties acknowledge that the Port Authority and the User entered into a Use and Occupancy Agreement and not a Master Lease and that the Subuse Agreement is not a Sublease and, therefore, the terminology describing the parties and their agreements set forth in this Consent Agreement shall prevail over the terminology used in the Subuse Agreement.

7. This Consent Agreement may be revoked at any time by the Port Authority without cause on thirty (30) days' notice to the User and the Subuser and no such revocation shall be deemed to affect the Agreement or the continuance thereof, but the Subuse Agreement shall be deemed terminated thereby.

8. The granting of this Consent Agreement by the Port Authority shall not be deemed to operate as a waiver of the rights of the Port Authority, or as a consent to any subsequent subuse agreement (by the User or by the Subuser) or to any assignment of the Agreement or to any assignment of the Subuse Agreement or of any rights under any rights under any of the foregoing, whether in whole or in part.

IN WITNESS WHEREOF, the Port Authority, the User and the Subuser have executed these presents.

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

(name) DAVID KAGAN
(title) Assistant Director

ATTEST:

(name) JOHN SANTOMAURO
(title) SR. REGIONAL CONTROLLER

ATLANTIC AVIATION CORPORATION User

(name) GLEN GROSS
(title) VP OPERATIONS
(Corporate Seal)

ATTEST:

(name) BETSY WINES
(title) VP, CUSTOMER SERVICE.

GENERAL AVIATION AIRCRAFT SERVICE, INC., Subuser

(name) S. CHANDUKA
(title) PRES / GAAS
(Corporate Seal)

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

ATLANTIC AVIATION CORPORATION
"User"

– with –

GENERAL AVIATION AIRCRAFT SERVICES, INC.
(d/b/a Meridian Teterboro)

"Sub-User"

SUB-USE AGREEMENT

Teterboro Airport

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EXHIBITS and SCHEDULES

Exhibit A – Supplemental Agreement No. 7
Exhibit B – Consent to Subuse Agreement
Exhibit C – Rules of Conduct
Exhibit D – Construction Escrow Release Authorization
Exhibit E – Teterboro Airport Conceptual Alteration Application (T-0216)
Exhibit F - Chevron Environmental Letter

Schedule 1 – Description of the Fuel Facility
Schedule 2 – Operational Guidelines
Schedule 3 – Facility Expenses – Specific Terms

AGREEMENT OF SUB-USE

AGREEMENT OF SUB-USE ("Agreement"), made as of the 3rd day of October, 2011 between ATLANTIC AVIATION CORPORATION, a Delaware corporation, having an office at Republic Airport, Route 109, Farmingdale, New Jersey (hereinafter called "User"), and GENERAL AVIATION AIRCRAFT SERVICES, INC. (d/b/a Meridian Teterboro), a New Jersey corporation, having an office at 485 Industrial Drive, Teterboro, New Jersey 07608 (hereinafter called "Sub-User"). For purposes of this Agreement, User and Sub-User, from time to time, shall hereinafter individually be referred to as "Party" or collectively as the "Parties".

W I T N E S S E T H:

WHEREAS, as of February 14, 1979, User entered into a Use and Occupancy Agreement bearing Port Authority Permit Number TA-121 made as of February 14, 1979, as same has been amended and extended from time to time by Supplemental Agreements 1 through 6 (hereafter, the "Permit") with Johnson Controls World Services, Inc., ("Airport Operating Company"), successor to Pan American World Airways, Inc., a previous operator of Teterboro Airport, for its owner, the Port Authority of New York and New Jersey (the "Port Authority") for the use and occupancy of certain ground space and facilities at Teterboro Airport, Bergen County, State of New Jersey (the "Airport"); and

WHEREAS, by a certain "Supplemental Agreement" Number 7, dated as of December 31, 2010 between the Port Authority and the User (hereafter, "Supplement 7") which Supplement 7 is attached hereto as Exhibit A, the Port Authority and User amended the Permit to include the additional ground space and the fuel storage and distribution facilities more particularly described in Schedule 1 attached hereto, and Exhibit A of Supplement 7 ("Fuel Facility"), subject to the construction of certain upgrades to the Fuel Facility more particularly described therein;

WHEREAS, the Port Authority and Chevron Products Company, a Division of Chevron USA ("Chevron") have terminated the agreement governing Chevron's right to use and occupy the Fuel Facility, and in consideration of Chevron's payment of the sum of One-Million Four Hundred Thousand Dollars ($1,400,000.00) (the "Chevron Termination Payment") into an escrow account to be held by counsel for User ("Escrow Agent") for the construction and installation of upgrades to the Fuel Facility pursuant to Supplement 7 (the "Construction Escrow"); and

WHEREAS, subject to the terms and conditions set forth herein, the Parties agree that the Fuel Facility will be upgraded, improved, and refurbished by User in accordance with Supplement 7, maintained and operated by User, and used by User and Sub-User for the storage and distribution of aviation and other fuels used by the Parties at the Airport;

WHEREAS, the Port Authority has consented to the terms and conditions of this Agreement in a certain Consent to Subuse Agreement by and among the Parties and the Port Authority executed concurrently herewith and attached hereto as Exhibit B.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Fuel Facility - Obligations of the Parties.

A. The Parties agree to use the Fuel Facility for the storage and distribution of aviation and other fuels used by the Parties at the Airport, and for no other purpose.

B. User and Sub User shall have the right in common to access and use the Fuel Facility to store and withdraw fuel, subject to (i) any rules and regulations promulgated by the Port Authority, (ii) the Rules of Conduct set forth in Exhibit C attached hereto, and (iii) the Operational Guidelines set forth in Schedule 2, which may be amended from time to time upon direction of the Port Authority, or as otherwise mutually agreed upon by the Parties to be in the best interests of the operations of the Fuel Facility.

C. User shall be solely responsible and primarily liable to the Port Authority, for the scope of work constituting the upgrades, improvements and refurbishments required pursuant to Supplement 7 (subject to any required approvals of the Port Authority), construction (including securing all necessary permits), operation, management, control and maintenance of the Fuel Facility in accordance with, and subject to, the terms of the Permit and Supplement 7.

D. User and its contractors and subcontractors shall at all times comply with all requirements of the Port Authority and applicable laws, regulations and ordinances of any other agencies having jurisdiction over the scope of work, construction, operation, and maintenance of the Fuel Facility. During construction of upgrades, improvements and refurbishments to the Fuel Facility, User shall maintain, and shall require it subcontractors performing work at the Fuel Facility to maintain, all insurance as required under the Permit, or as otherwise required by the Port Authority.

E. User shall keep Sub-User reasonably apprised as to the scope of work and construction at the Fuel Facility, and shall promptly respond to Sub-User's requests for information and documentation regarding the scope of work and construction progress at the Fuel Facility. User and Sub-User agree that all plans for upgrades, improvements and refurbishments of the Fuel Facility shall consider Sub-User's specific needs in connection with its right to access and use the Fuel Facility, equal to that of User's needs to access and use the Fuel Facility. Any major alterations or changes to the scope or work, construction, operation or maintenance of the Fuel Facility will be subject to the mutual agreement of User and Sub-User. All disbursements from the Construction Escrow shall be made subject to completion of the "Construction Escrow Release Authorization" form attached hereto as Exhibit D and subject to the Escrow Provisions set forth in Paragraph 1 G below, and shall require the signatures of a duly authorized representative of each of User and Sub-User prior to disbursement. Until such time as the upgrades, improvements and refurbishments to the Fuel Facility shall be completed and the facility fully operational, User agrees to conduct weekly meetings with Sub-User, to discuss the progress of the construction at the Fuel Facility, and the status of the Construction Escrow.

Thereafter, the Parties shall conduct meetings from time to time, upon the reasonable request of the other Party to facilitate joint use and access of the facility.

F. All personnel at the Fuel Facility under the direction and control of either Party shall be considered the employees, agents, or contractors of such Party for any purpose, including, the indemnification set forth in Paragraph 9 of this Agreement.

G. The Construction Escrow shall be held in escrow by the Escrow Agent in an interest-bearing bank account reasonably acceptable to User and Sub-User on the terms hereinafter set forth.

(i) All disbursements from the Construction Escrow shall be subject to the mutual agreement of User and Sub-User, and shall be documented by execution by both parties of the Construction Escrow and Release Authorization set forth as Exhibit D attached hereto.

(ii) If Escrow Agent receives a fully executed Authorization (signed by User and Sub-User), Escrow Agent shall cause payments to be made in accordance with the specific terms of the Authorization. Without a fully executed Authorization, the Escrow Agent is not authorized to release any funds. User and Sub-User agree that fully executed Authorization may be transmitted to Escrow Agent via facsimile or scanned copy via e mail.

(iii) If Escrow Agent shall have received a notice from either party of objection with respect to the Construction Escrow, Escrow Agent shall refuse to comply with any requests or demands on it and shall continue to hold the Construction Escrow until Escrow Agent receives either (1) a written notice signed by both User and Sub-User stating that the matter has been resolved and giving specific directions as to disbursements, or (2) a final order of a court of competent jurisdiction directing disbursement of the Construction Escrow in a specific manner, in either of which events Escrow Agent shall then disburse the Construction Escrow in accordance with such notice or order. Escrow Agent shall not be or become liable in any way or to any person for its refusal to comply with any such requests or demands until and unless it has received a direction of the nature described in (1) or (2) above.

(iv) Notwithstanding the foregoing provisions above, if Escrow Agent shall have received a written notice of objection, or shall have received at any time before actual disbursement of the Construction Escrow a written notice signed by either User or Sub-User advising that litigation between User and Sub-User (over entitlement to the Construction Escrow or for any reason) has been commenced, or shall otherwise believe in good faith at any time that a disagreement or dispute has arisen between the parties hereto over entitlement to the Construction Escrow (whether or not litigation has been instituted), Escrow Agent shall have the right, upon written notice to both User and Sub-User, (i) to deposit the Construction Escrow (or any remaining portion thereof) with the Clerk of the Court in which any litigation is pending, and/or (ii) to take such affirmative steps as it may, at its option, elect in order to terminate its duties as Escrow Agent, including, but not limited to, the depositing of the Construction Escrow with a court of competent jurisdiction and the commencement of an action for interpleader, the costs thereof to be borne by whichever of User or Sub-User is the losing party, and thereupon

Escrow Agent shall be released of and from all liability hereunder except for any gross negligence or willful default.

(v) Any notice of objection or default to Escrow Agent shall be sufficient only if given by registered or certified mail (return receipt requested). All mailings and notices from Escrow Agent to User and/or Sub-User shall be addressed to the party to receive such notice at its address as set forth herein.

(vi) Escrow Agent shall have no duty to invest all or any portion of the Construction Escrow during any period of time Escrow Agent may hold the same prior to disbursement thereof except in an interest-bearing accounts as aforesaid, and any disbursements or deliveries of the Construction Escrow required herein to be made by Escrow Agent shall be with such interest, if any, as shall have been earned thereon.

(vii) Escrow Agent shall not be liable for any error or judgment or for any act done or omitted by it in good faith, or for any mistake of fact or law, and is released and exculpated from all liability hereunder except for willful misconduct or gross negligence.

(viii) Escrow Agent shall not have any duties or responsibilities except those set forth in this Escrow Agreement and shall not incur any liability in acting upon any signature, notice, request, waiver, consent, receipt or other paper or document believed by it to be genuine, and Escrow Agent may assume that any person purporting to give any notice or advice on behalf of any party in accordance with the provisions hereof has been duly authorized to do so. User and Sub-User hereby jointly and severally indemnify and agree to hold and save Escrow Agent harmless from and against any and all loss, damage, cost or expense Escrow Agent may suffer or incur as Escrow Agent hereunder unless caused by its gross negligence or willful default.

(ix) In the event of any dispute between the parties relating to this Agreement, including but not limited to, the disposition of the Construction Escrow and/or the interest earned thereon, Escrow Agent shall have the right to represent User, and Sub-User shall not have any obligation to pay Escrow Agent any fees, costs or expenses in connection with such representation.

2. Term.

(a) The term of this Agreement (the "Term") shall commence on the date that is the later of: (i) the date that Supplement 7 (Exhibit A) is fully executed; or (ii) the date that the Consent to Subuse Agreement (Exhibit B) is fully executed ("Commencement Date") and shall continue thereafter contemporaneous with the renewed and extended term of the Permit until December 31, 2026, provided however, this Agreement shall expire on the earlier of, the day immediately preceding the termination or expiration date of the (i) Permit; (ii) Supplement 7; or (iii) the Consent Agreement.

(b) Upon expiration of this Agreement, Sub-User shall remove all of its personal property and other property of Sub-User, including fuel products in storage from the Fuel Facility provided, however, that Sub-User shall have no right to remove anything installed by either Party for the benefit of the Port Authority and the operation of the Fuel Facility. Sub-User shall promptly repair any damage to the Fuel Facility as a result of such removal and restore the Fuel Facility to the condition existing prior to such installation, failing which User shall have the right to perform such repairs and restoration at Sub-User's cost and expense. In the event Sub-User fails to discontinue its use and occupancy of the Fuel Facility at the termination or expiration of this Agreement, Sub-User shall be liable and agrees to indemnify User for any damages suffered by or fees assessed by the Port Authority pursuant to the Permit arising out of Sub-user's failure to surrender and vacate the Fuel Facility.

(c) Upon execution of this Agreement by the Parties and the consent of the Port Authority, Sub-User, on reasonable notice to User and accompanied by a representative of User, may inspect the Fuel Facility during business hours, provided Sub-User shall not materially interfere with any work being performed at the Fuel Facility.

3. Allocation and Payment of Facility Expenses.

(a) The Parties agree that the expenses for the, operation, management, and maintenance of the Fuel Facility shall be allocated to three (3) categories: "Initial Capital Expenses", "Operating Expenses", and "Additional Expenses" (hereafter collectively referred to as the, "Facility Expenses"), and shall be payable by Sub-User to User in accordance with the specific terms and conditions set forth on Schedule 3 attached hereto.

4. Incorporation of, and Subordination to, Terms of Prime Agreement.

(a) Except as otherwise specifically provided in this Agreement, the terms, provisions, covenants, stipulations, conditions, rights, obligations, remedies and agreements of the Permit, Supplement 7, and the Consent Agreement (collectively, the "Prime Agreements") are incorporated herein by reference, and shall, as between User and Sub-User (as if they were the Port Authority and User, respectively under the Prime Agreement and as if the Fuel Facility being used hereby were the Additional Space, as defined in the Permit) constitute the terms of this Agreement, except to the extent they do not relate to the Fuel Facility or are inapplicable, inappropriate, inconsistent with, or modified by the provisions of this Agreement.

(b) This Agreement is in all respects subject and subordinate to the terms and conditions of the Prime Agreements. A copy of the Prime Agreements have previously been furnished by User to Sub-User and Sub-User acknowledges that it has received and reviewed same.

5. Intentionally Omitted.

6. Intentionally Omitted.

7. Non-Payment and Late Charges.

(a) If Sub-User shall fail to pay its share of the Facility Expenses, for more than fifteen (15) days after the same shall have become due and payable, and if payment is not made by Sub-User within five (5) days after User has issued written notice to Sub-User notifying Sub-User of non-payment, provided such non-payment is not the result of a bona fide dispute as to any such payment, Sub-User shall pay to User that portion of the amounts not in dispute, and in addition to the sum not timely paid, interest on such late installment at the rate of the greater of Exemption (2.a.) per annum above the then current prime rate, based on a 360 day year, as listed in the Wall Street Journal or (ii) Exemption (2.a.) per annum, from the date such installment was due until the date paid.

(b) In addition to the imposition of late fees pursuant to section (a) above, in the event Sub-User fails to make payment of undisputed Facility Expenses when due for any two (2) months during a twelve month period, User may require Sub-User to deposit a sum equivalent to Sub-User's average two (2) month Operating Expenses, based on fuel dispensals to Sub-User during such twelve month period, such sum to serve as a security deposit for Sub-User's future payment of Operating Expenses. User shall be permitted to draw down on the deposit for amounts not paid by Sub-User during the Term of this Agreement and shall return Sub-User's unused deposit at the termination or expiration of this Agreement.

8. Sub-User's and User's Obligations. Neither of Sub-User and User shall (i) take any action inconsistent with the terms of the Prime Agreements, (ii) do or permit to be done anything prohibited under the Prime Agreements; or (iii) take any action or do or permit to be done anything which would result in any additional cost or expense or other liability being incurred by User under the provisions of the Prime Agreements or Sub-User under this Agreement, or (iv) do or permit to be done by its contractors, agents, employees, invitees, guests or licensees anything which would cause User to be in default with respect to those obligations of User under the Prime Agreements, if any. The Parties' obligations under this Paragraph 8 shall survive the expiration or earlier termination of this Agreement.

(i) In the event that any term and/or condition of this Agreement shall conflict with, or be inconsistent with, any term and/or condition of the Prime Agreements, or if exercised hereunder would constitute a default under or breach of the Prime Agreements, this Agreement shall be deemed amended to comply or be consistent with the Prime Agreements. Sub-User and User shall not take or suffer any action in connection with its use and enjoyment of the Fuel Facility which would constitute a default under, or be a violation of, the Prime Agreements.

9. Indemnification.

A. Sub-User shall indemnify and hold harmless User, the Airport Operating Company and the Port Authority, their respective directors, officers, employees and representatives, from any and all claims and demands of third persons, including but not limited to claims and demands for death or personal injury or for property damages arising out of the use and occupancy of the Fuel Facility by the Sub-User, or out of any act or omission of Sub-User, its officers or employees, or out of the acts or omissions of others at the Fuel Facility with the consent of Sub-User, excepting only claims and demands which result from negligent acts of

User, or which result solely from negligent acts done by the Airport Operating Company, its directors, officers, agents and employees.

