

AVIATION GROUND LEASE AGREEMENT

THIS IS A GROUND LEASE AGREEMENT dated as of the _____ day of _____, 2025 (the “Agreement”) by and between HERNANDO COUNTY, a subdivision of the State of Florida existing under the laws of the State of Florida, whose address is 15470 Flight Path Drive, Brooksville, FL 34604 (hereinafter referred to as the “Lessor” or the “County”) and Flightpath Aviation Services, Inc., a Florida corporation, whose address is hereinafter referred to as 2103 American Flyer Way, Brooksville, Florida 34604, the “Lessee”), individually and collectively referred to as the “Party” or “Parties”.

WITNESSETH

WHEREAS, the Brooksville-Tampa Bay Regional Airport (the “Airport”) is subject to the requirements of various federal laws and regulations including, without limitation, the Surplus Property Act of 1944, as amended, the Federal Property and Administrative Services Act of 1949, as amended, and the rules and orders promulgated by the Federal Aviation Administration (the “FAA”); and,

WHEREAS, FAA Compliance Order No. 5190.6A, including but not limited to Chapter 4 thereof, requires that surplus property airports (which includes the Airport herein) generate revenue, income or its functional equivalent to the airport; and,

WHEREAS, pursuant to a directive of Congress, as a surplus airport property, the Airport is subject to compliance review by the FAA and the United States Department of Transportation Inspector General Office; and,

WHEREAS, FAA Compliance regulations require that use of surplus airport property be authorized by a written instrument providing for payment of fair, reasonable and non-discriminatory fees, rentals or other user charges; and,

WHEREAS, all leases at the Airport are further governed by Part II, Chapter 3 of the Hernando County Code of Ordinances, as amended from time to time.

NOW THEREFORE, the Lessee and the Lessor hereby agree as follows:

The above recitals are incorporated herein and made a part hereof.

ARTICLE 1 - REPRESENTATIVES

1.A. Designated Representatives. For the purpose of this Agreement, each party designates the following representatives: *Lessee's Representative* - Lessee's full-time employee or agent that the Lessee designates to the Lessor in writing, which for contract purposes at this time is Jeffrey Smith. *Lessor's Representative* - the Airport Manager or such person that the Lessor designates by written notice delivered to the Lessee.

ARTICLE 2 - LAND, IMPROVEMENTS AND PREMISES

2.A. Lessor leases the real property with a street address to be determined, Brooksville, FL 34604, containing approximately 302,306 gross square feet, more or less, and legally described in Exhibit "1" attached hereto and made a part hereof (the "Land") to the Lessee, and the Lessee hereby leases the Land from the Lessor pursuant to the terms and conditions in this Agreement.

2.B. Improvements. Lessee, at Lessee's sole expense, will construct premises comprised of no less than 2 hangars – each with 10,225 square feet of interior floor space together with certain improvements (hereinafter collectively referred to as the "Improvements")¹. The Improvements will be built in accordance with the Lessee's building plans which must be: (1) pre-approved by the Lessor; (2) in compliance with all city, county and state building procedures, codes and standards and subject to all permitting requirements in effect at the time such permit(s) are pulled.

2.C No later than two (2) months after the Effective Date of this Lease, Lessee shall submit to the County a development plan conforming to the requirements of the most recently promulgated Hernando County Comprehensive Plan and the Chapter 8 of the Hernando County Code for construction of improvements to the Land and in accordance with Exhibit 2. Lessee shall begin construction of the Improvements in conformance with the approved development plan no later than six (6) months after the Effective Date of this Lease and shall obtain a

¹ In the event that the Lessor and Lessee enter into a Hernando County Incentives Agreement (Jobs Creation Grant) ("Incentives Agreement") simultaneously herewith, the "Improvements" contemplated in this Agreement shall also include the "Hangar" described and depicted in Exhibits 1 and 2 of the Incentives Agreement. With regard to the "Hangar" therein described only, this Agreement and the Incentives Agreement shall be interpreted complementarily; provided, however, upon termination, title to the Improvements including the Hangar shall transfer to Lessor in accordance with this Agreement.

certificate(s) of occupancy for the Improvements within eighteen (18) months of the Effective Date of this Lease.

2.C.1. If Lessee is unable to comply with any of the benchmark deadlines established in section 2.C. above, Lessee shall submit a written notice and request for extension to the County at least sixty (60) days prior to the expiration of the relevant benchmark deadline. The notice and request shall set forth in detail the reasons Lessee is unable to comply with the provisions of section 2.C., as well as a revised timeline (including a CPM (Critical Path) for completion of the benchmark in question. If the County determines in its sole discretion that Lessee has shown good cause for the extension, the County shall grant an extension of the deadline in increments of no more than six (6) months at a time. If the County rejects the request for extension, the County shall give detailed reasons and shall use its best efforts to provide Lessee with recommended revisions or other conditions for acceptance. Regardless of the good cause shown, the County may reject a request for extension if Lessee has failed to remain current on any payments due to the County pursuant to Article 3 or Article 31 below or is otherwise in violation of this Agreement.

2.C.2. Notwithstanding the provisions of Section 2.C.1. above, failure of Lessee to comply with the provisions of Section 2.C. is grounds for termination of this Lease, pursuant to Article 12 below.

2.D. In addition to Sections 2.B. and 2.C. above, the Lessee's development plans, construction plans, and specifications shall comply with the airport master plan, the airport layout plan, and the airport architecture & landscape design standards as currently existing or as may be amended or adopted, all of which are hereby incorporated in this Lease.

2.E. The County may require modifications to the Land necessary for the safety of air navigation. If any improvements or modifications to the Land made by Lessee should interfere with any FAA navigational aid, Lessee shall be responsible for removing the interference at its sole cost.