B. User shall indemnify and hold harmless Sub-User, the Airport Operating Company and the Port Authority, their respective directors, officers, employees and representatives from any and all claims and demands of third persons, including but not limited to claims and demands for death or personal injury or for property damages arising out of the construction, management, operation, use and occupancy of the Fuel Facility by the User, or out of any of any act or omission of User, its officers or employees, or out of the acts or omissions of others at the Fuel Facility with the consent of the User, excepting only claims and demands which result from negligent acts done by Sub-User, or which result solely from negligent acts done by the Airport Operating Company, its directors, officers, agents, and employees.

C. If any claim, action or proceeding is made or brought against either Party, which claim, action or proceeding the other Party shall be obligated to indemnify such first Party against, pursuant to the terms of this Agreement, then, upon demand by the indemnified Party, the indemnifying Party, at its sole cost and expense, shall resist or defend such claim, action or proceeding in the indemnified Party's name, if necessary, by such attorneys as the indemnified Party shall approve, which approval shall not be unreasonably withheld or delayed. Attorneys for the indemnifying Party's insurer, which has not denied coverage, shall be hereby deemed approved for the purposes of this Paragraph. Notwithstanding the forgoing, an indemnified Party, at its own cost and expense, may retain its own attorneys to participate or assist in defending any claim, action or proceeding involving potential liability of $1,000,000.00 or more, but the indemnifying Party shall control the defense.

10. Use. User and Sub-User shall use and occupy the Fuel Facility solely as set forth in Paragraph 1 as a fuel storage facility at Teterboro Airport and for no other purpose.

11. Default by Sub-User; Default by User.

(a) In the event that either Party shall be in breach of any covenant, term, condition or other obligation due and owing to the other Party hereunder or under the Prime Agreements, after written notice to the breaching Party specifying the breach, the breaching Party shall have thirty (30) days to cure such breach (and ten (10 days in the case of failure to pay undisputed amounts due the other Party), except that if the breach shall be of such nature that it cannot be completely remedied with in said period thirty (30) day period, and the breaching Party proceeds with reasonable diligence and in good faith to remedy or cure such default, then such thirty (30) day period may be extended by the non-breaching Party in its commercially reasonable judgment.

(i) If the breach remains uncured after such thirty (30) day period and the expiration of any additional cure periods, the breaching Party shall be in default of this Agreement. In such case, the non-breaching Party may, in addition to any rights and remedies at law or equity, proceed to cure such default and the breaching Party shall be obligated to promptly reimburse the non-breaching Party upon demand, for all of its costs and expenses

(including reasonable attorneys' fees, accounting fees, architectural or engineering, or other expert consultant fees) incurred by the non-breaching Party, in curing the default.

(ii) If the non-breaching Party shall be required to cure a default more than twice in any twelve (12) month period (hereafter, a "Material Default"), then the parties agree (x) in the case of Material Default by the User , the Sub-User may terminate this Agreement upon sixty (60) days written notice, or, in lieu of termination, Sub-User shall have the right to seek consent from the Port Authority to replace User as the operator and manager of the Fuel Facility (hereafter, the "Transfer of Management Duties"); and (y) in the case of a Material Default by the Sub-User, User may, upon sixty 60 days written notice, terminate Sub-User's rights to access and use the Fuel Facility or demand such other financial or other commercial assurances as to guarantee the future performance of Sub-User under this Agreement. In a Transfer of Management Duties, upon the consent of the Port Authority, the User shall become Sub-User, and Sub-User shall become User as to this Agreement and the Consent Agreement, and the Parties shall execute any and all documents necessary to effectuate this Transfer of Management Duties. Sub-User shall exercise its right to request the Transfer of Management Duties or terminate this Agreement, not later than sixty (60) days after curing of User's Material Default or shall be deemed to have waived its right to do so with respect to the underlying Material Default of the User.

(iii) In the event of any default or Material Default by either Party hereunder, at the request of the defaulting party, the matter may be submitted for resolution by the Progressive Dispute Resolution set forth in paragraph 34(h) of this Agreement. If the parties do not resolve the dispute via negotiation or mediation, then the non-defaulting Party shall be entitled to pursue the remedies set forth in sub-paragraph (b)(ii) herein above as well as all remedies available to at law or in equity.

12. Alterations – Access.

(a) Sub-User shall make no alterations in or to the Fuel Facility of any nature whatsoever without the prior written approval of User and, if required, of the Port Authority.

(b) Each of Sub-User and User and their respective contractors and subcontractors shall comply with the maintenance standards, criteria, laws, regulations and ordinances established by the Port Authority and all other local, state and federal agencies having jurisdiction over the Fuel Facility. All architectural plans, construction and installation of improvements to the Fuel Facility by Sub-User, if any, approved by User undertaken subsequent to the Commencement Date, as well as all maintenance, alterations, repairs, replacement by Sub-User, if any, approved by User, and use of the Fuel Facility shall be at Sub-User's sole cost, expense and liability. Such maintenance shall include, but in no way be limited to pavement and concrete repair and rehabilitation, trash removal, cleaning, glass replacement, light, water, heat and air conditioning systems (including underground piping and conduits).

(c) All User and Sub-User employees will obtain and display proper identification in accordance with prevailing Airport regulations for all areas of the Airport where

required. Each party shall bear its own costs incurred in obtaining such required identification badge authorizations or endorsements for its employees.

13. Destruction, Fire and Other Casualty; Condemnation.

(a) If the Fuel Facility shall be partially or totally damaged or destroyed by fire, casualty or other causes as a consequence of which User shall, pursuant to Supplement 7 , receive an abatement of facility or land fees with respect to the Fuel Facility for such damage or destruction, there shall be a proportionate abatement of all fees payable hereunder by Sub-User to User to the extent that said abatement is attributable to the Fuel Facility for the period of abatement under Supplement 7. This Agreement shall not be terminated as a consequence of any such damage or destruction except in the event Supplement 7 is terminated pursuant to the provisions of the Prime Agreements. The provisions of this Paragraph 13 shall be considered an express agreement governing any case of damage or destruction of the Fuel Facility by fire or other casualty and law now or hereafter in force providing for such contingency shall have no application.

(b) Termination of Supplement 7 shall be binding on Sub-User and shall terminate this Agreement on the same date and Sub-User shall have no claim against the Port Authority for any award or damages.

14. Modification of the Prime Agreements.

For the purposes hereof, the terms of the Prime Agreements are subject to the following modifications:

(a) In all provisions of the Prime Agreements requiring the approval or consent of the "Port Authority," Sub-User shall be required to obtain the approval or consent of both the Port Authority and User. In all provisions of the Prime Agreement requiring that notice be given to the "Port Authority," Sub-User shall be required to give notice to the Port Authority and User.

15. Intentionally Omitted.

16. Ownership of Fuels. The fuels, the receipt of which is accepted by the User into the Fuel Facility shall, at all times be and remain the property of the Sub-User or the User for whose account such fuel is taken into the Fuel Facility. The User shall not be responsible in any way or incur any liability whatsoever to the Sub-User for any payments for or charges relating to such fuel, and the Sub-User shall indemnify the User and hold it harmless from and against any and all claims, liabilities, damages, losses and judgments, including attorneys' fees, costs and expenses incidental thereto, which may be suffered by, accrue against, or be charged to the User by reason of any claim for payment by any supplier of fuels delivered for the account of the Sub-User, or by reason of the User's proper rejection of any fuel tendered for storage at the Fuel Facility for the account of the Sub User.

17. Commingling. The nature of the Fuel Facility requires commingling of the jet fuel, separate commingling of avgas in the tanks so designated for avgas, and separate

commingling of gasoline in the tanks so designated for gasoline. The User will not be required to segregate or distinguish fuels received for eventual delivery to the Sub-User. Sub-User shall not be entitled to store fuels in the Fuel Facility in excess of proportionate quantities consumed on a per day basis more than the total Fuel Facility storage capacity in days.

18. Consents.

If, as required by the terms of this Agreement, Sub-User seeks User's consent or approval, User's refusal to grant such consent or approval shall be deemed reasonable if User is required under the Prime Agreements to obtain such consent or approval of the Port Authority and the Port Authority has refused or failed to grant such consent or approval.

19. Intentionally Omitted.

20. Insurance.

Each of User and Sub-User shall obtain and keep in force, from a financially solvent insurance carrier licensed to do business in the State of New Jersey, the following policies and amounts of insurance required pursuant to the Prime Agreements designating the Port Authority, User and Sub-User as additional insureds with respect to public liability policies.

A. Comprehensive General Liability Insurance, including Broad Form Contractual, Property Damage, Personal Injury, Fuel Facility-Operations, Products-Completed Operations, Independent Contractors and Subcontractors, and War Risk in an amount not less than ten million ($10,000,000.00) dollars combined single limit per occurrence for bodily injury and property damage. Permittee and the Port Authority must be shown as an additional insureds with respect to this coverage.

B. Comprehensive Automobile Liability Insurance covering all owned, non-owned and hired vehicles used by the Airport Service Provider in connection with its operations under this Agreement in an amount not less than twenty-five ($25,000,000.00) million combined single limit per occurrence for bodily injury and property damage.

C. Employers Liability

D. Workers' Compensation

In addition, User shall procure and maintain such other insurance as is required pursuant to the Permit and Supplement 7 during the course of construction and installation of the upgrade work to the Fuel Facility.

Prior to the Commencement Date of this Agreement, each of User and Sub-User shall deliver to the other and to the Port Authority copies of such policies or certificates thereof, and copies of all renewal policies or certificates thereof, which, if commercially reasonably

obtainable, provide at least thirty (30) days advance written notice of any cancellation or changes adverse to the interest of User, Sub-User or the Port Authority. Notwithstanding any other provisions of this Agreement, the Parties and their insurance carrier(s) (if commercially reasonably obtainable and acceptable to their respective insurers) agree to waive all rights of subrogation up to the dollar limits of coverage for each such policy, in favor of the other in conjunction with their performance under this Sub-Use Agreement.

20.2 On said insurance certificates, unless specifically shown to be excluded thereon, comprehensive public liability coverage shall include contractual liability, and notification of cancellation shall include notification of material changes in the policies.

20.3 User reserves the right to require Sub User to provide such reasonably amended insurance coverage required pursuant to the Prime Agreements, upon issuance of notice in writing to the Sub User, which notice shall automatically amend this Agreement effective 60 days after such notice.

20.4 Compliance with the requirements of this Article 20 (Insurance) shall not relieve User or Sub-User of liability under any other portion of this Agreement.

21. Security.

(a) Each of User and Sub-User shall observe all security requirements of federal and state security and aviation regulations and the then prevailing Airport Security Program, as they may be amended from time to time and to take such steps as may be necessary or directed by the Port Authority to ensure that all contractors, subcontractors, subtenants, employees, invitees and guests observe the aforementioned requirements. Each party shall bear its own costs of compliance or equitably share the cost where the obligation is common.

(b) If either Party and/or the Port Authority incur any fines and/or penalties imposed by the FAA, TSA or any other agency having jurisdiction or control over security at the Airport, or any expense in enforcing the regulations and the then prevailing Airport Security Program, as a result of the acts or omissions of the other Party or its officers, directors, employees, agents, contractors, subcontractors, subtenants, invitees or other representatives, that Party agrees to pay and/or reimburse all such fines and penalties. The offending Party further agrees to rectify any security deficiency as may be determined as such by the Port Authority the FAA, or TSA. In the event offending Party fails to act within a reasonable period of time, the non-offending Party reserves the right at the offending Party's cost, to take whatever action necessary to rectify any security deficiency as may be determined as such by the Port Authority, FAA or TSA.

22. Environmental; Removal and Disposal of Regulated Substances.

(a) During the Term or any extension thereof, each of User and Sub-User shall be solely responsible for the proper handling, storage, transportation and disposal (collectively "Handling") of all hazardous substances, hazardous wastes and petroleum products as defined and regulated by State and Federal Regulation (whichever is applicable) (collectively,

"Regulated Substances") generated by itself and/or its respective employees, servants, agents, contractors, subcontractors, subtenants and invitees as a result of any of their construction, utilization, operation and maintenance conducted on, to and from the Fuel Facility, respectively. Where required by applicable law, such Handling shall include, but not be limited to, each of User and Sub-User manifesting such Regulated Substances under each of User's or Sub-User's assigned Environmental Protection Agency Identification Number and ensuring that the Handling of such Regulated Substances at and from the Fuel Facility and the Airport is accomplished in accordance with prevailing and applicable Port Authority, State and Federal regulations and laws. Additionally, environmental contamination which impacts the Fuel Facility as a result of each of User's or Sub-User's or its respective officers, directors, employees, agents, servants, contractors, subcontractors, subtenants or invitees Handling of any Regulated Substances on the Fuel Facility shall be the sole responsibility, liability, and indemnification obligation of such party and each party shall assess, investigate, remove and take such remedial action, including the cleanup to criteria acceptable to any government agency exercising jurisdiction over the contamination condition.

(b) In the event the Port Authority shall expressly require User to undertake environmental testing of the Fuel Facility in conjunction with the prevailing Prime Agreements expiration or termination (or the expiration or termination of any replacement Prime Agreement subsequently entered into between User and the Port Authority) or for any other bona fide reason during the period of the Sub-Use Agreement, then User shall undertake, or cause to be undertaken, and complete in the time frame specified by the Port Authority, a Phase I and Phase II environmental audit (or then prevailing similar testing) of the Fuel Facility and the cost and expense for such testing shall be considered an Additional Expense. User shall keep Sub-User apprised of all such testing, and shall provide Sub-User copies of any and all correspondence, documentation, studies, and reports involving same.

(c) Upon delivery, the Fuel Facility (specifically excluding the land) shall be in good condition and repair, free of all above surface non-permissible hazardous and toxic material and substances including without limitation "Regulated Substances" and shall fully comply with all lawful requirements and shall not be in violation of any material law, ordinance, rule or regulations applicable thereto, including without limitation, the Federal Environmental Cleanup and Protection Act, the New Jersey environmental statutes or rules and regulations of the New Jersey Department of Environmental Management or the requirements of the Prime Agreement.

(d) User shall be responsible for obtaining and complying with all environmental permits, approvals and other consents from any governmental authority for the construction of the Fuel Facility. User shall obtain and maintain compliance with all environmental permits, approvals and other consents from any governmental authority for the maintenance and operation of the Fuel Facility.

(e) User, Sub-User and Chevron have, prior to the Commencement Date, executed a certain letter agreement documenting Chevron's continuing responsibility and indemnity for environmental remediation at the Fuel Facility required by the NJ Department of Environmental Protection (Case File No. 97-10-28-1426-57 and Case File No. 07-10-02-1654-

16) (the "Chevron Environmental Letter"), as part of the arrangement whereby Chevron surrenders its right to use and occupy the Fuel Facility to the Port Authority and deposits the Chevron Termination Payment with the Escrow Agent. The Chevron Environmental Letter is attached hereto as Exhibit F.

23. Intentionally Omitted.

24. DISCLAIMER OF LIABILITY.

NOTWITHSTANDING THE INDEMNIFICATION PROVISIONS OR ANY OTHER PROVISIONS SET FORTH IN THIS AGREEMENT, THE PARTIES HEREBY EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR ANY PARTY CLAIMING THEREUNDER THROUGH SUCH PARTY, INCLUDING, BUT NOT LIMITED TO CONTRACTORS, SUBCONTRACTORS, SUB-SUB USERS, CLIENTS OR CUSTOMERS) FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OR REVENUE, LOSS OF USE, DIMINUITION OF VALUE OR THE LOSS OF ANTICIPATED PROFITS.

25. Compliance with Laws.

(a) Each of User and Sub-User and all parties referenced in this Sub-Use Agreement as claiming through or on behalf of each of them including, but not limited to, said Party's contractors, subcontractors, assignees, servants and agents hereby agree to be bound in the operation, occupancy and maintenance of the Fuel Facility by all prevailing and applicable Port Authority and State of New Jersey rules, regulations and ordinances, the reasonable rules and regulations of User and all other applicable governmental laws, rules, regulations, statutes and ordinances issued by the Port Authority, State or Federal agency, including, but not limited to, all environmental laws, as well as, any applicable laws, rules, regulations, statutes and ordinances which may be promulgated and enacted by a competent and ruling jurisdiction during the Term or any subsequent renewal hereunder.

(b) Upon a good faith written objection from any of User, Sub-User, the Port Authority or any other governmental agency having jurisdiction over the Fuel Facility, regarding the conduct of any of User's or Sub-User's employees, agents, contractors, subcontractors or invitees, each of User and Sub-User shall immediately remedy the cause of the objection, provided such objection is a result of User's or Sub-User's breach of this Sub-Use Agreement or the Prime Agreement. Failure to remedy the aforementioned objection in a manner deemed acceptable to the objecting Party shall constitute an act of default hereunder.

26. Alterations, Improvements and Repairs.

(a) Any and all alterations, improvements and repairs as contemplated and subsequently undertaken by Sub-User to the Fuel Facility, during the Term, if any, shall be

subject to and conditioned upon the prior written approval of User (which approval shall not be unreasonably withheld, conditioned, or delayed, for "minor or necessary" alterations, improvements and repairs not resulting in a change in the character thereof) and as required, the Port Authority. Consistent with receipt of such required User and the Port Authority consent for Sub-User to proceed with any desired or required improvements, construction, maintenance or alterations to the Fuel Facility, Sub-User warrants and represents that all such work shall be undertaken and performed by professional contractors, subcontractors and/or service technicians in accordance with applicable and then prevailing the Port Authority, State, Federal and recognized construction industry standards and applicable building codes. Consistent with the foregoing provisions of this Paragraph, Sub-User shall be solely responsible for the procurement and obtaining of all permits, licenses, authorizations and approvals in advance and as required by the Port Authority, State or Federal governmental or regulatory agencies arising out of the design, construction and use of any improvements undertaken (or caused to be undertaken), if any, to the Fuel Facility after the Commencement Date, with any and all resultant expenses to be paid solely by Sub-User. A copy of any and all such permits, licenses, authorization and approvals shall be forwarded to User and, as required, the Port Authority, in advance of any improvement, alteration ad/or repair work commencing. Any disputes between the Parties as to the term "minor or necessary" as used in this Paragraph shall be determined by the Port Authority.

(b) Sub-User shall not place or permit to be placed any signs or insignias upon any part of the Fuel Facility other than an address sign and Sub-User's name upon its fuel storage tanks approved by User.

27. Assignment and Subletting.

(a) Sub-User, for itself, its legal representatives, successors and permitted assigns, expressly covenants that it shall not assign, mortgage or encumber this Agreement, nor underlet, or suffer or permit the Premises or any part thereof to be used by others, without the prior written consent of User, which consent shall not be unreasonably withheld, conditioned, or delayed, and the Port Authority.

(b) Notwithstanding the preceding, Sub-User shall have the privilege, subject to the terms and conditions herein set forth, upon 30 days prior notice to User, to assign its interest in this Agreement, without the prior consent of User (i) to any entity which is a successor to Sub-User either by merger or by consolidation; (ii) to a purchaser of all or substantially all of the assets of Sub-User, provided such successor or purchaser shall have assumed all of Sub-User's obligations under this Agreement; or (iii) a corporation or other entity that shall control, be under the control of, or be under common control with, Sub-User. Any assignment described herein may only be made upon the condition that (a) such assignee shall have a worth, determined in accordance with generally accepted accounting principles, consistently applied, after giving effect to such assignment, equal or greater than 95% of Sub-User's net worth, as calculated immediately prior to such assignment, (b) such assignee shall be the operator of Sub-User's Fixed Base Operations at Teterboro Airport pursuant to agreement with the Port Authority, (c) has obtained the consent of the Port Authority, and (d) such assignee shall be subject to the service of process in, and the jurisdiction of the courts of, the State of New Jersey.

(c) Sub-User, shall, within 10 days after execution thereof, deliver to User a duplicate original instrument of assignment in form and substance reasonable satisfactory to User, duly executed by Sub-User and if applicable, evidence that is reasonably satisfactory to User, establishing compliance by the assignee with the foregoing net worth requirements, and if not included in the instrument of assignment referred to above, an instrument in form and substance reasonably satisfactory to User, duly executed by the assignee in which such assignee shall assume observance and performance of, and agree to be personally bound, by all of the terms, covenants and conditions of this Agreement on Sub-User's part to be observed and performed. The sale, transfer or conveyance of stock in a corporate Sub-User, or partnership interest in a partnership Sub-User, or membership interest in a limited liability company which results in a "Change of Control" (as hereafter defined) shall be deemed an assignment for purposes of this Paragraph 27.

(d). Anything in this paragraph 27 or this Agreement to the contrary notwithstanding, the parties agree that if User shall assign its interest (temporarily or permanently) in the Fuel Facility to any third party, for any reason, or if there shall be a "Change of Control" (as hereafter defined), Sub-User shall have the right to terminate this Agreement without liability, upon sixty (60) days written notice. For purposes of this Agreement, a "Change of Control" shall mean:

(i) any consolidation or merger in which User or Sub-User is not the continuing or surviving entity; other than a merger in which the stockholders of User or Sub-User immediately prior to the merger have the same proportionate ownership of membership interest of the surviving entity immediately after the merger;

(ii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of User or Sub-User;

(iii) any approval by the stockholders of User or Sub-User of any plan or proposal for the liquidation or dissolution of the company;

(iv) the acquisition of ownership of an aggregate of fifty percent (50%) or more of the voting interest in User or Sub-User, by any stockholder who owned less than ten percent (10%) of the voting power of the company's outstanding voting interest on the date hereof; or

(v) subject to applicable law, in a Chapter 11 bankruptcy proceeding, the appointment of a trustee or the conversion of a case involving User or Sub-User to a case under Chapter 7.

(f) Anything in this Agreement to the contrary notwithstanding, upon a Change of Control of User where the continuing or surviving entity is no longer the Permittee under the

Prime Agreements, or, where any assignment by User results in termination of the Prime Agreements, in lieu of Sub-User's option to terminate this Agreement without liability, Sub-User shall have the option, upon written notice to User (such notice to be issued by Sub-User within thirty (30) days of Sub-User's receipt of notice of such Change of Control or of termination of the Prime Agreements), to seek consent from the Port Authority to effect a Transfer of Management Duties. In such event, Sub-User shall assume User's obligations under the Supplement 7, subject to the consent of the Port Authority.

28. Independent Contractor.

The relationship between User and Sub-User shall be that of independent contractors for all purposes and in no event shall persons employed or retained by either Party, irrespective of the type of uniform worn, be held or construed to be employees or agents of the other. All persons' performance hereunder and the manner and details of performance thereof shall be under the exclusive control of the respective employing or subcontracting Parry, with such employing or subcontracting Party possessing the sole right to direct such persons' performance.

29. Brokerage.

User and Sub-User represent and warrant to the other that it neither consulted nor negotiated with any broker or finder with regard to the negotiation of this Agreement. Sub-User does hereby indemnify and agree to hold User harmless from and against any and all claims of or liabilities to any broker or finder (including, but not limited to, reasonable attorneys' fees and disbursements) by reason of any dealings had by Sub-User, for any claims for brokerage, finder or other commissions or fees arising out of any dealings had by User with any broker or finder with respect to this Agreement and this transaction.

30. End of Term.

Except as otherwise set forth in this Agreement, Sub-User acknowledges that possession of the Fuel Facility must be surrendered to User at the expiration or sooner termination of the term of this Agreement, in the condition as is required of the applicable provisions of the Prime Agreements, normal wear and tear excepted. Sub-User agrees to indemnify and save User harmless from and against any and all loss, cost, expense, or liability resulting from the failure of or the delay by Sub-User in so surrendering the Fuel Facility, including, without limitation, any claims made by the Port Authority or any succeeding occupant or user, founded on such failure or delay. Nothing herein contained shall be deemed to permit Sub-User to retain possession of the Premises after the expiration or sooner termination of the Term hereof. The provisions of this Paragraph shall survive the expiration or sooner termination of the Term of this Agreement and shall be subject to any right of possession set forth in the Consent Agreement between the Parties and the Port Authority.

31. Notices.

Notices and other communications desired or required to be given hereunder shall be in writing and shall be given or made by certified or registered mail (express mail, if available), return receipt requested or by courier guaranteeing overnight delivery and furnishing a receipt in evidence thereof addressed to the parties at their respective addresses set forth above as follows:

User: Atlantic Aviation Corporation
Republic Airport – Route 109
Farmingdale, New York, 11735
Attention: Glen Gross
Regional Vice-President of Operations

Copy to: Margaret Giugliano, Esq.
McBreen & Kopko
462 Seventh Avenue, 17th Floor
New York, NY 10018

Sub-User: General Aviation Aircraft Services, Inc.
(d/b/a Meridian Teterboro)
485 Industrial Avenue
Teterboro, New Jersey 07608
Attn: Ken Forester, CEO

Copy to: Thomas M. Wells, Esq.
Wells, Jaworski & Liebman, LLP
12 Route 17 North
Paramus, New Jersey 07653

or any other address(es) which either party may hereafter designate for such purpose by a written notice. Any notices to the Port Authority issued pursuant to this Agreement shall be sent to:

The Port Authority of New York and New Jersey
1 Conrad Road – Building 1
Newark Liberty International Airport
Newark, NJ 07114

Attention: Fred Longernecker
Properties and Commercial Development

32. No Waivers.

Failure by User in any instance to insist upon the strict performance of any one or more of the obligations of Sub-User under this Agreement or to exercise any election herein contained, shall in no manner be or be deemed to be a waiver by User of any of Sub-User's

defaults or breaches hereunder or of any of User's rights and remedies by reason of such defaults or breaches, or a waiver or relinquishment for the future of the requirement of strict performance of any and all of Sub-User's obligation hereunder. Further, no payment by Sub-User or receipt by User of a lesser amount then the correct amount or manner of payment of fees due hereunder shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and satisfaction and User may accept any checks or payments as made without prejudice to User's right to recover the balance or pursue any other remedy in this Agreement or otherwise provided at law or equity.

33. Jury Trial and Counterclaim.

User and Sub-User hereby waive trial by jury in any action, proceeding or counterclaim brought by either against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of User and Sub-User, Sub-User's use or occupancy of the Fuel Facility, including any claim of injury or damage, or any emergency or other statutory remedy with respect thereto.

34. Miscellaneous.

(a) The terms of this Agreement may not be changed, or otherwise modified except by an instrument in writing signed by each of the parties hereto.

(b) It is understood and agreed that all understandings and agreements heretofore had between the parties hereto with respect to the subject natter of this Agreement are merged in this Agreement, which along fully and completely expresses their agreement, and that the same is entered into after full investigation, neither party relying upon any statement, representation or warranty made by the other not embodied herein.

(c) This Agreement shall inure to the benefit of and shall be binding upon the respective successors and assigns of the parties hereto, as same are permitted hereunder.

(d) The paragraph headings appearing herein are for purposes of conveniences only and are not deemed to be a part of this Agreement. For purposes of this Agreement, "User" shall include User's employees (temporary or otherwise), agents, invitees, visitors or contractors or sub-contractors and "Sub-User" shall include Sub-User's employees, agents, invitees, visitors or contractors (temporary or otherwise). For purposes of this Agreement, where any Party's approval shall be required, such approval shall not be unreasonably conditioned, withheld, or delayed. In any litigation, arbitration, or other proceeding between the Parties, the prevailing Party shall be entitled to its (reasonable) attorneys' fees, and accounting, and other expert's fees.

(e) The submission of this Agreement in draft form shall constitute only a submission of this document for review and consideration and not for acceptance and execution. Such submission shall have no binding force and effect, shall not constitute an option for occupying of the Fuel Facility, and shall not confer any rights or impose any obligations upon either party. The submission of this Agreement for execution and the actual execution and

delivery thereof shall similarly have no binding force and effect unless and until signed by both parties.

(f) This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey and both parties consent to the jurisdiction of the state or federal courts in the State of New Jersey (without regard to conflicts of laws principles) as the forum for any litigation arising out of this Agreement.

(g) This Agreement shall not become effective until the Consent Agreement has been executed and delivered by the Parties and the Port Authority or the Port Authority's written consent thereto has otherwise been obtained and a copy thereof has been delivered to Sub-User or as otherwise required pursuant to the Prime Agreements. If the Port Authority refuses to consent to this Agreement for any reason whatsoever or the Consent Agreement is not executed and delivered within sixty (60) days after execution and delivery of this Agreement by User and Sub-User, User shall not be obligated to take any action to obtain such consent, and this Agreement shall be deemed void and of no effect. Sub-User agrees to promptly execute and deliver to User the Consent Agreement prepared by counsel for the Port Authority.

(h) The parties agree to the following "Progressive Dispute Resolution" efforts before any lawsuit is filed: The aggrieved party shall deliver written notice to the other party, detailing its grievance or dispute. The parties shall endeavor to resolve the dispute by good faith negotiations within thirty (30) days of the date of the dispute notice. If the parties are unable to resolve the dispute by such good faith negotiations, the parties hereby agree to non-binding mediation, to occur within sixty (60) days of the dispute notice. If the parties are unable to resolve the dispute by mediation, then either party may file suit in a court of competent jurisdiction.

(i) In any case where there is a contradiction between the terms of this Agreement and the terms of the Prime Agreements, the terms of the Prime Agreements shall govern.

(j) The parties agree that User and Sub-User share equal rights to approve construction of upgrades and improvements to the Fuel Facility and to develop Operating Guidelines that take into account each Party's right to access and use the Fuel Facility to store and dispense fuel for its airport business and customers. After the expiration of this Agreement, neither party will take the position that any precedent has been set by virtue of either party's entry into this Agreement as User, or Sub-User, as the case may be. The parties further agree that upon expiration of this Agreement, should either party enter into a new Agreement with the Port Authority for use and occupancy of the Fuel Facility as User (or similar position), it shall extend a right of first offer to the other party to become Sub-User (or similar position) and shall negotiate in good faith with the other party for the entry into a Sub-User Agreement (or similar agreement) governing the new sub-user's rights to use and occupy the Fuel Facility on terms similar to the terms set forth herein.

35. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original and all of which taken together shall be considered one and the same instrument binding on all of the parties.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the day and year first above set forth.

Attest:

ATLANTIC AVIATION CORPORATION,
A Delaware Corporation

Name: Glen G. Gross
Title: Regional Vice President of Operations

Attest:

GENERAL AVIATION AIRCRAFT SERVICE, INC. (d/b/a MERIDIAN – TETERBORO)
A New Jersey Corporation

Name: S. CHANDOHA
Title: PRESIDENT

530917.8

ACKNOWLEDGMENT

STATE OF New Jersey)
ss:
COUNTY OF Bergen)

On the 7 day of October, 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared Steve Chandoha, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

HEATHER DeREGIS
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 1/30/2012

STATE OF New York)
ss:
COUNTY OF Suffolk)

On the 17th day of October, 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared Glen G Glass, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

MARGARET GIUGLIANO
Notary Public, State of New York
No. 02GI6111912
Qualified in Nassau County
Commission Expires 06/28/2012

530917.8

EXHIBIT A

Supplement 7

-See Attached-

EXHIBIT B

Consent Agreement

-See Attached-

EXHIBIT C

Rules of Conduct

1. User and Sub-User agree on behalf of themselves and others representing them to conduct their activities at the Fuel Facility in accordance with all laws, regulations, airport rules and industry protocols and to otherwise employ and follow common sense safety practices.

2. Employees, invitees and representatives of User and Sub-User shall treat each other in a respectful and businesslike manner, and shall not disrupt or interfere with each other's rights and responsibilities and shall employ good housekeeping and conservation practices.

3. No loitering or dwelling by vehicles, equipment or persons beyond time necessary to accomplish purposes.

4. Vehicles of User and Sub-User and their invitees are to be docked in the positions indicated on Schedule 1. They shall accomplish their operations as efficiently as possible and depart the area.

5. Speed of vehicles in compound and driveway shall be no more than a pace of a walking person.

EXHIBIT D

Construction Escrow Release Authorization

ATLANTIC AVIATION CORPORATION, a Delaware corporation, having an office at Republic Airport, Route 109, Farmingdale, New Jersey ("Atlantic"), and GENERAL AVIATION AIRCRAFT SERVICES, INC. (d/b/a Meridian Teterboro), a New Jersey corporation, having an office at 485 Industrial Drive, Teterboro, New Jersey 07608 ("Meridian"), are parties to a certain Agreement of Sub-Use dated _____ ("Agreement"), and the undersigned, each being designated representatives and authorized signatories for Atlantic and Meridian, hereby execute this Construction Escrow Release Authorization ("Authorization") to evidence their authorization and mutual agreement to release the following amount(s) from the Construction Escrow (as such term is described in the Agreement) for the construction of the Fuel Facility:

The aggregate amount of $_____, for the following purpose(s): (summarize expenditures and attach any relevant documentation to this Authorization)

_____

_____

Notes/Comments:

_____

_____

Attest:

_____

ATLANTIC AVIATION CORPORATION,
A Delaware Corporation

_____
Name:
Title:
Date of Signature: _____

Attest:

_____

GENERAL AVIATION AIRCRAFT SERVICE, INC. (d/b/a MERIDIAN – TETERBORO)
A New Jersey Corporation

_____
Name:
Title:
Date of Signature: _____

This Authorization may be executed in counterparts, but is not valid without the true signatures of duly authorized representatives of each of Atlantic and Meridian.

530917.8

EXHIBIT E

Teterboro Airport Conceptual Alteration Application – T-0216

-See Attached-

EXHIBIT F

Chevron Environmental Letter

-See Attached-

SCHEDULE 1

Description of the Fuel Facility

The Fuel Facility shall be improved, upgraded, and refurbished in compliance with TA-0216 (as same may be modified or amended) and approved by the Port Authority.

SCHEDULE 2

Operational Guidelines

1. The User shall assure that jet fuel delivered to the Fuel Facility and stored and dispensed from the Fuel Facility meets or exceeds the Fuel Specification and Purity Standards listed in the latest edition of ATA Specification 103, or equivalent. The User may refuse to accept any deliveries without penalty or breach of its obligations hereunder if the party delivering such jet fuel does not provide the User with evidence satisfactory to the User, in User's commercially reasonable discretion (including without limitation any written certificate of compliance that the User may in good faith request) that such jet fuel complies with the foregoing specifications. The User will promptly notify Sub-User of any refused loads and provide documented evidence of same to Sub-User upon request.