2.F. Prior to the commencement of any construction on the Land, Lessee or Lessee's contractor shall provide the County, in accordance with Fla. Stat. § 255.05(1)(a), with payment and performance bonds in amounts equal to the full amount of the written construction contract pertaining to the construction to be done. However, the payment bond shall be reduced for all

materials that Lessee prepays to any vendor, materialman or supplier before such materials are delivered to the jobsite subject to this Lease. The Lessee shall provide the County with names of vendors, materialmen or suppliers for which Lessee shall prepay for materials, and evidence of payment prior to the materials or supplies being delivered. The payment bond shall be solely for the protection of claimants supplying labor or materials for the required construction work not previously paid in full by the Lessee. The performance bond shall be solely for the protection of the County, conditioned upon the faithful performance of the required construction work. Each bond shall include a provision allowing the prevailing party in a suit on such bond to recover as part of its judgment such reasonable attorney's fees as may be fixed by the court. Each bond shall be executed by a surety company duly authorized to do business in Florida and acceptable to the County. The Lessee shall, at its own expense, file each bond with the County immediately upon execution thereof.

2.G. Prior to the commencement of any construction on the Land, if applicable, Lessee shall deliver to the County copies of documentary proof that Lessee has obtained from Lessee's lender secure financing for the Improvements. If the County, in its sole determination, is satisfied that Lessee's documentation proves adequate security for the construction of the Improvements, the County will not require any further security from Lessee. If Lessee's documentation is not satisfactory to the County, or the Lessee is not seeking an outside funding source, Lessee shall deliver to the County, upon County's request, evidence of Proof of Funds in the form of a Bank Letter the form and content of which shall be subject to the County's pre-approval, in an amount equal to the total contract price to construct the Improvements set forth in Exhibit 2, plus a reasonable contingency, not to exceed five percent (5%) of the overall contract price. As an alternative to Proof of Funds, the Lessee shall provide cash to Lessor up to ten percent (10%) of the contract sum which the Lessor will hold in trust without bearing interest, less prepaid vendors, materialmen or suppliers ("the Cash"), or an Irrevocable Letter of Credit ("ILOC") in the amount of the total contract price (plus 5% thereof) less prepaid vendors, materialmen or suppliers with the County as the Beneficiary the form and content of which shall be subject to the County's pre-approval, in lieu of Cash.

2.G.1. The County shall return the Cash or release the ILOC to Lessee only upon Lessee's satisfactory completion and the County's acceptance of the Improvements and the Lessee providing the County a Certificate of Occupancy, or Lessee's tender and the County's acceptance of substitute assurances for completion of the Improvements.

2.G.2. The County may authorize a release of a portion of the Cash to Lessee, if the County determines in its sole discretion that the remaining Cash is sufficient to construct the balance of the Improvements plus a reasonable contingency.

2.G.3. In addition to any other remedies, if Lessee defaults on its obligations under this Lease, the County may at its sole discretion use the Cash or call upon the ILOC to construct all or any portion of the Improvements. The County shall give thirty (30) calendar days' notice to Lessee before initiating any action to construct the Improvements.

2.H. Lessee shall keep the Land and the Improvements thereon free of any contractor, subcontractor or materialmen's liens or liens of any kind or nature for any work done, labor performed, or material furnished on or to the Land. If any lien is filed, Lessee shall, at its sole cost, cause such lien to be removed from the Land within thirty (30) calendar days of notice or becoming aware of the lien. The Lessee shall file and post a Notice of Commencement as required by Fla. Stat. § 713.13.

2.I. Due Diligence and Inspections. It is the responsibility of the Lessee, at the Lessee's sole expense, to satisfy itself, prior to the execution of this Agreement, or as provided herein, as to the condition of the Land subject to this Agreement including, without limitation, permitted land uses, zoning codes, building regulations, height limitations, setbacks, applicable building codes, permits, soil conditions, and environmental conditions (the Lessee, at the Lessee's sole expense, may obtain any environmental tests that it deems necessary including without limitation Environmental Phase I or Phase II Reports as part of its due diligence). In connection with any and all inspections performed by or for the Lessee, the Lessee shall indemnify and hold harmless the County from any damage or injury done to the Land, Airport property, or the property of others as a consequence of such inspection(s) and the Lessee shall promptly repair or have repaired in good workmanship manner such damage caused.

2.J. No Warranties or Representations. Lessor makes no warranties or representations to the Lessee, and the Lessee agrees the Lessor has made no warranty or representation, respecting the condition of the Land, or applicable zoning laws and regulations, or applicability of the uses contemplated by the Lessee, or environmental conditions, or any matters which a survey, prepared pursuant to Chapter 427, Fla. Stat., and Rule Chapter 61G17, Fla. Admin. Code, would disclose, or the applicability of any covenants or restrictions of public record, except as otherwise expressly provided herein.

2.K. Acceptance of Land. Lessee further acknowledges it has had adequate opportunity to inspect the Land prior to entering into this Agreement. Accordingly, the taking of possession of the Land by the Lessee shall be conclusive evidence against the Lessee that the Land was in good and satisfactory condition when possession was so taken.

2.L. Survey. The Lessee, at its sole expense, will obtain a survey of the Land pursuant to the terms hereunder:

2.L.1. The survey shall be prepared by a land surveyor who is licensed in Florida in accordance with Fla. Stat. Chapter 472 ("Land Surveying and Mapping") and Chapter 5J-17, Fla. Admin. Code ("Professional Surveyors and Mappers"), as they may be amended or renumbered from time to time and shall be certified to the Lessee and to the Hernando County Board of County Commissioners (hereinafter referred to as the "Survey"). Upon receipt of the survey, the Lessee shall promptly provide the Lessor with a signed duplicate original of same.

2.L.2. In the event there are any discrepancies between the description of the Land and the survey, or the existence of any encroachments or other matters which would make the Land untenable or unsuitable for the Lessee's use, the Lessee shall have fifteen (15) days from the date of the survey in which to notify the Lessor in writing stating all such discrepancies with the Land discovered from such survey. Within fifteen (15) days of receiving said notification, the Lessor shall advise the Lessee in writing whether the Lessor is able to resolve same using diligent effort and within a reasonable amount of time or, failing which, that this Agreement shall be deemed rescinded and canceled and the Lessor shall refund the Lessee and all deposits and advance payments.

2.L.3 This provision shall be the Lessee's sole and only remedy to contest any and all discrepancies with the size, layout, or location of the Land, or any encroachments or other impediments thereon, or any matters which a survey, prepared pursuant to Fla. Stat. Chapter 472 and Chapter 5J-17, Fla. Admin. Code, as they may be amended or renumbered from time to time, would otherwise disclose.

ARTICLE 3- RENTALS AND FEES

3.A. Lessee shall pay to the Lessor the following Land Rent:

3.A.1. Land Rent. Lessee shall pay monthly Land Rent (1/12th of annual Land Rent) in advance and without demand, on or before the first day of each month upon commencement of the term of this Agreement pursuant to the schedule below for the first five (5) years and then adjusted thereafter as provided for in Section 3.A.2 herein. Land Rent shall be calculated as twelve percent (12.0%) per annum of the then current fair market appraised value for unimproved land within the applicable area or park of the Airport (see Section 3.A.2 below) and calculated on a per square foot rate using the gross square footage contained in the survey (described in Section 2.L.) The parties agree that the gross square footage of the Land for purposes herein is 302,306 square feet.

During the first five years of this Agreement, annual Land Rent shall be as follows:

Year 1: \$.25 per square foot.

Year 2: \$.25 per square foot.

Year 3: \$.25 per square foot.

Year 4: \$.27 per square foot.

Year 5: \$.27 per square foot.

3.A.2. Adjustment of Land Rent. Beginning in the sixth year, and every fifth year thereafter (*i.e.*, years 6, 11, 16, 21, 26, etc. including renewal and extension periods), the Land Rent shall be the current lease amount or adjusted to equal twelve percent (12%) per annum of the then current fair market appraised value (hereinafter referred to as “Current Fair Market Value”); whichever is greater. Prior to, but no earlier than eighteen (18) months prior to, the beginning of the sixth year and every fifth year thereafter (*i.e.*, years 6, 11, 16, 21, 26, etc.), the Lessor shall, at its sole expense, obtain an appraisal of the Land’s Current Fair Market Value (“Lessor’s Appraisal”). The Lessor’s Appraisal shall be prepared by a Florida-registered or Florida-licensed appraiser in accordance with the Uniform Standards of Professional Appraisal Practice (“USPAP”) and Chapter 475, Part II, Fla. Stat., and Rule Chapter 61J1, Fla. Admin. Code (“Florida Appraisal Law”) as applicable to the Land. Not less than ninety (90) calendar days and not more than one-hundred and eighty (180) calendar days before imposition of the new adjusted rent, the Lessor shall advise the Lessee in writing (the “Notice”) of the new adjusted rent amount based upon the Lessor’s Appraisal and according to the calculation specified in section 3.A.1. above. Not later than thirty (30) calendar days from the date of the Notice, the Lessee may dispute the new adjusted rent amount by notifying the Lessor in writing of such dispute; however, no later than sixty (60) calendar days from

the date of the Notice, the Lessee shall provide the Lessor, at the Lessee's sole expense, its appraisal (the "Lessee's Appraisal") of the Current Fair Market Value performed in accordance with USPAP and Florida Appraisal Law. In the event that there is a five percent (5%) or less difference in the appraised Current Fair Market Value amount between the Lessor's Appraisal and the Lessee's Appraisal, then the Lessor, in the Lessor's sole discretion, may choose either value or may choose a middle value. In the event that there is more than a five percent (5%) difference in appraised Current Fair Market Value amount between the Lessor's Appraisal and the Lessee's Appraisal, then within fifteen (15) calendar days of the date of the Lessee's Appraisal, the Lessee and Lessor shall cooperate to cause the two appraisers to communicate as necessary and agree on the name of a third appraiser who shall be a Florida-registered or Florida-licensed appraiser, and the Lessor shall order the third appraiser to complete a third appraisal ("Third Appraisal"). The Third Appraisal shall be performed in accordance with Florida Appraisal Law and USPAP. The third appraiser may review and utilize the first two appraisals to the extent permitted under USPAP. The cost of the Third Appraisal shall be split evenly between the Lessor and Lessee, and the Third Appraisal shall be prepared within thirty (30) days from the date ordered. The Current Fair Market Value amount stated in the Third Appraisal shall be binding on the parties as the new adjusted rent for that five-year period. If the Third Appraisal is not completed within thirty (30) days from the date ordered, the Lessor shall have the sole discretion to determine the new adjusted Land Rent. The provisions in this Section shall be the Lessee's sole remedy for disputing the new adjusted rent for each and every five-year period.

3.A.3. Cap on Adjustment of Land Rent. Notwithstanding Section 3.A.2, Land Rent shall not be adjusted more than five percent (5%) in any one year (or adjusted more than twenty five percent (25%) over any five-year period). Adjustments in excess of five percent (5%) in any one year shall be carried over to the subsequent year (not to exceed said cap in such year), and each year thereafter until the Current Fair Market Value is attained or a new appraisal is a required (in connection with the subsequent five-year period).

3.A.4. Late Rent; Other Fees. Land Rent shall be due monthly as set forth above and shall be due and payable on the first day of each month. A penalty of ten percent (10%) of the Land Rent per month will be applied to all rents received after 5:00 p.m. on the tenth (10th) day of the month owed. The Lessee is separately responsible for all

applicable taxes, sales taxes, late fees, special assessments, charges, other fees and penalties.

3.A.5 The acceptance by the Lessor of any payment from the Lessee in an amount less than that which is due shall in no way affect the Lessor's rights under this Agreement and shall in no way constitute an accord and satisfaction, waiver or estoppel upon the Lessor.

3.B. In addition to the Land Rent in Section 3.A, the Lessee shall pay the Lessor an Annual Fee of One Thousand Five Hundred Dollars (\$1,500.00) for the cost, operation and maintenance of the common areas of the Airport and a SASO (Specialized Aviation Service Operations) fee of One Thousand Two Hundred Dollars (\$1,200.00) (together, the "Annual Fees"). These Annual Fees shall be paid to the Lessor in equal monthly installments (1/12th of the Annual Fee) at the time the Land Rent is paid. The Lessor reserves the right to adjust this fee annually.