2, Sub-User understands and agrees that (i) all deliveries of fuel to the Fuel Facility shall be coordinated with User and (ii) all withdrawals of fuel from the Fuel Facility shall be recorded on standardized tickets. At the time fuel is withdrawn from the Fuel Facility, Sub-User agrees to provide the User, by the next day, with a copy of the withdrawal records showing the number of gallons of fuel withdrawn from the Fuel Facility. Fuel received by the User and Sub-User from any aircraft defueling at the Airport shall not be permitted to be delivered into the Fuel Facility.

3. The Parties agree that the presence of vehicles, equipment and personnel at the Fuel Facility shall be limited to the following activities: (i) to deliver fuel into or dispense fuel from the Fuel Facility; (ii) to inspect and conduct maintenance and repair of the Fuel Facility, testing of fuel in storage by third party providers, and the annual state required metering certification of User and Sub-User's trucks; (iii) to inspect and remediate any environmental condition; and (iv) the design, planning, installation and construction by User and its contractors and sub-contractors in connection with the system upgrades and any capital improvements approved by the Port Authority for the Fuel Facility, provided however, in its use of the Fuel Facility, each of User and Sub-User shall not unreasonably interfere with the other Party's access and use of the Fuel Facility.

4. Both the User and Sub-User shall protect fuel from the introduction of any substances which change the quality of the fuel after delivery thereof to the Fuel Facility and take all other reasonable steps to preserve the quality of the fuel in the Fuel Facility;

5. The User shall conduct and record jet fuel receipt inspections in accordance with good industry practice, including ATA Specification 103, or equivalent, and shall perform visual and free water inspections of jet fuel at the beginning of receipt of jet fuel and set intervals during and after receipt.

6. The User shall maintain on a current basis complete and accurate books and records and make periodic reports to the SubUser of dispensals of jet fuel from the Fuel Facility and deliveries (the frequency of such reports to be mutually agreed between User and Sub-User), withdrawals, gains and losses and expenses, all costs associated with operating and maintaining

the Fuel Facility, all such records to be maintained with supporting documents and back-up of records.

7. User's responsibilities in connection with the maintenance and operation of the Fuel Facility shall include, by way of example, but not limitation, coordination and supervision of fuel deliveries and off-loading consistent with good industry practice and to insure that Sub-User does not incur "waiting time" or other fees for truck deliveries for its account, maintenance of all tanks, valves, and piping, the integrity of secondary containment features, trench drains, water discharge, oil/water separator system and the like, maintaining security at the Fuel Facility, including restricting access, overnight illumination, and providing proper surveillance (via recordable C-CTV) capturing loading and unloading docks and general surveillance of the Fuel Facility (provided that User shall not be required to provide manned guard patrols). User shall manage, maintain, snow clean and house keep, all of the remainder of the Fuel Facility, its driveway and associated facilities and requirements. User shall also be responsible for maintaining the cosmetic appearance and painting of the entire Fuel Facility, including the entire population of the Fuel Facility tanks and piping, plumbing, pumps, ladders and catwalks.

8. User will immediately notify Sub-User of: (i) any event that could or will affect either party's unfettered access to the Fuel Facility; (ii) any emergency repairs being conducted or scheduled to be conducted at the Fuel Facility; (iii) any mechanical or other failures of meters, piping, loading racks or other equipment; and (iv) unusually low inventory (or inventory exceeding facility capacity.

Sub-User will immediately notify User of any mechanical or other failures of meters, piping, loading racks or other equipment and any spills, whether reportable or not.

9. In order to facilitate smooth fuel ordering and inventory control, the parties agree to the following inventory guidelines, based on a total inventory of one-hundred fifty thousand (150,000) gallons:

The initial Operating Expense shall be shared in the ratio of sixty percent (60%) for User and forty percent (40%) for Sub-User based on the percentage of total facility capacity bears to the percentage of fuel dispensed from the Fuel Facility during the preceding 12 months.

With respect to the initial Operating Expense ratio, neither Party will exceed the average daily inventory of ninety-thousand (90,000) gallons with respect to fuel held for the account of User and an average daily inventory of sixty thousand (60,000) gallons with respect to fuel held for the account of Sub-User, as measured during the first twelve (12) month period of the Term of the Agreement.

As each Party's customer demand for fuel changes during the Term of the Agreement, it is anticipated that this shared ratio may change to reflect such demand.

SCHEDULE 3

FACILITY EXPENSES – SPECIFIC TERMS

1. Initial Capital Expenses. The Parties will share equally (50%/50%) the cost of all Initial Capital Expenses.

(a) "Initial Capital Expenses" shall mean expenses incurred as a result of any initial improvements to the Fuel Facility in accordance with a certain Teterboro Airport Conceptual Alteration Application – T-0216 or "TA Work Order" issued to User and dated 2-23-11 T-0216 (hereafter, "TA Work Order") attached hereto as Exhibit E, and as the parties shall otherwise agree. Any expenses for improvements to the Fuel Facility that are not Initial Capital Expenses (for example, capital expenses incurred after the completion of the Fuel Facility) will be considered "Additional Expenses" (as hereafter defined).

(b) Sub-User shall pay to User its share of Initial Capital Expenses within ten (10) business days of receipt of bills or invoices from User in connection therewith.

2. Operating Expense Fee. Sub User shall pay User a fixed monthly fee of 1.2 cents per gallon of fuel dispensed to the Sub-User from the Fuel Facility to cover "Operating Expenses" (hereafter, the "Operating Expense Fee").

(a) "Operating Expenses" shall mean all of the fees, charges (and escalations thereof) payable by User to the Port Authority pursuant to the terms of Supplement 7 during the Term, allocated or attributable to the management and operation of the Fuel Facility, and all basic, fixed, (actual and reasonable) expenses for day to day management, operation, and maintenance of the Fuel Facility (appropriately prorated if any of the foregoing relates to a period prior to the Commencement Date or subsequent to the Expiration Date), costs resulting from annual inspections, permitting, and local filings, and all day to day operating expenses incurred in the ordinary course of the maintenance and operation of the Fuel Facility, including, by way of example, but not limitation, expenses arising from product receipt, daily and weekly quality control, monthly inspections, fuel inventory, and billing.

(b) Sub-User shall pay User the Operating Expense Fee on a monthly basis, within ten (10) business days of receipt of invoice from User.

(c). Except with respect to the "CPI Increase" (as hereafter defined), anything in this Sub-Use Agreement to the contrary notwithstanding, the parties agree that absent a "Material Adverse Change", the Operating Expense Fee shall remain 1.2 cents per gallon for the term of this Agreement and any renewals thereof.

(d) The Operating Expense Fee shall be increased on the fifth (5th) anniversary of the Commencement Date of this Sub-Use Agreement, and on every subsequent fifth (5th) anniversary thereafter, by an amount equal to the annual percentage increase, if any, in the Consumer Price Index in effect on the Commencement Date to that of the Consumer Price Index

in effect on the last day of such fifth year. Thereafter the Operating Expense Fee shall be increased on the first day of the sixth year, eleventh year, and so on by the amount of the increase, if any, of the Consumer Price Index in effect on the last day of the fifth year, tenth year and so on.

(i) The term "consumer price index" shall mean the consumer price index for all urban customers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, NY, Northern, NJ Area, all items (1982 - 1984 = 100) or any successor index thereto appropriately adjusted. If the consumer price index ceases to be published and there is no successor thereto, such other index as User and Sub-User shall mutually agree in writing, shall be substituted for the consumer price index.

(ii) For purposes of this Sub-Use Agreement, "*Material Adverse Change*" means, with respect to the User, any event, change, development or effect that does or would reasonably be expected to be material and adverse to the financial position, operations, business, assets or liabilities, management or condition (financial or otherwise) of the User solely in connection with its rights or obligations pursuant to this Sub-Use Agreement or the Prime Agreements, or would reasonably be expected to materially impair the ability of User perform its obligations under this Agreement or otherwise materially threaten or materially impede the management or operation of the Fuel Facility (including by way of example, but not limitation, changes in global or national political or economic conditions, including the outbreak or escalation of war or acts of terrorism, and restrictions or sanctions against the User by a governmental entity having proper jurisdiction over User in connection with the Fuel Facility, which restrictions or sanctions are not a direct or indirect result of any violation of User's obligations pursuant to this Agreement or the Prime Agreements); *provided, however*, that in determining whether a Material Adverse Change has occurred, there shall be excluded any effect to the extent resulting from the following: (A) changes, after the date hereof, in User's accounting systems or regulatory accounting systems that are generally applicable to freight based operators or (B) actions or omissions of the User contrary to its obligations pursuant to this Agreement, or taken without the prior written consent of the Sub-User, if such action or omission would reasonably affect Sub-User's rights in connection with this Agreement or the Fuel Facility.

(iii) Any dispute arising from the Operating Expense Fee, any increases to same, or as to a Material Adverse Change shall be resolved in accordance with the Progressive Dispute Resolution terms set forth in paragraph 35(h) of this Sub-Use Agreement.

3. Additional Expenses. As of the Commencement Date of this Agreement, the Parties agree that Sub-User's proportionate share for purposes of sharing Additional Expenses is forty percent (40%) (hereafter, the "Sub-User's Additional Expense Share"), and User's proportionate share is sixty percent (60%) ("User's Additional Expense Share"). Each Party's proportionate share of Additional Expenses is subject to change during the Term of this Agreement in accordance with each Party's corresponding percentage of fuel withdrawn from the Fuel Facility bears to the total percentage of fuel withdrawals during each 12 month period within the Term of this Agreement.

(a) "Additional Expenses" shall mean (actual and reasonable) fixed common charges (including rent, utilities, insurance and annual inspections, permitting and filings), and costs and expenses outside the scope of Operating Expenses incurred in connection with the repair and maintenance of the Fuel Facility consistent with good industry practice, to maintain the Fuel Facility in compliance with applicable safety, operating, and environmental rules and regulations, and as is otherwise required pursuant to the Prime Agreements, including additional capital expenses, unanticipated expenses and repairs, costs associated with meter calibrations, tank cleaning, trash pick up, environmental permits, asphalt repairs, purchase of filters and other necessary parts, disposal of hazardous materials, electrical repairs, purchase of absorbent pads, pumps, valves, servicing of motorized gate, landscaping, pump service, miscellaneous supplies.

(b) Sub-User shall pay User the Additional Expense Share on a monthly basis, within ten (10) days of receipt of invoice from User.

(c) Within ten (10) days of the first date of the operation of the Fuel Facility ("the Facility Launch Date"), User shall prepare a summary of the Additional Expenses for the twelve (12) month period prior to the Launch Date, and deliver same to Sub User (the "Additional Expense Summary"). The parties shall review the Additional Expense Summary to confirm, or adjust, User's Additional Expense Share and Sub-User's Additional Expense Share.

(i) The Additional Expense Summary may reflect either: (i) expenses incurred by reason of User's (or Sub-User's) use of the Fuel Facility for the applicable period that exceed User's (or Sub-User's) Additional Expense Share, or expenses that are less than the amounts upon which the User's (or Sub-User's) Additional Expense Share was based, and, if that is the case, each party's Additional Expense Share will be adjusted accordingly("Adjusted Additional Expense Share").

(ii) If either Party objects to the Adjusted Additional Expense Share, the parties shall submit to the Progressive Dispute Resolution efforts set forth in paragraph 35(h) of this Sub-Use Agreement. If Sub-User objects to part (but not all) of the Additional Expense Payment it shall pay User any amounts not in dispute, pending resolution of the disputed amount. Sub-User shall not be obligated to pay any amounts in dispute unless and until the parties have mutually agreed or Sub-User has been otherwise directed by a court of competent jurisdiction.

(iii) User shall prepare the Additional Expense Summary on an annual basis, within thirty (30) days of the expiration of each contract year, or at the expiration of such other twelve (12) month period as the parties shall mutually agree.

(**Port Authority Acknowledgment**)

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 9th day of December in the year 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(Signature of Notary Public)

MICHAEL F. SCHMIDT
Notary Public, State of New York
No. 01SC6118149
Qualified in New York County
Commission Expires November 1, 2012

(**User Acknowledgment**)

STATE OF New York)
)ss.:
COUNTY OF Suffolk)

On the 3rd day of October in the year 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared Glen Gross

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is ~~(are)~~ subscribed to the within instrument and acknowledged to me that he~~/she/they~~ executed the same in his~~/her/their~~ capacity~~(ies)~~, and that by his~~/her/their~~ signature~~(s)~~ on the instrument, the individual~~(s)~~, or the person upon behalf of which the individual~~(s)~~ acted, executed the instrument.

Margaret Giugliano
(Signature of Notary Public)

MARGARET GIUGLIANO
Notary Public, State of New York
No. 02GI6111912
Qualified in Nassau County
Commission Expires 06/28/2012

(Subuser Acknowledgment)

STATE OF New Jersey)
) ss.:
COUNTY OF Bergen)

On the 21st day of October in the year 20 11, before me, the undersigned, a Notary Public in and for said state, personally appeared Steven Chandoha

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(Signature of Notary Public)

HEATHER DeREGIS
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 1/30/2012

TA-121

USE AND OCCUPANCY AGREEMENT

BETWEEN

PAN AMERICAN WORLD AIRWAYS, INC.

AND

ATLANTIC AVIATION CORPORATION

TETERBORO AIRPORT

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USE AND OCCUPANCY AGREEMENT

THIS AGREEMENT, made as of FEBRUARY 14, 1979 by and between PAN AMERICAN WORLD AIRWAYS, INC., Pan Am Building, New York, New York 10017 (hereinafter called "Pan American"), and ATLANTIC AVIATION CORPORATION, a Delaware Corporation (hereinafter called "the User"), having an office and place of business at Teterboro Airport, Teterboro, New Jersey 07608,

WITNESSETH THAT:

WHEREAS, the Port Authority of New York and New Jersey (hereinafter called "the Port Authority") is the owner of Teterboro Airport (hereinafter called "the Airport") located in the Boroughs of Teterboro, Moonachie and Hasbrouck Heights and in the Township of Lyndhurst, County of Bergen in the State of New Jersey; and,

WHEREAS, Pan American is the operator of the Airport and has the right to operate and use the Airport under an agreement between Pan American and the Port Authority dated September 19, 1967 (hereinafter called "the Basic Agreement"); and,

WHEREAS, the User desires to use and occupy the area of the Airport shown on Exhibit A as herein described and to make certain improvements thereto;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto hereinafter set forth Pan American hereby grants to the User the right to use and occupy the ground areas at the Airport identified as AREA "A" and AREA "B" as shown in diagonal hatching on Exhibit A attached hereto and made a part hereof, together with all buildings, structures, improvements, additions and permanent installations constructed and installed thereon or therein (hereinafter called "the Space") during the term of this Agreement upon the following terms and conditions and it is hereby mutually agreed as follows:

1. Term

The term of this Agreement shall commence as of FEBRUARY 14, 1979 (hereinafter called "the effective date"), and, unless sooner terminated, shall expire on December 30, 1999.

2. Rights of User

2.1 User shall use AREA B for the parking and servicing of aircraft only and for no other purposes whatsoever;

2.2 User shall use AREA A for the following purposes and for no other purpose whatsoever:

2.2.1 for the storage, maintenance servicing, overhaul, modification and repair of aircraft, aircraft assemblies, aircraft accessories and aircraft radio and electronic equipment and any component parts thereof, subject to the provisions of 27.2.5 hereof;

2.2.2 for the sale of aircraft, aircraft assemblies, aircraft accessories, aircraft radio and electronic equipment and any component parts thereof/

2.2.3 for the operation, leasing and chartering of general aviation aircraft;

2.2.4 for passenger air taxi operations under Part 298 of 14CFR and for all cargo operations under said Part not conducted on a regularly scheduled basis;

2.2.5 for the parking of automobiles and other vehicles operated by officers, employees, invitees and business visitors of the User; it being understood that the parking of automotive vehicles on areas of the Space shall be subject to the prior and continuing approval of the Airport Manager;

2.2.6 for the parking of aircraft;

2.2.7 for the conduct of pilot training;

2.2.8 for business and operations offices in connection with purposes authorized hereunder;

2.2.9 for solicitation and sale of aviation insurance and the financing of general aviation aircraft sold by User;

2.2.10 for the sale of aviation fuel and aviation lubricants and for delivery of such fuel and lubricants to and into aircraft, all in accordance with the provisions of other agreements entered into or to be entered into between Pan American and the User specifically regulating such sales and deliveries and providing for the payment of fees therefor and only for such period or periods as said agreements continue in effect.

2.2.11 Notwithstanding the right granted to User to conduct pilot training hereunder, Pan American hereby reserves the right to restrict or terminate touch-and-go flight operations and to restrict the time primary flight training operations may be conducted at the Airport when, in its sole judgment, such action is deemed necessary for Airport safety.

2.2.12 All flight operations conducted at the Airport by the User shall be subject to the Schedule of Charges pertaining thereto in addition to all other fees payable by the User hereunder.

3. <u>Construction by User</u>

3.1 The User agrees to construct on the Space the following facilities;

3.1.1 an aircraft hangar consisting approximately 30,000 square feet together with 5,000 square feet of shops; and

3.1.2 approximately 7,500 square feet of office and lounge area; and

3.1.3 paving to accommodate 150 auto parking spaces,

3.1.4 together with the clearing and grading of the ground area contained within the Space and the installation on or in the Space such utilities as may be appropriate or necessary for the utilization of the Space for the purposes the User is permitted to use the same under Section 2 hereof, all in accordance with the plot plan shown on Exhibit C attached hereto and made a part hereof.