ARTICLE 4 - PRIVILEGES, USES, EXCLUSIONS AND SERVICES

4.A. Lessee shall enjoy the following non-exclusive rights on the Airport subject to the conditions of this Agreement and as further provided below:

4.B. It is understood and agreed that any other use or occupancy that may now or in the future be proposed for said building(s) or the Land hereunder shall conform to the type of aviation use envisioned by the Hernando County Board of County Commissioners, the conformance of which shall be determined and approved in advance in writing by the Lessor through the Airport Manager or his designee. Within thirty (30) days, the Lessor shall notify the Lessee in writing of said use through email, hand delivery, or regular U.S. mail, and the Lessee shall comply therewith.

4.C. Lessee shall not use the Land or the Improvements thereon, nor permit any assignee, sublessee, guest or invitee to use the Land or the Improvements thereon, for any purposes other than for aeronautical uses, as defined and approved by the FAA. Lessee shall not engage in activities, nor permit any assignee, sublessee, guest or invitee to engage in activities, that interfere with the use of the Airport and facilities for airport purposes.

ARTICLE 5 - TERM AND COMMENCEMENT

5.A. Effective Date. This Agreement shall become binding and effective upon approval and execution by the **Lessee and the Lessor** (“Effective date”).

5.B. Term. The lease term for this Agreement shall commence on the 1st day of November, 2025, and shall end on the anniversary date 30 years thence (the “Anniversary Date”).

5.C. Renewal Options. Lessee shall have the option, in its sole discretion and upon giving written notice to the Lessor not less than three (3) months prior to the Anniversary Date, to renew this Agreement for up to two (2) additional 10 year terms, provided the Lessee has complied with all of the terms and conditions of this Agreement, Airport rules and regulations and minimum standards and is not otherwise in default hereunder. At the time of renewal, all other terms and conditions of this Agreement shall remain the same subject to adjustment of Land Rent and adjustment of required insurance coverage as provided for in Section 16 herein. The parties further acknowledge that any subsequent renewal of this Agreement will be subject to all then current rules, regulations, and restrictions affecting the Brooksville-Tampa Bay Regional Airport.

ARTICLE 6 - OBLIGATIONS OF LESSEE

6.A. The use and occupancy of the Land and Improvements by the Lessee shall be without cost or expense to the Lessor except as provided herein.

6.B. Other than prior approved by the County, Lessee shall use the Land and the Improvements for aeronautical uses only, as those uses are defined and approved by the United States Federal Aviation Administration (“FAA”).

6.C. Lessee shall at all times employ and designate a manager to supervise and manage its operations hereunder and shall provide the County with the manager’s name and contact information within forty-eight (48) hours of designation by Lessee. Lessee shall employ a sufficient number of trained personnel on duty to provide for the efficient and proper compliance with its obligations under this Lease. Upon request of the Airport Manager, Lessee shall provide, and its employees shall wear or carry, badges or other suitable means of identification.

6.D. Lessee shall provide adequate utility services to the Land and Improvements as determined by the Lessor. It is understood and agreed that the Lessee shall be responsible for obtaining, at its sole expense, any and all utility services, such as electricity, water, sewer or gas needed by the Lessee during the period of occupancy. Lessee shall pay all charges for providing said utility service and the cost of necessary meters for measuring said utility services.

6.E. Lessee shall, at its sole expense, maintain the Land and Improvements thereto, as described herein, in a presentable condition consistent with good business practice and in good repair as of the Effective Date, normal wear and tear excepted as to the Land only, and that it will procure and keep in force during the term of this Agreement all necessary occupational licenses and permits required by law for the operation and maintenance of the Lessee's business on the Land and Improvements. Lessee shall keep the Land mowed and groomed and will not allow the accumulation of materials, parts or other materials on the Land.

6.F. Lessee shall conduct its business in a proper and first-class manner at all times. Lessee shall operate in harmony with others on the Airport and will at all times operate safely and with a concern for others and in accordance with all covenants and restrictions of public record.

6.G. Lessee shall provide or cause to be provided all necessary dumpsters or other types of storage receptacles or devices as necessary. The piling of boxes, cartons, barrels, or similar items in an unsightly manner on or about the Land shall not be permitted. Lessee, at Lessee's sole expense, shall cause to be removed from the Land all waste, garbage, and rubbish. Further, the Lessee shall not deposit said waste on any part of the Airport, except in connection with collection or removal. Lessee shall place said waste in a location and container approved by the Lessor.

6.H. Lessee shall neither create nor permit to be caused or created upon the Land, or elsewhere on the Airport, any obnoxious odor, smoke or noxious gases or vapors. The creation of exhaust fumes by the operation of internal-combustion engines or engines of other types, so long as such engines are maintained and are being operated in a proper manner, shall not be a violation of this Agreement.

6.I. Lessee shall not create, nor permit to be caused, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection

system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Land or the Airport property in general.

6.J. Lessee shall take measures to ensure security in accordance with generally accepted airport security procedures and shall employ any additional security as requested in writing by the Airport Manager. All security costs are at Lessee's expense.

6.K. Lessee shall not create, nor permit to be caused, any act or thing upon the Land:

6.K.1. Which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by this Lease; or

6.K.2. Which will invalidate or conflict with any fire insurance policies or regulations, Uniform Fire Code, N.F.P.A. Standard No. 409 (Standard on Aircraft Hangars), F.F.P.A. 410 (Standard on Aircraft Maintenance) or any subsequent amendments, for operation of aircraft, and other provisions as applicable to the Land, other contiguous premises at the Airport, or the Airport in general.

6.L. Lessee shall not keep or store flammable liquids within any covered and enclosed portion of the Land in excess of the Lessee's working requirements. Any such liquids having a flash point of less than 110 degrees Fahrenheit shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.