3.2 The User agrees to complete the construction of the facilities set forth in subsection 3.1 above on or before eighteen (18) months from the effective date hereof, provided, however, the User shall not be held in default under this subsection in the event construction cannot be completed within the said time limit due to acts of God or work stoppages.

3.3 Prior to the commencement of construction of the facilities set forth in subsection 3.1 above, or any part thereof, User shall submit to Pan American a construction application and complete plans and specifications of such proposed construction.

3.3.1 The plans and specifications shall be submitted by Pan American to the Port Authority for approval and Pan American or the Port Authority may refuse to grant approval if, in their opinion, the proposed facilities as laid out and indicated by the User on such plans, or if constructed according to such plans and specifications, the facilities:

3.3.1.1 will be structurally unsound or unsafe or hazardous for human occupancy or improper for the use and occupancy for which it is designed;

3.3.1.2 will not comply with all the requirements of this Agreement;

3.3.1.3 will not comply with Pan American's or the Port Authority's standards for harmony of external architecture of similar or future construction at the Airport;

3.3.1.4 will not comply with the standards set by Pan American or the Port Authority with respect to utility or rentability;

3.3.1.5 will be so located that there will not be sufficient clearances in respect to existing or planned projecting aprons, runways or taxiways adjacent thereto;

3.3.1.6 is designed for use for purposes other than those for which User is permitted to use the Space under this Agreement;

3.3.1.7 will be in violation of any local code, OSHA-70, NFPA as it pertains to hangars and the National Electric Code or any other law, ordinance or regulation of any governmental authority having jurisdiction over the Airport if the Port Authority were a private corporation.

3.3.1.8 will not be compatible with external and interior building materials and finishes of similar existing or future construction at the Airport;

3.3.1.9 will set forth ground elevations or heights other than those that are consistent with the proper operation and use of the Airport;

3.3.1.10 will not provide adequate circulation arteries for vehicular and pedestrian traffic and fire-fighting equipment;

3.3.1.11 will not be at locations or not be oriented in accordance with the approved comprehensive plans for the Airport.

3.4 Upon approval of such plans and specifications by Pan American and the Port Authority the User shall proceed expeditiously and with all reasonable diligence to construct, at its own expense and cost, the facilities in accordance with such approved plans and specifications.

3.4.1 The User or User's construction contractor shall furnish Pan American performance and payment bonds in a sum equal to the estimated cost of construction, in a form and with sureties satisfactory to Pan American, for the faithful performance by User of its construction obligations contained in this Agreement and for the guarantee of payment of all claims of materialmen, workmen and subcontractors. User shall deliver such bonds to Pan American prior to commencement of construction or within thirty (30) days after the award by User of construction contract or contracts, whichever occurs first.

3.5 Upon completion of any work to be performed by User hereunder, title thereto shall immediately and without execution of any further instrument vest in the Port Authority and such work shall thereupon become and thereafter be a part of the Airport.

3.6 All construction work shall be done in accordance with the following terms and conditions:

3.6.1 The User hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of loss or damage to all property of Pan American and of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the User shall forthwith repair, replace and make good the construction work and the property of Pan American or of the Port Authority without cost or expense to Pan American. The User shall itself and shall also require its contractors to indemnify and hold harmless Pan American, its Directors, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of Pan American) arising or alleged to arise out of the performance of the construction work and for all expenses incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the User, of any contractors of the User, of Pan American or of third persons, or from acts of God or of the public enemy, or otherwise (including claims of the Port Authority of New York and New Jersey against Pan American pursuant to the Basic Agreement whereby Pan American has agreed to indemnify the Port Authority against claims) excepting only claims and demands which result solely from negligent acts done by Pan American, its Directors, officers, agents and employees subsequent to the commencement of the construction work.

3.6.2 Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to Pan American for its approval. Pan American shall have the right to disapprove any architect who may be unacceptable to it. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by Pan American and the Port Authority prior to the commencement of the construction work, and until such approval has been obtained the User shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications the User shall proceed diligently at its sole

cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The User shall re-do, replace or reconstruct at its own cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section or any further requirements of Pan American made in accordance with this Agreement.

3.6.3 Prior to entering into a contract for any part of the construction work, the User shall submit to Pan American for its approval the names of the contractors to whom the User proposes to award said contracts. Pan American shall have the right to disapprove any contractor who may be unacceptable to it. The User shall include in all such contracts such provisions and conditions as may be required by Pan American including, without limitation thereto, the provisions set forth in Exhibit B attached hereto and hereby made a part hereof.

3.6.4 The User shall furnish or require its architect to furnish a resident engineer during the construction period as Pan American may require. The User shall require certification by a licensed engineer of all pile driving data and of all controlled concrete work and such other certifications as may be requested by Pan American from time to time.

3.6.5 The User agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same have been approved by Pan American and the Port Authority and notwithstanding the incorporation therein of Pan American or Port Authority recommendations or requirements. Notwithstanding the requirements for approval by Pan American of the contracts to be entered into by the User on the incorporation therein of Pan American requirements or recommendations, and notwithstanding any rights Pan American may have reserved to itself hereunder, Pan American shall have no liabilities or obligations of any kind to any contractors engaged by the User or for any other matter in connection therewith and the User hereby releases and discharges Pan American, its Directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any construction work pursuant to the contracts between the User and its contractors. Any warranties contained in any construction contract entered into by the User for the performance of the construction work hereunder shall be for the benefit of Pan American and the Port Authority as well as the User.

3.6.6 Pan American shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work.

3.6.7 The User agrees that it shall deliver to Pan American "as-built" drawings (capable of being reproduced) of the construction work and shall during the term of this Agreement keep said drawings current showing thereon any changes or modifications which may be made. (No changes or modifications to be made without Pan American's consent.)

3.6.8 The User shall, if requested by Pan American, take all reasonable measures to prevent erosion of the soil and the blowing of sand and soil during the performance of the construction work, including but not limited to the fencing of the space or portion thereof and the covering of open areas with asphaltic emulsion or similar materials as Pan American may direct.

3.6.9 The User shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, materialmen and workmen, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the User to contest any claim of a contractor, subcontractor, materialman, workman and/or other person and no such claim shall be considered to be an obligation of the User within the meaning of this Section unless and until the same shall have been finally adjudicated. The User shall use its best efforts to resolve any such claims and shall keep Pan American fully informed of its actions with respect thereto. The User shall require its construction contractor to furnish a bond for the faithful performance of all obligations imposed upon the contractor by the construction contract and also for the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said construction contract.

3.6.10 The User shall procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the User pursuant to this Section 3 which shall be in addition to all policies of insurance otherwise required under the Agreement or the User may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, any exclusions for explosions, collapses or damage to underground utilities or facilities, and not to contain any exclusion for bodily injury to or sickness, disease or death of any employee of the User or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall name Pan American and the Port Authority as an additional insured and be in not less than the following amounts:

(i) Bodily Injury Liability:

For injury to or wrongful death to one person.....$1,000,000

For injury or wrongful death to more than one person for any one occurrence.....$3,000,000

Aggregate Products Completed Operations.....$3,000,000

(ii) Property Damage Liability:

For all damage arising out of injury to or destruction of property in any one occurrence.....$3,000,000

Aggregate Products Completed Operations.....$3,000,000

Aggregate Operations.....$3,000,000

Aggregate Productive.....$3,000,000

Aggregate Contractual.....$3,000,000

The insurance required hereunder shall be maintained in effect during the performance of the construction work. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to Pan American at least fifteen (15) days prior to the commencement of any work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving fifteen (15) days' written advance notice thereof to Pan American and the Port Authority. The aforesaid insurance shall be written by a company or companies approved by Pan American, Pan American agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall be or become unsatisfactory to Pan American as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement, Pan American agreeing not to act unreasonably hereunder.

3.6.11 The User shall prior to the commencement of the construction work at all times during the construction work submit to Pan American all engineering studies with respect to the construction work and samples of construction materials as may be required at any time and from time to time by Pan American.

3.6.12 The User shall procure and maintain or cause to be procured and maintained Builder's Risk Completed Value Insurance covering the construction work during the performance thereof including material delivered to the construction site but not attached to the realty. Such insurance shall name Pan American, the Port Authority, the User and its contractors and subcontractors as additional assureds and such policy shall provide that the loss shall be adjusted with and payable to the User. Such proceeds shall be used by the User for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to Pan American. The policies or certificates representing this insurance shall be delivered by the User to Pan American prior to the commencement of construction and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, a valid provision obligating the insurance company to furnish the Port Authority and Pan American fifteen (15) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or certificate. The insurance shall be written by companies approved by Pan American, Pan American agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall be or become unsatisfactory to Pan American as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement, Pan American agreeing not to act unreasonably hereunder.

3.6.13 Nothing contained in this Agreement shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work any right of action or claim against Pan American, its Directors, officers, agents and employees or the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work. Nothing contained herein shall create or be deemed to create any relationship between Pan American and any such contractor, architect, supplier, subcontractor or any other person engaged by the User or any of its contractors in the performance of any part of the construction work and neither Pan American nor the Port Authority shall be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

3.6.14 When the construction work is substantially completed and is ready for use by the User, the User shall advise Pan American to such effect and shall deliver to Pan American a certificate by an authorized officer of the User certifying that such construction work has been constructed strictly in accordance with the approved plans and specifications and the provisions of this Agreement and in compliance with all applicable laws, ordinances and governmental rules, regulations

and orders. Thereafter, such construction work will be inspected by Pan American and if the same has been completed as specified by the User, a certificate to such effect shall be delivered to the User, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the User. The User shall not use or permit the use of the construction work for the purposes set forth in this Agreement until such certificate is received from Pan American. The date of delivery of the certificate by Pan American shall constitute the Completion Date for the purposes of this Agreement.

3.6.15 The construction work shall be constructed in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operations of the User under this Agreement. Accordingly, and in addition to all other obligations imposed on the User under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the User shall be obligated to construct as part of the construction work hereunder such structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the foregoing and all of the foregoing shall be covered under the plans and specifications of the User submitted under Section 3 hereof and shall be part of the construction work hereunder.

3.6.15.1 Notwithstanding the provisions of subsection 3.6.15 above and in addition thereto, Pan American hereby reserves the right from time to time and at any time during the term of the Agreement to require the User, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of said subsection.

3.6.15.2 All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by Pan American. The User shall submit for Pan American's approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. All other provisions of this Section with respect to the construction work shall apply and pertain with like effect to any work which the User is obligated to perform pursuant to this subsection 3.6.15 and upon completion of each portion of such work it shall be and become a part of the construction work. The obligations assumed by the User under this subsection 3.6.15 are a special inducement and consideration to Pan American in granting this Agreement to the User.

4. Other Construction by the User

4.1 Except as otherwise expressly provided herein, the User shall not erect any structures, make any improvements or do any other construction work on the Space, or install any fixtures (other than trade fixtures, removable without material damage to the Space, any such damage to be immediately repaired by the User) without the prior written approval of Pan American and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then upon reasonable notice so to do, the User will remove the same or at the option of Pan American, cause the same to be changed to the satisfaction of Pan American. In case of any failure on the part of the User to comply with such notice, Pan American may effect the removal or change and User shall pay the cost thereof to Pan American.

4.2 In no event shall the User erect or be authorized to erect any structure on Area B.

5. Fees to Pan American

5.1 Commencing upon the effective date and continuing each month until the completion of the sixtieth (60th) month of the term hereof, the User shall pay to Pan American a monthly fee of Exemption (2.a.) , subject to adjustment as hereinafter provided.

5.1.1 If the effective date occurs on a day other than the first day of a month, the fee payable for such month shall be prorated on the basis that the number of days from the effective date to the end of such month bears to the actual number of days in such month.

5.2 Commencing upon the date the User's contractor enters upon the Space to begin construction of the facilities set forth in Section 3.1 hereof and ending upon the Completion Date, the monthly fee set forth in Section 5.1 above shall be abated at the rate of Exemption (2.a.) per month.

5.3 Upon the effective date a structure known as Building 29 exists upon the Space. User is hereby authorized to demolish said structure in connection with the construction of facilities set forth in Section 3.1 hereof and upon the date of completion of such demolition and removal of all debris, the monthly fee set forth in Section 5.1 above shall be abated at the rate of Exemption (2.a.) per month.

5.4 Upon the effective date a structure known as Building 26 exists upon the Space. User hereby agrees to demolish said structure prior to commencement of construction set forth in Section 3 hereof and upon the date of completion of such demolition and removal of all debris the monthly fee set forth in Section 5.1 above shall be abated at the rate of Exemption (2.a.) per month.

5.5 Upon the effective date a structure known as Hangar No. 3 exists upon the Space. Subject to prior approval by the Port Authority and Pan American of an alteration application for the demolition of Hangar No. 3, User may demolish said Hangar upon written authorization from Pan American to so proceed, and upon the date of completion of such demolition removal of all debris and appropriate supplemental site work to permit the Hangar No. 3 site to be used as an aircraft ramp, the monthly fee shall be abated by Exemption (2.a.) per month. Nothing contained herein shall constitute an obligation upon the Port Authority or Pan American to authorize the demolition of Hangar No. 3.

5.6 The abatements referred to in 5.3, 5.4 and 5.5 above shall become effective upon the date Pan American renders to User acceptance in writing of the demolition work.

5.7 Notwithstanding any provision hereof, User understands and acknowledges that upon the effective date of this Agreement Mars Aircraft Radio Service Company of New Jersey ("Mars") occupies approximately 2,096 square feet on the second floor of the west lean-to of Hangar No. 3 ("the Mars Space") under a Use and Occupancy Agreement with Pan American dated March 3, 1978 ("the Mars Agreement") and that said Mars Space is not a part of the Space under this Agreement. Starting with the second anniversary of the effective date of this Agreement or upon earlier termination of the Mars Agreement, whichever occurs first, the monthly fee shall be Exemption (2.a.) , subject to abatement as provided in 5.2, 5.3, 5.4 and 5.5 above and subject to proration for a fractional month as set forth in 5.1.1; and thenceforth the Mars Space shall become a part of the Space under this Agreement.

5.7.1 During the occupancy of the Mars Space by Mars, User agrees to supply to Mars heat and electricity and agrees to permit Mars, its employees and customers to use the existing stairway leading from the hangar floor to the Mars Space and to use the common corridors for purposes of access to the Mars Space and as a means of access to the public street adjacent to the Space and to provide for the use of toilet facilities and washroom in the west lean-to of Hangar No. 3

5.7.2 Further, User hereby agrees to the use by Mars, solely for its employees and customers, of twelve automobile parking spaces at rates mutually satisfactory to User and Mars; and to use space on aircraft parking ramps for the sole purpose of parking aircraft of Mars' customers at User established rates, provided, however, that such use by Mars shall be subject to approval by User as to location and that the exercise of such right of use shall not unreasonably interfere with User's operations on the Space.

5.7.3 User hereby agrees to the use by Mars of the Space for the erection of Mars' signs, subject to the approval of User and of Pan American of an alteration application.

5.8 Starting with the first day of the sixty-first (61st) full month of the term of this Agreement counting from the effective date and continuing for the next succeeding sixty (60) months, the monthly fee shall be Exemption (2.a.) (less any abatement granted to User under the provisions of Sections 5.3, 5.4 or 5.5 above), multiplied by a fraction, the numerator of which shall be the Consumer Price Index for all urban consumers of the Bureau of Labor Statistics of the United States Department of Labor, all items, Selected Large Cities, for the New York-Northeastern New Jersey Area Base Year 1967 = 100 (hereinafter referred to as "the CPI") as published for the month in which the fee payment for the sixtieth (60th) full month of the term shall become due and the denominator of which shall be the CPI published for the month preceding the month in which the effective date falls.

5.8.1 Starting with the 121st monthly payment and continuing for the next succeeding sixty (60) months, the monthly payments shall be computed in the same manner as in Section 5.8 above, except that the numerator of the fraction shall be the CPI published for the month that the 120th monthly payment shall be due.

5.8.2 Starting with the 181st monthly payment and continuing for the next succeeding sixty (60) months, the monthly payments shall be computed in the same manner as 5.8 above except that the numerator of the fraction shall be the CPI published for the month that the 180th monthly payment shall be due.

5.8.3 Starting with the 241st monthly payment and continuing throughout the remaining term of the Agreement, the monthly payments shall be computed in the same manner as in 5.8 above except that the numerator of the fraction shall be the CPI published for the month that the 240th monthly payment shall be due.

5.8.4 In computing the adjustments for the monthly fees, in no event shall the monthly fees be less than the monthly fees payable during the five year period immediately preceding.

5.8.5 In the event any CPI is published using a base year other than 1967, the CPI shall be converted to a 1967 base year equivalent, following the instructions for such conversion provided by the Bureau of Labor Statistics or any succeeding governmental statistical authority.