6.M. Lessee shall provide prompt written notice to the County of any person or entity performing aircraft maintenance work, flight instruction, air taxi, aircraft charter or aircraft leasing of any sort on the Airport for commercial purposes without a valid permit from the County.

6.N. Lessee shall not overload any paved area on the Airport and shall repair at Lessee's expense any paved area damaged by overloading.

6.O. All possible care, caution and precaution shall be used to minimize prop or jet blast interference to aircraft operations, or to buildings, structures and roadways now located on, or which in the future may be located on, areas adjacent to the Airport.

ARTICLE 7 - LEASEHOLD MORTGAGE AND SECURITY AGREEMENT

7.A. If applicable, Lessor hereby grants permission to the Lessee to execute and deliver unto the mortgagee a Leasehold Mortgage and Security Agreement (“Leasehold Mortgage”) pledging this Agreement, and the Improvements, excluding fixed Lessor property, erected upon the Land, as security for said loan, as contemplated by this Section. If the Lessee pledges this Agreement under a Leasehold Mortgage, the Lessee shall deliver, by email or overnight courier, a copy of the fully-executed Leasehold Mortgage to the Lessor within three (3) business days of the final execution of the said Leasehold Mortgage.

7.B. In the event that the Lessee shall pledge this Agreement pursuant to the terms of a Leasehold Mortgage and Security Agreement, then the Lessee, so long as said Leasehold Mortgage remains outstanding and has not been satisfied of record, will not enter into any agreement with the Lessor purporting to change, modify, amend or mutually terminate this Agreement without the mortgagee’s joinder and prior consent. Any attempted change, modification, amendment or mutual termination between the Lessee and the Lessor without the mortgagee’s joinder and prior written consent shall be void and of no force or effect. However, in no event shall the Lessee enter into any Leasehold Mortgage with a duration that extends beyond the Anniversary Date of this Agreement.

7.C. In the event that the Lessee pledges this Agreement pursuant to a Leasehold Mortgage as herein provided, then if the Lessor notifies the Lessee in writing or orally of a default or claim of default by the Lessee under this Agreement, Lessee shall send a copy of the written notice or a written explanation of any oral notice to the mortgagee at the mortgagee’s address reflected in the Leasehold Mortgage. The Lessor shall permit the mortgagee to remedy any such default or claimed default specified in the notice within the timeframe specified in the notice, commencing on the date the mortgagee receives or is deemed to have received such notice. Notwithstanding the foregoing provisions of this paragraph, said mortgagee shall have a minimum of thirty (30) days after its receipt of the notice to remedy the default. In the event that Lessee pledges the Agreement pursuant to a Leasehold Mortgage, then should said mortgagee, or a purchaser at a foreclosure sale, acquire the Lessee’s interest under this Agreement, through foreclosure or otherwise, the Lessee shall recognize said mortgagee, or such purchaser, as the Lessee or tenant under this Agreement and shall accept performance by said mortgagee or purchaser under this Agreement provided that said mortgagee or purchaser agrees to be bound by the terms and conditions of this Agreement for the rest of the unexpired term of this Agreement, or that the Lessor, mortgagee or purchaser mutually agree, in writing, to any changes to the terms

of this Agreement. In the event that the Lessee hereafter files for protection under the bankruptcy laws of the United States and rejects or otherwise terminates this Agreement, such filing for protection under bankruptcy, or rejection or termination of this Agreement shall be deemed consent by the Lessee to the Lessor and mortgagee entering into a new ground lease on the exact same terms and conditions as this Agreement, but only to the extent of the original terms of this Agreement. The Leasehold Mortgage described herein and in favor of the named mortgagee shall be the only mortgage, pledge or encumbrance permitted on the Land absent prior written consent of the Lessor, which consent the Lessor may be withheld for any reason or no reason.

7.D. The mortgagee named above shall be a bona fide federal or state chartered financial institution insured through the Federal Deposit Insurance Corporation.

7.E. The parties further understand and agree that any requests for the Lessor to subordinate in any manner or form its position or rights under this Agreement shall be in the sole discretion of the County; and the County reserves the right to refuse requests for such subordination for any reason or no reason. Notwithstanding anything in this Article, in no event shall the County, as a political subdivision of the State of Florida, give, lend, pledge, or use its taxing powers or credit to any corporation, association, partnership or person in connection with or furtherance of this Agreement.

ARTICLE 8 - MAINTENANCE OBLIGATIONS OF LESSOR

8. Lessor's maintenance obligations shall be limited to normal and ordinary maintenance of the Airport common areas.

ARTICLE 9 - MAINTENANCE OBLIGATIONS OF LESSEE

9.A. General Obligations. Lessee shall, at Lessee's expense, maintain the Land and Improvements thereon, including, without limitation: the interior walls; floors and ceilings; the exterior and interior portions of all doors windows, glass, security gates, landscaping, utility facilities, plumbing and sewage facilities within the Land and Improvements or under the floor slab, fixtures, heating, air-conditioning including exterior mechanical equipment, and interior and exterior electrical equipment serving the Land and Improvements in good appearance, repair and safe condition, consistent with good business practices, whether installed by the Lessee or the Lessor; Lessee shall be solely responsible for the costs for such maintenance, and all such

maintenance shall be without cost to the Lessor. Lessee shall repair all damages to the Land and Improvements caused by its employees, patrons or its operations thereon including damage to airport entrance/exit gates. All such maintenance, repair and replacements shall be of a quality equal to the original in materials and workmanship. All paint colors shall be submitted to and approved in writing by the Airport Manager prior to any exterior painting.