5.9 In addition to the fees set forth above and commencing upon the first day of the calendar year following the effective date the User shall pay to Pan American the following percentage fees:

5.9.1 Exemption (2.a.) of the gross receipts (as hereinafter defined) of the User arising during each annual period in excess of an amount ("the annual exemption amount") to be calculated (1) by determing the sum of (a) the then effective monthly fee and (b) Exemption (2.a.) of the capital investment by the User in new buildings or new structures as such are defined in Section 17.8 hereof; and (2) multiplying said sum by a factor of Exemption (2.a.) ; and

5.9.2 Exemption (2.a.) gross receipts from sales of aircraft.

5.9.3 The term "gross receipts" as used in 5.9.1 above shall include all monies paid or payable to the User for all sales made and for all services rendered at or from the Airport, regardless of the time and place of receipt of the order therefor, and for sales made and for services rendered outside the Airport, if the order therefor is received at the Airport, and shall include revenues of any type arising out of or in connection with the activities of the User at the Airport under this Agreement except:

5.9.3.1 revenues from sales of aviation fuels and oils;

5.9.3.2 revenues from sale of new or used aircraft;

5.9.3.3 refunds to customers for returned merchandise previously reported sold;

5.9.3.4 intra-company charges for products or services not representing a direct sale or service to customers at the Airport;

5.9.3.5 avionics units or components sold concurrently with any aircraft sale which are an integral part of the aircraft sale transaction and are included in the aircraft sale price;

5.9.3.6 any taxes imposed by law which are separately stated to and paid by customers of the User and directly remitted by the User to the taxing or tax collecting authority.

5.9.4 The term "annual period" shall mean the twelve months beginning with January 1 of the calendar year following the effective date and each successive twelve month period thereafter.

5.9.5 In the event that Pan American shall enter into agreements with other users at the Airport providing for a percentage or other fee payable to Pan American for the sale of aircraft from the Airport, which fee is less than the fee as set forth in subsection 5.9.2 hereof, such lesser fee shall be substituted for the aforementioned fee upon the effective date of such agreement for such lesser fee with other users.

5.9.6 All gross receipts from the sale of aircraft by the User shall be considered as having been derived at the Airport and are subject to the percentage fee set forth in 5.9.2 above, with the exception of aircraft sales in which each and everyone of the following tests are met:

5.9.6.1 that the sale was consummated at a location other than at the Airport,

5.9.6.2 that the contract for sale was executed at a location other than at the Airport,

5.9.6.3 that the demonstration of the aircraft to the purchaser was made at a place other than the Airport, and

5.9.6.4 that the delivery of the aircraft was made at a location other than at the Airport.

5.9.7 In the event a sale of an aircraft was made for which User accepted another aircraft in trade, the value of the sale less the value allowed the customer for the aircraft taken in trade shall be subject to the percentage fee, provided, however, that the aircraft taken in trade shall be subject to said fee at its resale price when sold.

5.9.8 Sales of aircraft owned by others for which User has acted as broker shall not be considered as gross receipts from sale of aircraft, provided, however, that the brokerage fee earned by User from such sale shall be considered as gross receipts as defined in 5.7.3 above.

5.9.9 There shall be included in gross receipts and gross receipts from aircraft sales all monies paid or payable to any subsidiary of User in which User owns 50% interest or more, which monies have been derived by such subsidiaries, firms, corporations or entities exercising any of the rights and privileges hereunder at the Airport. User shall render written notice to Pan American whenever any of User's rights and privileges hereunder are being exercised by any such firms, subsidiaries, corporations or entities. The foregoing shall not be deemed to grant to any such subsidiary, firm, corporation or entity any rights or privileges granted to User hereunder.

6. Time of Payment and Computation of Amounts

6.1 User shall pay to Pan American the monthly fees specified in the Section entitled "Fees to Pan American" hereof in advance on the first (1st) day of each and every month until the termination of this Agreement, provided, however, if this Agreement is terminated other than the last day of the month the last payment shall be the then effective basic monthly fee prorated in the same proportion the number of days the Agreement was effective in the last month bears to thirty (30) days.

6.2 For each annual period the User shall pay the gross receipts percentage fee as follows: on the twentieth (20th) day of the first (1st) month following the effective date hereof and on the twentieth (20th) day of each and every month thereafter including the month following the end of the annual period, the User shall render to Pan American a statement certified by User's principal financial officer showing its gross receipts for the preceding calendar month and its cumulative gross receipts from the date of commencement of the annual period for which the report is made, through the last day of the preceding calendar month; whenever any such statement shall show that the cumulative gross receipts for the annual period are in excess of the annual exemption amount, the User shall pay to Pan American at the time of rendering the statement an amount equal to Exemption (2.a.) of such excess and shall on the twentieth (20th) day of each month thereafter during the annual period and the month next succeeding that annual period, pay to Pan American an amount equal to Exemption (2.a.) of the gross receipts of each subsequent month during the annual period. At any time that the annual exemption amount is decreased by abatement so that there is an excess of gross receipts as to which such percentage fee has not been paid the same shall be payable to Pan American on demand.

6.3 Upon any termination of the use and occupancy hereunder (even if stated to have the same effect as expiration, but in no event if termination of said use and occupancy is due to termination of the Basic Agreement either by the Port Authority pursuant to any of the provisions of Section 15 (a) thereof or by Pan American for any reason whatsoever),

Time of Payment and Computation of Amounts [continued]

the User shall, within twenty (20) days of the effective date of such termination, make a payment of such percentage fees computed as follows: First, the User shall within twenty (20) days after the effective date of termination render to Pan American a statement of gross receipts certified by User's principal financial officer for the annual period in which the effective date of termination falls; and, second, the payment when due on account of all such percentage fees for the annual period in which the effective date of termination falls shall be the excess of such percentage fees computed as follows, over the total of such percentage fee payments previously made for such annual period: Exemption (2.a.) of the gross receipts of the User for such annual period which are in excess of the annual exemption amount, said annual exemption amount being multiplied by a fraction, the numerator of which shall be the number of days from the commencement of the annual period to the effective date of termination, and the denominator of which shall be three hundred sixty-five (365).

6.4 Nothing contained in the foregoing shall affect the survival of the obligations of the User as set forth in the Sections of this Agreement covering the survival of the User's obligations.

6.5 User shall pay the percentage fee on gross receipts from sales of aircraft as follows: on the twentieth (20th) day of the first (1st) month following the commencement of the annual period and on the twentieth (20th) day of each and every month thereafter User shall render to Pan American a statement certified by User's principal financial officer showing its gross receipts from the retail sales of aircraft made during the preceding month and shall pay the percentages fee thereon at the time such statement is rendered. If no sales were made during any month, a negative statement shall be rendered to that effect.

6.6 The fees specified herein shall be payable at the office of the Manager of Teterboro Airport, 399 Industrial Avenue, Teterboro, New Jersey 07608, or such other location as may from time to time be substituted therefor.

7. Care, Maintenance and Repair

7.1 The User shall at its own expense at all times keep in a clean and orderly condition and appearance the Space and all the User's fixtures, equipment and personal property which are located in any parts of the Space which are open to or visible by the general public.

7.2 The User shall at its own expense repair, replace or rebuild all or any part of the Space which may be damaged or destroyed by the acts or omissions of the User or by those of its employees, customers, guests or invitees or of other persons doing business with the User.

7.3 Further, the User at its own expense shall take good care of the Space, whether structural or non-structural, including therein, without limitation thereto, paved areas, fences, roofs, skylights, steelwork, walls, partitions, floors, foundations, ceilings, columns, windows, doors, glass of every kind, plumbing, heating, fire-protection, fire-alarm, sewerage, drainage, water-supply and electrical systems, including all pipes, wires, lines, conduits, equipment and fixtures and shall make all necessary repairs and replacements and do all necessary rebuilding and repainting, regardless of the cause or the condition requiring the same.

7.4 In the event the User fails to commence so to repair, replace, rebuild or paint within a period of ten (10) days after notice from Pan American so to do, or fails diligently to continue to complete the repair, replacement, rebuilding or painting of all the Space required to be repaired, replaced, rebuilt or painted by the User under the terms of this Agreement, Pan American 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 Space included in the said notice, and charge the cost thereof to the User, the amount of such charge to constitute an item of additional fee.

7.5 During the period of occupancy by Mars all non-structural replacements, repairs and repainting necessary for the proper care and maintenance ~~of~~ the Mars Space shall be the responsibility of Mars. User shall be responsible for all structural, roof and exterior repairs of the Mars Space.

8. Obstruction Lights

8.1 The User shall furnish such obstruction lights as Pan American shall direct, of the type and design approved by Pan American, and shall install said lights in the locations on the Space designated by Pan American and shall maintain them in first class operating condition at all times. The User shall furnish and install the bulbs and furnish the electricity necessary for the operation of the said lights, and shall operate the same in accordance with the directions of Pan American. Pan American hereby directs that all said obstruction lights shall until further notice, be operated daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise and for such other periods as may be directed or requested by the Control Tower of the Airport.

9. Insurance

9.1 The User shall, during the term of this Agreement, insure and keep insured to the extent of One Hundred Percent (100%) of the replacement value thereof, all buildings, structures, improvements, installations, facilities, and fixtures now or in the future located on the Space against such hazards and risks as may now or in the future be included under the standard form of fire insurance policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the standard form of fire insurance policy of New Jersey, and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the rating organization having jurisdiction, and also covering boiler and machinery hazards and risks and also, subject to the availability thereof, covering nuclear property losses and contamination hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction.

9.2 The aforesaid insurance coverages and renewals thereof shall insure the Port Authority and Pan American as their interests may appear and shall provide that the loss, if any, shall be adjusted with Pan American and the Port Authority and shall be payable to the Port Authority or Pan American as their interests may appear.

9.3 In the event the Space or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section. the User shall promptly notify Pan American of such casualty and shall thereafter furnish to Pan American such information and data as shall enable the parties to adjust the loss.

9.4 At least seven (7) days prior to the beginning of the term of this Agreement, the policies or certificates representing said insurance shall be delivered by the User to Pan American and each policy or certificate delivered shall bear an endorsement obligating the insurance company to furnish the Port Authority and Pan American twenty (20) days' advance notice of the cancellation of the insurance evidenced by said policy or certificates or of any changes or endorsements which may be made thereon. Renewal policies or certificates shall be delivered to Pan American at least twenty (20) days before the expiration of the insurance which such policies are to renew.

9.4.1 The aforesaid insurance shall be written by a company or companies approved by Pan American.

9.5 To the extent that any loss is recouped by actual payment to the Port Authority or Pan American of the proceeds of the insurance herein referred to above, such proceeds will be paid to the User to cover its costs of rebuilding or repairing the portion or all of the Space which has been damaged or destroyed. Such payment will be made by Pan American to the User in installments if requested by the User and as work progresses provided that as to each request for payment the User shall certify by a responsible officer or authorized representative thereof that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the User shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the User and said costs are fair and reasonable and said certification shall also include an itemization of costs. Nothing herein contained shall be deemed to release the User from any of its repair, maintenance or rebuilding obligations under the Agreement. If the proceeds of any such insurance paid to Pan American exceed the User's costs of rebuilding or repair, the excess of such proceeds shall be retained by Pan American.

9.6 If there is damage or destruction to the Space covered by insurance under this Section, the User shall promptly repair, rebuild or replace the damaged or destroyed portion of the Space.

9.7 If the User does not so properly proceed then Pan American may repair or rebuild and may apply such proceeds of such insurance towards such repair, replacement and rebuilding, but no such application shall relieve the User of its obligations under this Agreement.

9.8 If, moreover, there is damage or destruction to the property covered under this Section which occurs within the last three years of the term of the Agreement, the obligations of the User to repair, replace or rebuild such damaged or destroyed property at User's option may be discharged (provided that the insurance applicable thereto has been maintained in full force and effect) in which case the entire proceeds of the insurance applicable thereto shall be retained by Pan American.

9.9 The provisions of Section 9.1 above notwithstanding, the User may request, in writing, that Pan American secure and maintain the insurance coverage to the extent specified in said Section 9.1, provided, however, that the User shall reimburse Pan American for the cost thereof and provided, further, that the policy or policies provided by Pan American shall name the Port Authority and Pan American as insured under such policies and that any loss shall be adjusted with Pan American and the Port Authority as their interests may appear but that in the event the User is required to make repairs, replacement or rebuilding on the Space or any part thereof which is covered by the aforesaid insurance, the proceeds thereof shall be made available to the User for the purpose of performing its obligations in the same manner and same extent as set forth in Section 9.5 hereof.

9.9.1 In the event User elects to request Pan American to provide the insurance as set forth in 9.9 above, and said insurance is in fact provided, Pan American agrees and hereby grants the User and any sub-user of the Space approved in writing by Pan American, a waiver of subrogation under said

fire insurance policy or policies, provided, however, that if Pan American deems the operations performed on or within the Space by the User or such approved sub-user are extra hazardous or otherwise will invalidate the terms of said fire insurance policy or policies, the said waiver of subrogation shall be withdrawn by Pan American.

10. Indemnity, Liability Insurance

10.1 The User shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives; and Pan American, its Directors, officers, employees and representatives from all claims and demands of third persons, including, but not limited to, claims and demands for death or personal injury or for property damages arising out of the use and occupancy of the Space by the User or out of any other acts or omissions of the User, its officers, employees on the Space or out of the acts or omissions of others on the Space with consent of the User, excepting only claims and demands which result solely from negligent acts done by Pan American, its Directors, officers, agents and employees.

10.2 In addition to the obligations set forth in the above subsection, the User, in its own name as assured, shall maintain and pay the premiums on the following described policies of comprehensive public liability insurance and automobile liability insurance which shall cover its operations hereunder and shall be effective throughout the term in limits not lower than the following:

10.2.1 Comprehensive Airport Liability with single blanket limit of $10,000,000 for Bodily Injury, Personal Injury and Property Damage including but not limited to coverages in the following areas:

Premises and Operation
Broad Form Contractual
Products
Hangar Keepers
Owner's-Contractor's Protective
Completed Operations

10.2.2 Comprehensive Auto Liability and single blanket limit of $1,000,000 for Bodily Injury and Property Damages with coverage in the following areas:

Own Vehicles
Non-Owned Vehicles
Hired Vehicles

10.3 Neither the Port Authority nor Pan American shall be named as an insured in any policy of insurance required by this Section, unless the Port Authority or Pan American shall, at any time during the effective period of this Agreement, direct otherwise in writing, in which case the User shall cause the Port Authority and/or Pan American to be so named. As to any insurance required by the provisions of this Agreement to be

secured by or at the direction of the User, a certified copy of each of the policies or certificates evidencing the existence thereof, or binders, together with evidence of the payment of the premium thereon, shall be delivered to Pan American within fifteen (15) days prior to occupancy by User of the Space. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving twenty (20) days' written advance notice thereof to Pan American. A renewal policy shall be delivered to Pan American at least twenty (20) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term. If at any time any of the policies shall be or become unsatisfactory to Pan American as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to Pan American, the User shall promptly obtain a new and satisfactory policy in replacement.

11. Ingress and Egress

11.1 The User, its customers, its contractors, suppliers of material and furnishers of services shall have the right of ingress and egress between the Space and the city streets or public ways outside the Airport by means of such pedestrian or vehicular roadways to be used in common with others having rights of passage within the Airport, as may from time to time be designated by Pan American for the use of the public.

11.2 The User shall have the right of ingress and egress between the Space and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon.

11.3 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. Pan American may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Space presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the User. Subject to the foregoing obligation the User hereby releases and discharges the Port Authority, its Commissioners, officers, employees and agents; Pan American, its Directors, officers, employees and agents and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands or causes of action which the User may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, whether within or outside the Space. The User shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Space or in any streets or roadways near the Space.

12. Various Obligations of the User

12.1 The User shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Space. The User shall take all reasonable measures:

12.1.1 to eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the Space, or is a part thereof, or is located elsewhere on the Airport, and

12.1.2 to keep the sound level of its operations as low as possible.

12.2 The User shall control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon objection from Pan American concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If Pan American shall so request, the User agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Manager of the Airport.

12.3 It is the intent of the parties hereto that noise caused by aircraft engine operation shall be held to a minimum. To this end the User will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof to a minimum by such methods as are practicable, considering the extent and type of the operations of the User. In addition, the User will employ the maximum amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the User. In its use of the Space, the User shall take all possible care, caution and precaution and shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Space. In the event Pan American determines that the User has not curbed the prop or jet blast interference, the User hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference subject, however, to the prior written approval of Pan American as to type, manner and method of construction.

12.4 The User shall daily remove from the Space by means of facilities provided by it all garbage, debris and other waste materials arising out of or in connection with its operations hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the User. The receptacles shall be kept covered except when filling or emptying the same. The User shall exercise extreme care in removing such garbage, debris and other waste materials from the Space. The manner of such storage and removal shall be subject in all respects to the continual approval of Pan American. No facilities of the Airport

shall be used for such removal unless with Pan American's prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Space.

12.5 It is intended that the standards and obligations imposed by this Section shall be maintained or complied with by the User in addition to its compliance with all applicable Federal, State and Municipal laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the User agrees that it will comply with such laws, ordinances and regulations in its operations hereunder. Changes in such laws or regulations are not grounds for termination of this Agreement.

12.6 The User shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and the Fire Insurance Organization of New Jersey or of any other board or organization exercising or which may exercise similar functions which may pertain or apply to the operations of the User on the Space and the User shall, subject to and in accordance with the provisions of this Agreement relating to construction by the User, make any and all structural or nonstructural improvements, alterations or repairs of the Space that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the User to comply with the provisions of this Section, any fire insurance, extended coverage or other insurance rate on the Space or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it otherwise would be, then the User shall pay to Pan American that part of all premiums paid by Pan American which shall have been charged because of such violation or failure by the User.

12.7 In connection with the conduct of User's business the User shall:

12.7.1 use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

12.7.2 not divert, cause or allow to be diverted, any business from the Airport;

12.7.3 maintain in accordance with accepted accounting practice during the term hereof User's records and books of account recording all transactions at, through or in anywise connected with the Airport which records and books of account shall be kept at all times at the User's place of business at the Airport;

12.7.4 permit in ordinary business hours during the term hereof and for one (1) year thereafter the examination and audit by the officers, employees or representatives of Pan American of such records and books of account and also any records and books of account of any company owned or controlled by the User if said Company performs services similar to those performed by the User anywhere at the Airport.

12.7.5 The User shall be solely responsible for compliance with the provisions of this Section and no act or omission of Pan American shall relieve the User of such responsibility.

12.8 In addition to compliance by the User with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the use hereunder which as a matter of law are applicable to the operation, use or maintenance by the User of the Space or the operations of the User under this Agreement (the foregoing not to be construed as a submission by Pan American or the Port Authority to the application to itself of such requirements or any of them), the User agrees that it shall conduct all its operations under the Agreement and shall operate, use and maintain the Space in accordance with a high standard and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the Space by the User and from the operations of the User under this Agreement. Pan American hereby reserves the right from time to time and at any time during the term of the Agreement to require the User, and the User agrees to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by Pan American. The User shall submit for Pan American approval a Construction Application together with its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

12.9 The obligations assumed by the User under the above paragraph shall continue throughout the term of this Agreement and shall not be limited, affected, impaired or in any manner modified by the fact that Pan American or the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of Pan American's or the Port Authority's recommendations or requirements and notwithstanding that Pan American and the Port Authority may have at any time during the term of the Agreement consented to or approved any particular procedure or method of operation which the User may have proposed, or Pan American or the Port Authority may have itself prescribed the use of any procedure or method. The agreement of the User to assume the obligations under the above paragraph is a special inducement and consideration to Pan American in entering into this Agreement with the User.

13. Prohibited Acts

13.1 The User shall not without prior written approval of Pan American install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to the public, except that User may, for the benefit of its employees, customers, guests and visitors install coin operated vending machines or services for the dispensing and sale of the following:

13.1.1 Hot and cold packaged foods

13.1.2 Hot and cold beverages

13.1.3 Candy and chewing gum

13.1.4 Tobacco and tobacco products

13.1.5 Newspapers and periodicals

13.1.6 Telephone services (pay stations)

(hereinafter called "vending machines").

13.2 If User, by itself or by contractors installs vending machines on the Space for the limited sale of merchandise or services permitted hereunder, it shall have the right to retain the revenues derived therefrom, provided, however, that

13.3 The User shall itself and shall also require its contractors to indemnify and hold harmless Pan American, its Directors, officers, agents and employees and the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands of third persons (including employees, officers and agents of Pan American and the Port Authority) arising or alleged to arise out of the installation, operation or maintenance of the vending machines or arising or alleged to arise out of any actual or alleged infringement of any patent, trademark or copyright or any alleged or actual unfair competition in any wise connected with the operation of the vending machines.

Prohibited Acts [continued]

13.4 The limited right to install, operate and maintain vending machines granted to User herein may be terminated by Pan American at any time during the term of this Agreement upon ninety (90) days' notice to the User and Pan American, at any time thereafter, may substitute for the User's vending machines other machines selling similar merchandise or services operated by Pan American or by its permittee or concessionnaire and thereupon User shall remove its machines.

13.5 Upon installation by Pan American or by its permittee or concessionnaire of vending machines in substitution of User's vending machines, all revenues derived therefrom shall be retained by Pan American.

13.6 Upon rendering of notice to User of termination of the right to operate vending machines, Pan American may elect to permit User's vending machines to remain, but in such case, User shall pay or cause to be paid to Pan American each month for each machine upon the same basis for the preceding month as any permittee or concessionnaire of Pan American then operating machines at the Airport for sale to the general public of similar merchandise or rendering of similar services.

13.7 The termination by Pan American of the limited right of User to install vending machines at the Space shall be non-discriminatory in that similar rights granted to other Users at the Airport shall be terminated concurrently therewith, and in the exercise of such right by Pan American User shall not be entitled to assert any claim or institute any action or proceeding at law or in equity to assert any claim on account thereof whether for loss, damages or loss of revenue, consequential or otherwise.

Prohibited Acts (continued)

13.8 The User shall not overload any floor or paved area on the Space and shall repair any floor including supporting members and any paved area damaged by overloading.

13.9 The User shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical,drainage and sewer systems, fire-protection system and other systems installed or located on or in the Space.

13.10 The User shall not commit any nuisance or permit its employees or others on the Space with its consent to commit or create or continue or tend to create any nuisance on the Space or in or near the Airport.

13.11 The User shall not cause or permit to be caused or produced upon the Space, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapor or odors.

13.12 The User shall not do or permit to be done any act or thing upon the Space which:

13.12.1 will invalidate or conflict with any fire insurance policies covering the Space or any part thereof, or the Airport, or any part thereof; or

13.12.2 which, in the opinion of Pan American, may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Agreement; or

13.12.3 which will increase the rate of any fire insurance, extended coverage or other insurance on the Airport or any part thereof or upon the contents of any building thereon.

13.13 Except persons who have been granted valid permits from Pan American, User shall not permit, foster or allow on the Space any persons who are:

13.13.1 doing maintenance work on aircraft not owned solely by said persons,

13.13.2 giving flight instruction of any sort unless such persons are members of User's flight instruction staff, or

13.13.3 conducting air taxi, aircraft charter or aircraft leasing of any sort.

14. Rules and Regulations

14.1 User shall observe and obey and shall compel others on the Space and those doing business with it with respect to the Space to observe and obey such Rules and Regulations of the Airport as are now in effect or as may be promulgated from time to time for the government and conduct of operations for reasons of safety, health or preservation of property, for the good and orderly appearance of the Space and for the safe and efficient operation and use of the Space. If a copy of the Rules and Regulations is not attached, then Pan American will make a copy thereof available to the User at the office of the Manager of Teterboro Airport.

15. Signs

15.1 Except with the prior written approval of Pan American, the User shall not erect, maintain or display any advertising, signs, posters or similar devices at or on the Space.

15.2 Upon demand by Pan American, the User shall remove, obliterate or paint out any and all advertising, signs, posters and similar devices placed by the User on the Space or elsewhere on the Airport without the prior approval of Pan American. In the event of a failure on the part of the User so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the Space and the Airport, Pan American may perform the necessary work and the User shall pay the costs thereof to Pan American on demand.

16. Assignment

16.1 The User agrees that it will not grant the right of sub-use, sell, convey, transfer, assign, mortgage or pledge this Agreement or any part thereof or any rights granted thereby without the prior written consent of Pan American.

16.2 If the User assigns, sells, conveys, transfers, mortgages, pledges, or grants the right of sub-use under this Agreement in violation of the foregoing provisions of this Section, or if the Space is occupied by anyone other than the User, Pan American may collect from any assignee, sub-user or anyone who claims a right to this Agreement or who occupies the Space any charges or fees payable by it and shall apply the net amount collected to the fees, herein reserved; and no such collection shall be deemed a waiver by Pan American of the agreements contained in this Section nor of acceptance by Pan American of any assignee, claimant or occupant, nor as a release of the User by Pan American from the further performance by the User of the agreements contained herein.

17. Condemnation

17.1 The User, in any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any part of the Space, shall not be entitled to assert any claim to any compensation or award or part thereof made or to be made therein or therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority or Pan American for or on account of any such taking (except the possible claim to an award for loss of the User's removable fixtures), it being understood and agreed between Pan American and the User that Pan American shall be entitled to all the compensation or awards made or to be made or paid for in such taking, free of any claim or right of the User.

17.2 In the event of a taking of the entire Space by any governmental agency or agencies, then this Agreement shall be cancelled as of the date possession is taken from the Port Authority by the agency or agencies, and shall cease and determine in the same manner and with the same effect as if the Agreement had on that date expired.

17.3 In the event of a taking by any governmental agency or agencies of a part of the Space, then use as to such part only shall, as of the date possession thereof is taken from the Port Authority by such agency or agencies, cease and determine, and the Fees thereafter to be paid by the User to Pan American shall be abated as hereinafter provided from and after the date of such taking. In the event that a substantial part shall be taken which shall be deemed to mean a taking so extensive that the User is unable to use or operate the Space for the purposes expressed in this Agreement, then the User shall have the right to be exercised within thirty (30) days of the taking to terminate this Agreement, such termination to have the same effect as expiration.

17.4 In the event that all or any portion of the Space is required by the Port Authority to comply with any present or future governmental law, rule, regulation, requirement, order or direction, Pan American may by notice given to the User terminate the Agreement with respect to all or such portion of the Space so required. Such termination shall be effective on the date specified in the notice. The User hereby agrees to deliver possession of all or such portion of Space so required upon the effective date of such termination. No taking by or conveyance to any governmental authority as described in this Section, nor any delivery by the User nor taking by the Port Authority pursuant to this subsection shall be or be construed to be a breach of this Agreement or be made the basis of any claim by the User against the Port Authority or Pan American for damages, consequential or otherwise.

Condemnation [continued]

17.5 In the event a taking or conveyance as set forth above occurs with respect to all or any portion of the new building or new structures which shall be erected or constructed by the User, Pan American shall pay to the User the unamortized capital investment (as is hereinafter defined), if there be any, of such new building or new structures, provided, however, that with respect to a taking or conveyance the sums payable to the User by Pan American shall be limited to the extent of amounts covering the foregoing which shall have actually been paid to Pan American by the Port Authority or by others under the terms of the Basic Agreement, which amounts shall have been paid to Pan American through the Port Authority by the governmental agency or agencies, it being understood that the User shall not have any claim whatsoever against Pan American or the Port Authority by reason of insufficient or claimed insufficiency of the amounts so paid to Pan American. Payment to the User shall be made within sixty (60) days after receipt of the notice by Pan American from the Port Authority that payments have been received by the Port Authority from the governmental agency or agencies and confirmation that the Port Authority will reimburse Pan American upon evidence of payment to User.

17.6 The unamortized capital investment referred to in the above subsection shall be the capital investment in all or any part of the new building or new structures which shall be erected at the Space by the User with the approval of Pan American as referred to in the Section entitled "Construction by User" of this Agreement (as may be affected by the taking or conveyance in whole or in part), multiplied by a fraction, the numerator of which shall be the number of whole calendar months between the effective date of taking or termination as set forth above, and the end of the amortization period of each such new building or new structures as hereinafter set forth, and the denominator of which shall be the total said amortization period of such new building or new structures.

17.7 Except as otherwise agreed to by the parties hereto prior to commencement of construction, the amortization period with respect to each such new structure or new building shall commence as of the date of substantial completion of the same, shall be computed in whole months, and shall be:

17.7.1 the useful life of the new building or new structure as determined under sound accounting practice; or

17.7.2 two hundred forty (240) months; or

17.7.3 to termination of the term hereof, whichever is least of the above.

Condemnation [continued]

17.8 For purposes of this Agreement and to the extent permitted by sound accounting practice, the capital investment of the User for each such new building or new structure shall mean the sum of the following items:

17.8.1 payments to independent contractors and suppliers of materials, excluding any payments for engineering, architectural planning or designing services, engaged or retained by the User for the actual construction of the work, including site preparation and bringing utilities to the site; and

17.8.2 an amount equal to Exemption (2.a.) of the above item.

17.9 A statement of capital investment in duplicate detailing all of the foregoing including two copies of invoices and contracts and certified by the principal financial officer of the User shall be delivered to Pan American not later than forty-five (45) days after completion of any construction, and the User shall permit Pan American and the Port Authority by their agents, employees or representatives at all reasonable times prior to a final settlement or determination of capital investment to examine and audit the records and books of the User which pertain to the capital investment and the User agrees to keep such records and books of account within the District of the Port Authority during such time. If in the certified statement, there is included any item of cost or expense as having been incurred which in the opinion of Pan American or the Port Authority was not so incurred, or which in the opinion of Pan American or the Port Authority was not a cost or expense properly chargeable to the capital investment under sound accounting practice, within one hundred eighty (180) days after completion of audit and examination by the Port Authority and Pan American, Pan American shall give written notice to the User stating its objection to such item and the grounds therefor, which notice shall be considered final in the determination of the capital investment.

17.10 There shall be excluded from the capital investment any cost of personal property.

17.11 Notwithstanding any other provision of this Agreement, in ascertaining the amount Pan American shall be obligated to pay the User under the terms of this Section the unamortized capital investment of each such new structure or new building shall be diminished by the amount that any part of the components of any costs thereof are secured by liens, mortgages or other encumbrances or conditional bills of sale on said capital investment and less any other amounts whatsoever due to Pan American by the User under this Agreement or any other agreement with the User at the Airport. The capital investment for any such new structure or new building shall not include any expenses, outlays or charges by or for the account of the User for or in connection with the work unless said work is actually made and completed and becomes part of the Space.

18. Non-Discrimination

18.1 Without limiting the generality of any of the provisions of this Agreement, the User, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Space, (2) that in the construction of any improvement on, over, or under the Space and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that the User shall use the Space in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination 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, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the User's operations thereat, whether by reason of agreement between Pan American and the United States Government or otherwise.

18.2 The User shall include the provisions of the above subsection in every agreement or concession pursuant to which any person or persons, other than the User, operates any facility at the Space providing services to the public and shall also include therein a provision granting Pan American a right to take such action as the United States may direct to enforce such covenant.

18.3 The User's noncompliance with the provisions of this Section shall constitute a material breach of the Agreement. In the event of the breach by the User of any of the above nondiscrimination provisions, Pan American may take any appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of twenty (20) days after receipt of written notice from Pan American, Pan American shall have the right to terminate this Agreement with the same force and effect as a termination under the Section of the Agreement providing for termination for default by the User in the performance or observance of any other term or provision of the Agreement; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, Pan American may take such action as the United States may direct.

18.4 The User shall indemnify and hold harmless Pan American and the Port Authority from any claims and demands of third persons including the United States of America resulting from the User's noncompliance with any of the provisions of this Section and the User shall reimburse Pan American and the Port Authority for any loss or expense incurred by reason of such noncompliance.

18.5 Nothing contained in this Section shall grant or shall be deemed to grant to the User the right to transfer or assign the Agreement, to make any agreement or concession of the type mentioned in this Section, or any right to perform any construction on the Space.

19. Governmental Requirements

19.1 The User shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the User's operations at the Space which may be necessary for the User's operations thereat.

19.2 The User shall pay all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Space or operation hereunder or on the gross receipts or income to User therefrom, and shall make all applications, reports and returns required in connection therewith.

19.3 Pan American has agreed by a provision in its agreement with the Port Authority covering the Airport to conform to the enactments, ordinances, resolutions and regulations of various governmental authorities having jurisdiction and of their various departments, boards and bureaus in regard to construction and maintenance of buildings and structures and in regard to health and fire protection. The User shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to Pan American. Unless otherwise directed in writing by Pan American because the same is inapplicable, the User shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the User at the Space. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the User, acting in good faith, commenced after such delivery to Pan American but prior to the receipt by the User of a written direction from Pan American, such compliance shall not constitute a breach of this Agreement, although Pan American thereafter notifies the User to refrain from such compliance.

19.4 The User shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the User's operations at the Space.

19.5 The User's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Space.

20. Rights of Entry Reserved

20.1 The Port Authority, by its officers, employees, agents, representatives and contractors and Pan American by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Space for the purpose of inspecting the same, for observing the performance by the User of its obligations under this Agreement and for the doing of any act or thing which the Port Authority or Pan American may be obligated or have the right to do under this Agreement, or otherwise.

20.2 Without limiting the generality of the foregoing, Pan American, by its officers, employees, agents, representatives and contractors and by the employees, agents, representatives and contractors of any furnisher of utility services in the vicinity, shall have the right, for its own benefit, for the benefit of the User, or for the benefit of others than the User at the Airport, to maintain existing and future utilities systems or portions thereof on the Space, including therein, without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone services, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the Space at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of Pan American, be deemed necessary or advisable and, from time to time to construct or install over, in or under the Space new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment; provided, however, that in the exercise of such rights of repair, alteration or new construction Pan American shall not unreasonably interfere with the use and occupancy of the Space by the User.

20.3 The exercise of any or all of the foregoing rights by the Port Authority, Pan American or others shall not be or be construed to be an eviction of the User nor be made the grounds for any abatement of fees, nor any claim or demand for damages, consequential or otherwise.

20.4 Nothing in this Section shall impose or shall be construed to impose upon Pan American or the Port Authority any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

21. Basic Agreement

21.1 In the event the Basic Agreement is terminated, revoked, cancelled or expires, this Agreement shall terminate on the day preceding such date the same as if such preceding date were the expiration date of the term of this Agreement.

22. Patents, Trademarks

22.1 The User represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The User agrees to save and hold the Port Authority, Pan American, their Commissioners, Directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the User under or in anywise connected with this Agreement.

23. Additional Fees and Charges

23.1 If Pan American is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the User to perform or fulfill any one or more of the conditions or agreements contained in this Agreement, or as a result of an act or omission of the User contrary to the said conditions and agreements, the User 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 Fees thereafter due hereunder, and each and every part of the same shall be and become additional Fees, recoverable by Pan American in the same manner and with like remedies as if they were originally a part of the Fees as set forth in the Section entitled "Fees to Pan American" hereof.

24. Right of Re-Entry

24.1 Pan American shall, as an additional remedy upon the giving of a notice of termination as provided in the Section entitled "Termination by Pan American" hereof, have the right to re-enter the Space and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the User under this Agreement, and shall in no event constitute an acceptance of surrender.