9.B. Required Scheduled Maintenance to Premises. In addition to the Lessee's maintenance obligations outlined in section 9.A., the Lessee shall, at Lessee's expense, perform the following regular maintenance tasks on the Land and Improvements according to the following schedule: (1) Building Exterior. All buildings' exteriors shall be inspected annually. Mildew, staining, dirt, cobwebs, etc., shall be cleaned as needed. (2) Landscaping. The landscaping shall be maintained in a manner consistent with good horticultural practices, and free of unsightly conditions. (3) Electrical Service and HVAC. Area shall be kept free of debris and foreign objects at all times. (4) Parking Lots and Ramps. Shall be cleaned, swept, removed of oil and debris, repaired and striped, on a routine basis. (5) Maintenance and repair as needed of all utility service lines except common utilities, if any, including but not limited to, service lines for the supply of water, gas service lines, electrical power and telephone conduits and line, sanitary sewers and storm sewers which are now or which may be subsequently located upon the Land or Improvements.

9.C. Condition of Premises at End of Term. In addition to manufacturer's recommended scheduled maintenance, the Lessee shall, at Lessee's expense, maintain the Land and Improvements so that, at the end of the term of this Agreement, the condition of the Land and Improvements shall be in a good state of repair and comply with the following conditions: (1) The HVACs system shall cool and heat properly; (2) The exterior paint shall be free of unsightly conditions; and (3) The interior of the Improvements shall be painted within one (1) year prior to the termination of this Agreement. Additionally, all other building systems, including but not limited to electrical, fire suppression system, plumbing, compressed air, landscaping, windows, pavements, equipment, lighting fixtures, furnishings, fixtures, roof, exterior walls and structural support systems shall be in good working order.

9.D. Failure to Repair and Maintain. If the Lessee fails to perform the Lessee's maintenance obligations, the Lessor shall have the right, but not the obligation, to perform such maintenance obligations, if the Lessor has first, in any situation not involving an emergency, provided written notice to the Lessee, delivered in accordance with Article 34, affording the Lessee thirty (30) days to correct the failure. If the Lessee exercises prompt, diligent and

continuous effort to correct the failure, the Lessor may, in its sole discretion, grant the Lessee an extension of time to correct the failure. All costs incurred by the Lessor in performing the Lessee's maintenance obligations, plus a fifteen percent (15%) administrative charge, shall be paid by the Lessee within thirty (30) calendar days of receipt of billing, therefor. If Lessee fails to timely pay said costs, Lessor shall deliver to Lessee a notice of delinquency demanding payment within thirty (30) calendar days from the date of the notice. Lessee's failure to pay said costs within thirty (30) calendar days of the date of the notice of delinquency shall be deemed a default and subject this Agreement to termination. The Lessor retains the right, after giving reasonable advance notice to the Lessee, to enter upon the Premises to repair any utilities thereon that serve any areas of the Airport, including without limitation the Land and Improvements. Lessor shall endeavor to use commercially reasonable efforts to minimize interference or disruption to the Lessee's business operations.

ARTICLE 10 - FUTURE IMPROVEMENTS AND ALTERATIONS BY LESSEE

10.A. Written Approval. The Lessee shall make no improvements or alterations whatsoever to the Land without the prior written approval of the Lessor, which consent shall not be unreasonably withheld, provided, however, that such improvements do not conflict with the current use and future development of the Airport and that such alterations or fixed leasehold improvements shall be commenced only after plans and specifications thereof have been submitted to, and approved in writing by, the Lessor, and the Lessee has obtained the required building permits. Within thirty (30) days after Lessor's receipt of the Lessee's plans and specifications, the Lessor shall inform the Lessee that the plans are either approved, approved subject to certain stated conditions and changes; or not approved. If the Lessor fails to notify the Lessee of Lessor's approval, conditional approval or non-approval within thirty (30) calendar days, the Lessee shall deliver written notice to the Lessor demanding a decision. The Lessor's failure to provide to Lessee a decision on the Lessee's plans and specifications within thirty (30) calendar days of receipt of Lessee's notice will constitute approval of the Lessee's plans and specifications.

10.B. Conditions. If the Lessee's request for approval to make improvements or alterations is permitted pursuant to Sections 10.A or 2.C (whether by express grant of the Lessor or by estoppel), the following conditions shall apply: (1) Lessee shall obtain all required permits and licenses necessary under, and shall comply with applicable zoning laws, building codes and other laws or regulations of all appropriate governing entities, including the Federal, State and County, applicable to the construction or installation of approved improvements or alterations.;

(2) Lessee agrees that all construction shall conform to the applicable architectural and construction requirements of the Florida Building Code, as may be amended from time to time, as well as the development standards and ordinances of Hernando County; (3) Lessee agrees to hire only licensed contractors and subcontractors and to indemnify the Lessor in the event of any loss or damage resulting from work performed on the Land and Improvements by its contractors and subcontractors; (4) Lessee shall comply with all then current building, permitting and licensing requirements; (5) Lessee shall pay all costs necessary to complete the approved alterations or improvements; and (6) Lessee shall be solely responsible for any damage (other than normal wear and tear) resulting from Lessee's removal of its personal property or signs.

10.C. Temporary Buildings and Storage Containers. Other than as set forth in Exhibit 2, or for purposes to facilitate construction, Lessee shall not place temporary buildings, cargo containers, or any other type of storage or shipping container on the Land without written permission of the Airport Manager.

ARTICLE 11 - SURRENDER OF PREMISES

11. Upon expiration or earlier termination of this Agreement, regardless of cause, Lessee's right to occupy the Land and Improvements and exercise the privileges and rights herein granted shall cease, and Lessee shall surrender the same to the Lessor. Upon such event, all permanent improvements of whatever kind or nature, including but not limited to, all buildings and all equipment installed including, but not limited to, heating and air conditioning equipment, interior and exterior light fixtures, fencing, landscaping, pavement, tie-down facilities and all other permanent improvements upon the Land ("permanent improvements"), with or without prior consent of Lessor, shall become and be deemed to be a part of the Land, and Lessee shall ensure that the Land, the Improvements, and permanent improvements are free and clear of all liens and that title to the Improvements and permanent improvements shall transfer to and become the property of Lessor, unless otherwise directed by the Lessor. Upon written demand, Lessee shall execute and deliver to the Lessor a proper document of conveyance evidencing such transfer or title. The Lessee shall delivery and convey to Lessor all keys and combinations to all locks, excepting all personal property and trade fixtures installed at the Lessee's expense. The Lessee shall repair any damage caused by the removal of the Lessee's personal property or trade fixtures. If the Lessee fails to remove any personal property or trade fixtures, said property shall, at Lessor's sole discretion, be deemed abandoned and become the property of the Lessor, or the Lessor shall have the right to remove, dispose of, or store such property at the expense of the Lessee without further notice to the Lessee, and hold the Lessee