25. Surrender

25.1 The User covenants and agrees to yield and deliver peaceably to Pan American possession of the Space on the date of cessation of the Agreement, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear which does not cause or tend to cause deterioration of the improvements or adversely affect the efficiency or proper utilization thereof.

26. Termination by Pan American

26.1 Upon the occurrence of any of the following events or at any time thereafter during the continuance thereof, Pan American may terminate the rights of the User under this Agreement upon five (5) days' written notice, such termination to be effective upon the date specified in such notice:

26.1.2 The User shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

26.1.3 By order of decree of a court the User shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the User is a corporation, by any of the stockholders of the User, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

26.1.4 A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the User and shall not be dismissed within thirty (30) days after the filing thereof; or

26.1.5 Except as may be provided in the Section entitled "Assignment" hereof, the interest of User under this Agreement shall be transferred to, pass to or devolve upon, by operation or law or, otherwise, any other person, firm or corporation; or

26.1.6 The User, if a corporation, shall, without the prior written notice to Pan American, become a possessor or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

26.1.7 By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the Space of the User and such possession or control shall continue in effect for a period of twenty (20) working days; or

26.1.8 The User shall voluntarily abandon, desert or vacate the Space or discontinue its operations at the Airport, or, after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User; or

26.1.9 Any lien is filed against the Space because of any act or omission of the User and is not removed within forty-five (45) days after notice to the User thereof; or

26.1.10 The User shall fail duly and punctually to pay the Fees or to make any other payment required hereunder when due to Pan American and shall persist in its failure for a period of ten (10) days following the receipt of written notice of such default from Pan American; or

26.1.11 The User shall fail to complete the construction as set forth in Section 3 hereof; or

26.1.12 The User shall fail to keep, perform and observe each and every other promise and agreement set forth in this Agreement on its part to be kept, performed, or observed, within ten (10) days after receipt of notice of default thereunder from Pan American (except where fulfillment of its obligation requires activity over a period of time, and the User shall have commenced to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues such performance without interruption except for causes beyond its control; or

26.1.13 There shall be an occurrence of any of the events of default under any other use and occupancy agreements or permits between the User and Pan American at the Airport.

26.2 If any of the events enumerated in the above subsections of this Section shall occur prior to the effective date of this Agreement, the User shall not be entitled to enter into possession of the Space, and Pan American upon the occurrence of any such event, or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel this Agreement, such cancellation to be effective upon the date specified in such notice.

26.3 No acceptance by Pan American of fees, charges, or other payments in whole or in part for any period or periods after a default of any of the terms, agreements and conditions hereof to be performed, kept or observed by the User shall be deemed a waiver of any right on the part of Pan American to terminate this Agreement.

26.4 No waiver by Pan American of any default on the part of the User in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the User shall be or be construed to be a waiver by Pan American or any other or subsequent default in performance of any of the valid terms, agreements and conditions.

26.5 The rights of termination 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 Pan American would have at law or in equity consequent upon any breach of this Agreement by the User, and the exercise by Pan American of any right of termination shall be without prejudice to any other such rights and remedies, except that in the event of termination pursuant to the portion of the subsection above of this Section reading "after exhausting or abandoning any right of further appeal, the User shall be prevented for a period of sixty (60) days by action of any governmental agency having jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the User," the sole right of Pan American shall be a right of termination.

27. Services by User

27.1 A principal purpose of Pan American in the making of this Agreement is to make available at the Airport the items and/or services which the User is permitted to sell and/or render hereunder and the User hereby warrants and agrees that it will conduct a first-class operation and will furnish all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and facilities.

27.2 The User shall:

27.2.1 furnish good, prompt and efficient service hereunder adequate to meet all demands therefor at the Space;

27.2.2 furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and

27.2.3 charge fair, reasonable and nondiscriminatory prices for each unit of sale or service, provided that the User may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

27.2.4 As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

27.2.5 Pan American and User recognize the desirability and the existing need to provide aircraft maintenance services to User's hangar occupants; therefore, as a special inducement for Pan American in entering into this Agreement User hereby agrees to continue providing or cause to be provided FAA approved personnel and facilities for maintenance servicing and repair of aircraft during the term of this Agreement, so long as the rendering of such services are economically justifiable. In the event the economics of rendering such services are such as to impose such severe financial hardship upon the User that can only be relieved by the discontinuance thereof by User, User shall render sixty (60) days' written notice to Pan American of its intention to so discontinue, together with financial data and other factors supporting such decision. Concurrently with notice to Pan American, User shall notify its customers in order that they may assess the continued need for such services. User shall take all appropriate steps consistent with this Agreement and consistent with User's existing space and its insurance requirements to assist and permit its customers in making alternate arrangements for the provision of maintenance services.

It is clearly understood by Pan American and User that in the event User terminates maintenance services for economic reasons that User's customers may with User's permission which shall not unreasonably be withheld have FAA approved and qualified maintenance personnel perform maintenance on User's customers' aircraft within User's Space provided the User is properly indemnified.

In the event User discontinues maintenance services (except temporary disruption due to labor disputes) for reasons other than financial hardship directly attributable to rendering such services, such discontinuance shall constitute a material breach hereof and if such services are not resumed by User within a period of thirty (30) days after receipt of written notice from Pan American, Pan American shall have the right to terminate this Agreement with the same force and effect as a termination under Section 26 hereof.

27.3 The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Federal Airport Act of 1946 and pursuant to the Airport and Airway Development Act of 1970 (49 U.S.C. 1701), as the same have been amended and supplemented, and the Port Authority may in the future apply for and receive further such grants. Pan American under its Operating Agreement with the Port Authority for Teterboro Airport, dated September 19, 1967, has assumed certain obligations of the Port Authority under the Grant Agreement and in connection therewith, the Port Authority and Pan American may in the future undertake certain additional obligations respecting the operation of the Airport and the activities of contractors, lessees and permittees thereon. The performance by the User of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to Pan American to enter into this Agreement and the User further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority and/or Pan American in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the User of its obligations under this Agreement, the User will promptly comply therewith, at the time or times when and to the extent that Pan American may direct.

28. Survival of the Obligations of the User

28.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in the Section entitled "Termination by Pan American" hereof, or in the event that Pan American has re-entered, regained or resumed possession of the Space in accordance with the provisions of the Section entitled "Right of Re-Entry" hereof, all the obligations of the User under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to Pan American to the same extent, at the same time or times, and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. Pan American may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.

28.2 The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the User's Fee obligations, shall be the sum of the following:

28.2.1 The amount of the total of all installments of basic fees pursuant to the Section entitled "Fees to Pan American" hereof, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;

28.2.2 An amount equal to all expenses incurred by Pan American in connection with regaining possession, restoring the Space, acquiring a User for the Space, legal expenses (including but not limited to attorneys' fees), putting the Space in order including, without limitation to, cleaning, redecorating (on failure of the User to restore), maintenance and brokerage fees.

29. Use Subsequent to Cancellation or Termination

29.1 Pan American, upon termination or cancellation pursuant to the Section entitled "Termination by Pan American" of this Agreement, or upon any re-entry, regaining or resumption of possession pursuant to the Section entitled "Right of Re-Entry" of this Agreement, may occupy the Space or may enter into an agreement with another User and shall have the right to permit any person, firm or corporation to enter upon the Space and use the same. Such use may be of part only of the Space or of the entire Space or a part thereof, together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. Pan American shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Space, including changes which alter the character of the Space and the suitability thereof for the purposes of the User under this Agreement, without affecting, altering or diminishing the obligations of the User hereunder. In the event either of use by others or of any actual use and occupancy by Pan American, there shall be credited to the account of the User against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any User, licensee, permittee or other occupier in connection with the use of the said Space or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Space as Pan American may itself during such period actually use and occupy, less all expenses, costs and disbursements incurred or paid by Pan American in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Space, nor shall such use and occupancy constitute a waiver of any rights of Pan American hereunder. Pan American will use its best efforts to minimize damages to User under this Section commensurate with its obligations under the Basic Agreement.

30. Remedies to be Non-Exclusive

30.1 Except where otherwise specifically provided, 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 either party at law or in equity.

31. Limitation of Rights and Privileges Granted

31.1 No exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Space or any part thereof are granted or intended to be granted to the User by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

32. Removal of Personal Property

32.1 The User shall have the right at any time during the term of this Agreement to remove its equipment, inventories, removable fixtures and other personal property from the Space.

32.2 If the User shall fail to remove its property on or before the termination or expiration of the term, Pan American 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 expense of removal, storage and sale; second, to any sums owed by the User to Pan American, with any balance remaining to be paid to the User, but if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the User shall pay such excess to Pan American upon demand.

33. Brokerage

33.1 The User represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The User shall indemnify and save harmless Pan American of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the User.

34. Notices

34.1 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 registered mail.

35. Construction and Application of Terms

35.1 The Section and subsection 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 of intent of any provision hereof.

36. Non-Liability of Individuals

36.1 Neither the Directors of Pan American or User nor any officers, agents or employees thereof, shall be charged personally by the other with any liability or held liable to the other under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

37. Abatement

37.1 Except for abatement of fees set forth in Sections 5.2, 5.3, 5.4 and 5.5 hereof, if at any time the User shall become entitled to abatement of Fees by the provisions of this Agreement or otherwise, the abatement of Fees shall be made on an equitable basis giving effect to the amount and character of the Space, the use of which is denied the User as compared with the entire Space.

38. Port Authority Consent

38.1 This Agreement shall become effective upon the execution hereof by all parties hereto and the execution of a Consent Agreement between and among the Port Authority, Pan American, and User.

39. Entire Agreement

39.1 This Agreement consists of the following: Sections 1 through 39 and Exhibits A, B and C.

39.2 It constitutes the entire Agreement of the parties on the subject matter hereof. It may not be changed, modified, discharged or extended except by written instrument duly executed by Pan American and the User. The User agrees that no representations or warranties shall be binding upon Pan American 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.

ATTEST:

PAN AMERICAN WORLD AIRWAYS, INC.

By John P. Kennedy

(Title) Director
Metropolitan Air Facilities Division

ATTEST:

ATLANTIC AVIATION CORPORATION
(User)

By Ralph R Huston

(Title) Sr. Vice President

Exemption (4)

EXHIBIT B

If (i) the Contractor fails to perform any of his obligations under the Contract, including his obligation to the User to pay any claims lawfully made against him by any materialman, subcontractor or workman or other third person which arises out of or in connection with the performance of the Contract or (ii) any claim (just or unjust) which arises out of or in connection with the Contract is made against the User or (iii) any subcontractor under the Contract fails to pay any claims lawfully made against him by any materialman, subcontractor, workman or other third person which arises out of or in connection with the Contract or if in the User's opinion any of the aforesaid contingencies is likely to arise, then the User shall have the right, in its discretion, to withhold out any payment (final or otherwise and even though such payments have already been certified as due) such sums as the User may deem ample to protect it against delay or loss or to assume the payment of just claims of third persons, and to apply such sums in such manner as the User may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the User to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the User does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the User to withhold and apply monies nor any exercise, or attempted exercise of, or omission to exercise such rights by the User shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons. Until actual payment is made to the Contractor, his right to any amount to be paid under the Contract (even though such amount has already been certified as due) shall be subordinate to the rights of the User under this provision.

The User shall file with Pan American a copy of its contracts with its contractors prior to start of the construction work.

Initialled:

For Pan American

For the User

CONSENT AGREEMENT

THIS AGREEMENT, dated as of FEBRUARY 14, 1979, by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and PAN AMERICAN WORLD AIRWAYS, INC. (hereinafter called "the Airport Operator"), and ATLANTIC AVIATION CORPORATION (hereinafter called "the User"),

WITNESSETH, That:

WHEREAS, the Port Authority and the Airport Operator have heretofore entered into an agreement dated September 19, 1967 (which agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called "the Main Agreement") pursuant to which the Airport Operator is operating and using Teterboro Airport (hereinafter called "the Airport"); and

WHEREAS, pursuant to and in accordance with the terms of the Main Agreement, the Airport Operator proposes as of the effective date hereof to enter into a Use and Occupancy Agreement with the User dated FEBRUARY 14, 1979 marked TA-121, a copy of which is attached hereto, made a part hereof and hereafter called "the Use Agreement," subject to the consent of the Port Authority and the execution of a Consent Agreement by and among the Airport Operator, the User and the Port Authority;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Airport Operator and the User hereby agree effective as of FEBRUARY 14, 1979, as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the Use Agreement.

2. The Use Agreement shall terminate, without notice to the User, on the day preceding the date of expiration or earlier termination of the Main Agreement. The User shall quit the space covered by the Use Agreement and remove its property and property for which it is responsible therefrom on or before the termination of the Use Agreement.

3. Neither this Consent Agreement, nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to nor shall they create an inference or implication that there has been consent to any enlargement, variation or change in the rights, powers and privileges granted to the Airport Operator under the Main Agreement, nor consent to the granting or conferring of any rights, powers or privileges to the User as may be provided by the Use Agreement if not granted to the Airport Operator under the Main Agreement, nor shall the same impair or change any of the duties, liabilities and obligations imposed on the Airport Operator under the Main Agreement. The Use Agreement is an agreement between the Airport Operator and the User with respect to the various matters set forth therein. Neither this Consent Agreement nor anything contained herein nor the consent

granted hereunder shall constitute an agreement between the Port Authority and the Airport Operator that the provisions of the Use Agreement shall apply and pertain as between the Airport Operator and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Main Agreement shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of the Use Agreement, including, without limitation thereto, any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent Agreement or shall thereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion pursuant to the Main Agreement as to any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Use Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Main Agreement shall, in all respects, be controlling, effective and determinative.

No provision of the Use Agreement including, but not limited to, those imposing obligations on the User with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the Use Agreement covering actions which shall or may be undertaken by the User or the Airport Operator including, but not limited to, construction on the space covered by the Use Agreement, be deemed to imply or infer that Port Authority consent or approval thereto pursuant to the Main Agreement will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this paragraph to specific matters and provisions shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding approvals or consents as to other matters and provisions in the Use Agreement which are not specifically referred to herein.

4. The User, in its operations under or in connection with the Use Agreement and in its occupancy of the space covered by the Use Agreement, shall be subject to the applicable terms, provisions, covenants and conditions of the Main Agreement. Without in any way affecting the obligations of the Airport Operator under the Main Agreement and under this Consent Agreement, all acts and omissions of the User shall be deemed to be acts and omissions of the Airport Operator under the Main Agreement, but notwithstanding the foregoing, the Airport Operator shall not be or be deemed to be in default of the Main Agreement to the extent that any of the foregoing shall constitute a breach thereof if, except for causes beyond the control of the Airport Operator, it shall have commenced to remedy said default within twenty (20) days after receipt of notice thereof from the Port Authority and continues diligently to pursue such remedy. Without limiting the generality of the foregoing, Pan American and the User understand and agree that nothing contained in this Consent or the Use Agreement, including, but not limited to Section 5.5 thereof, shall be deemed to imply approval or consent of the Port Authority to the demolition of the building where Space under the Use Agreement is located or the construction of a new or replacement structure on the site of said building.

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5. The Use Agreement shall not be changed, modified, discharged or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

6. If the Airport Operator shall at any time be in default of its obligations under the Main Agreement to make payments to the Port Authority, or if there shall occur at any time an event involving insolvency, bankruptcy, arrangement or reorganization of the Airport Operator which under the terms of the Main Agreement would constitute an event the occurrence of which grants the Port Authority the right to terminate the Main Agreement, and provided the same has not been cured within the time granted therefor, if any, under the Main Agreement, the User shall on demand of the Port Authority pay directly to the Port Authority any fee or other amount due to the Airport Operator. No such payment shall relieve the Airport Operator from any obligations under the Main Agreement or under this Consent Agreement but all such payments shall be credited against the obligations of the Airport Operator and of the User for each payment or part thereof.

7. The granting of the consent hereunder by the Port Authority shall not be or be deemed to operate as a waiver of consent to any subsequent agreement with respect to the use or occupancy of space at the Airport (by the Airport Operator or by the User) or to any assignment of the Main Agreement or the Use Agreement or of any rights under either of them, whether in whole or in part.

8. In the event of any substantial default by the User under any of the provisions of this Consent Agreement and said default has not been cured within thirty (30) days after the Port Authority has served a notice of such default upon the Airport Operator and the User, the Port Authority shall have the right to revoke the consent granted hereunder upon thirty (30) days' written notice to the Airport Operator and the User, but no such revocation shall be deemed to affect the Main Agreement and the continuance thereof, it being understood, moreover, that the foregoing shall not be deemed to affect or limit any rights of the Port Authority under the Main Agreement. In the event of the revocation of the consent hereunder as hereinabove provided, the Airport Operator shall immediately terminate the Use Agreement.

9. Reference herein to the User shall mean and include the User, its officers, agents, employees and also others on the space covered by the Use Agreement or on the Airport with the consent of the User.

10. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Airport Operator or to the User under any term or provision of this Consent Agreement or because of its execution or because of any breach or alleged breach hereof.

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IN WITNESS WHEREOF, the Port Authority, the Airport Operator and the User have executed these presents.

ATTEST:

SECRETARY

APPROVED:
FORM | TERMS

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) Morris Sloane-Deputy Director of Aviation

ATTEST:

PAN AMERICAN WORLD AIRWAYS, INC.
(Airport Operator)

By

(Title) John P. Kennedy
Director
Metropolitan Air Facilities Division

ATTEST:

ATLANTIC AVIATION CORPORATION
(User)

By

(Title) Sr. Vice President