responsible for any and all charges and expenses incurred by the Lessor therefor. All expenses incurred by the Lessor in the removal, disposal of, or storage of the Lessee's personal property or trade fixtures shall be reimbursed by the Lessee on Lessor's demand as Additional Rent. The provisions of this section shall survive the expiration or earlier termination of this Agreement. In the event a reputable, independent engineer is hired by the Lessor and such engineer determines that the structures have reached the end of their useful life, the Lessee shall remove the structures at no cost to the Lessor.

ARTICLE 12 - DEFAULT EVENTS AND REMEDIES

12.A. Default Events. The occurrence of any one or more of the following events shall constitute a default on the part of the Lessee: (1) the Lessee fails to pay any rental (including Land Rent and Additional Rent) or any other sum of money payable hereunder within ten (10) days after such rent or payment is due; (2) the Lessee's conduct of any business or performance of any acts at the Airport not specifically authorized in this Agreement or by other agreements between the Lessor and the Lessee, and the Lessee's failure to discontinue that business or those acts within thirty (30) calendar days of Lessee's receipt of the Lessor's written notice to cease said business or acts; (3) the Lessee breaches or fails to comply with any other term, provision, covenant or condition of this Agreement and such breach or failure shall continue for a period of thirty (30) calendar days or more after Lessee's receipt of Lessor's written notice to correct such breach or failure to comply; (4) the Lessee transfers, assigns, or sublets this Agreement, in whole or part, other than as provided for in Article 31 herein; (5) the Lessee mortgages, pledges or encumbers the Land or Improvements, in whole or part, or this Agreement, other than as expressly provided for in this Agreement or upon prior written consent of the Lessor; (6) the Lessee abandons, deserts or vacates the Land and Improvements; (7) the divestiture of the Lessee's estate herein by operation of law, by dissolution or by liquidation (not including a merger or sale of assets); or (8) a receiver, custodian or trustee is appointed to take possession of all or substantially all of the assets of the Lessee, or an assignment is made by Lessee for the benefit of its creditors, or any action is taken or suffered by the Lessee under any insolvency, bankruptcy or reorganization act. Any or all of the foregoing shall hereinafter be referred to as "Default Events".

12.B. Lessor's Remedies. Upon the occurrence of any of the above Default Events, the Lessor shall have the option to perform any one or more of the following, in addition to, and not in limitation of, any other remedy or right permitted by law or in equity: (1) the Lessor may at once or any time thereafter, without notice to the Lessee or any other person, re-enter and

repossess the Land and Improvements and remove all personal property therefrom, using such forces as may be needed without being deemed guilty in any manner of trespass or forcible entry or detainer; (2) the Lessor may at once or any time thereafter, without notice to the Lessee or any other person, re-enter the Land and Improvements and cure, correct or repair any condition which shall constitute a failure on the Lessee's behalf to keep, observe, perform, satisfy or abide by any term, condition, covenant, agreement or obligation of this Agreement or any alteration, amendment, change or addition thereto, and the Lessee shall fully reimburse and compensate the Lessor upon demand for any costs and expenses Lessor incurs in connection with such cure, correction or repair, which sums shall be deemed to be Additional Rent hereunder; (3) the Lessor may at once or any time thereafter either declare this Agreement to be terminated without prejudice to any and all rights which the Lessor may have against the Lessee for rents, damages or breach of this Agreement, or attempt to relet the Land and Improvements on such terms as the Lessor shall determine. In the event the Lessor relets the Land and Improvements, such reletting shall not be considered as a surrender or acceptance back of the Land or Improvements or a termination of this Agreement, and the Lessee shall pay the Lessor any deficiency between the amount received, if any, from such reletting after such amount is applied first to Lessee's expenses in connection with re-entry, taking possession and reletting, including brokerage fees and commissions, alterations and redecorating as the Lessor may deem appropriate to prepare the Land or Improvements for reletting, and the amount of Land Rent, Additional Rent and other fees payable by the Lessee hereunder. Related to any Default Event, the Lessee hereby waives the service of any notice of intention to terminate this Agreement or to re-enter the Land or Improvements and waives the service of any demand for payment of rent or repossession. The Lessee further waives any and all rights of redemption granted by or under any present or future laws in the event of the Lessee being evicted or dispossessed for any cause, or in the event of the Lessor obtaining possession of the Land or Improvements by reason of the violation by the Lessee of any of the covenants and conditions of this Agreement or otherwise.

12.C. Continuing Responsibilities of Lessee. Notwithstanding the occurrence of any of the Default Event, the Lessee shall remain liable to the Lessor for all payments payable hereunder and for all preceding breaches of any covenant of this Agreement. Furthermore, the Lessee shall remain liable for and promptly pay any and all payments accruing hereunder until the same are paid in full, regardless of when or whether this Agreement is terminated. No retaking of possession of the Land or Improvements by the Lessor (under section 12.B above) shall be construed as an election on its part to terminate this Agreement, unless the Lessor delivers a written notice of termination to the Lessee, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any payments or other moneys due to the Lessor

hereunder, or of any damages accruing to the Lessor by reason of the violations of any of the terms, provisions, and covenants herein contained. Lessor's acceptance of payments or other moneys following any Default Event hereunder shall not be construed as the Lessor's waiver of such Default Event, unless the Default Event is the delinquency in the payment of the amount accepted. No forbearance by the Lessor of action upon any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of the terms, provisions and covenants herein contained. Forbearance by the Lessor to enforce one or more of the remedies herein provided upon a Default Event shall not be deemed or construed to constitute a waiver of any remedy upon subsequent Default Events. It is agreed by the Parties that losses or damages that the Lessor may suffer by reason of termination of this Agreement, or the deficiency from any reletting as provided for above, shall include the expense of repossession or reletting, any unpaid amounts for construction of improvements, and any repairs or remodeling undertaken by the Lessor following repossession.

12.D. Habitual Default. Notwithstanding the foregoing, in the event that the Lessee has frequently, regularly, or repetitively defaulted in the performance of or breached any of the terms, covenants, and conditions required herein, and regardless of whether the Lessee has cured each individual condition of breach or default, the Lessee may be determined by the Lessor to be an "habitual violator." Upon such event, Lessor shall not be deemed in violation of this Agreement by not providing Lessee a grace period or opportunity to correct any breach or default subsequent to the determination. At the time that such determination is made, the Lessor shall issue to the Lessee a written notice advising of such determination and citing the circumstances therefor. Such notice shall also advise Lessee that there shall be no further notice or grace periods to correct any subsequent breaches or defaults and that any subsequent breaches or defaults of whatever nature, taken with all previous breaches and defaults, shall be considered cumulative, and collectively shall constitute a condition of non-curable default and grounds for immediate termination of this Agreement. In the event of any such subsequent breach or default, the Lessor may terminate this Agreement upon the giving of written notice of termination to the Lessee, such termination to be effective three (3) business days from the date of the notice.

12.E. Lessee's Remedies. Lessee may terminate this Agreement and all of its obligations hereunder, by providing thirty (30) days' written notice to Lessor, if the Lessee is not in default in the payment of any payments or other charges to the Lessee or in breach of any of the provisions of this Agreement, and only upon or after the happening of any of the following events: (1) the inability of the Lessee to use Airport for a period of longer than ninety (90) consecutive days due to war, terrorism, disaster or Act of God; (2) the issuance of any order, rule

or regulation by a competent governmental authority or court having jurisdiction over this Agreement, preventing the Lessee from operating its business for a period of ninety (90) consecutive days, provided, however that such inability or such order, rule or regulation is not due to any fault of the Lessee.

12.F. Time of the Essence. Time is of the essence of this Agreement.

ARTICLE 13 – NO LIENS

13. Lessee shall pay for all labor provided or materials furnished in the repair, replacement, development, or improvement of the Land by the Lessee, and shall keep said Land and the Lessor's possessory interest therein free and clear of any lien or encumbrance of any kind whatsoever created by the Lessee's act or omission. Lessee's personal property is not subject to this provision.

ARTICLE 14 - TAXES AND FEES

14.A. Lessee shall timely pay applicable sales, use, intangible, ad valorem taxes and non-ad valorem taxes of any kind, against the Land and the Improvements and leasehold estate created herein, or which result from the Lessee's occupancy or use of the Land and the Improvements, whether levied against the Lessee or the Lessor. In this regard, Lessor will attempt to cause the appropriate taxing authorities to send the applicable tax bills directly to the Lessee and the Lessee shall timely remit payment directly to such authorities. To the extent that such notices are sent to the Lessor, the Lessor agrees to immediately forward same to the Lessee. Additionally, Lessee shall timely pay any and all other taxes, assessments and fees (including, without limitation, Hernando County Fire Rescue assessment fees) against the Land and the Improvements and any leasehold estate created herein or any part thereof. Lessee may contest such other taxes or assessments and withhold payment of such taxes upon written notice to the Lessor of its intent to do so, so long as the nonpayment of such taxes does not result in a lien against the Land or the Improvements thereon or a direct liability on the part of the Lessor. The Lessee's failure to timely pay its taxes, assessments, and fees hereunder shall be deemed a material breach of this Agreement.

ARTICLE 15 - INDEMNIFICATION

15.A. Lessee agrees to protect, defend, reimburse, indemnify and hold harmless the Lessor, its agents, employees and officers and each of them forever, at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including reasonable attorney fees) and causes of action of every kind and character (except to the extent caused by the Lessor's gross negligence or intentional misconduct) by reason of any damage to property, or the environment (including, without limitation, any contamination of Airport property, such as the soil or storm water, or by fuel, gas, chemicals or any Hazardous Substances as defined in Section 18.A, or as may be redefined by the appropriate regulatory agencies in the future), or bodily injury (including death) incurred or sustained by any party hereto, any agent or employee of any party hereto, or any other person whomsoever, or any governmental agency, arising out of or incident to or in connection with the Lessee's performance under this Agreement, the Lessee's use or occupancy of the Land and Improvements, the Lessee's acts, omissions or operations hereunder or the performance, non-performance or purported performance of this Agreement or any breach of the terms of this Agreement. Lessee recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by the Lessor in support of this indemnification and hold harmless clause in accordance with laws of the State of Florida. This clause shall survive the termination of this Agreement. Compliance with the insurance requirements herein shall not relieve the Lessee of its liability or obligation to indemnify the Lessor as set forth in this Article.

15.B. Notwithstanding anything to the contrary in the foregoing or within this Agreement, the Lessor shall not relinquish or waive any of its rights as a sovereign local government and the Lessor reserves all rights and defenses under applicable sovereign immunity law as set forth in Fla. Stat. § 768.28 et. seq.

ARTICLE 16 - INSURANCE

16.A. General Insurance Terms and Conditions. In the event the Lessee defaults on any of the following insurance requirements, the Lessor reserves the right to take whatever actions deemed necessary to protect its interests. All insurance herein shall have an A. M. Best's Rating of "A" or better.

16.B. Minimum Coverage Requirements. Lessee shall maintain the following minimum limits and coverages uninterrupted or amended through the life of this Agreement as set forth below:

16.B.1. Workers' Compensation/Employer's Liability. The minimum limits of insurance (inclusive of any amount provided by an umbrella or excess policy) shall be no less than the "Statutory" requirement for Part One.

16.B.2. Liability. Lessee shall, and its own expense, obtain and maintain as required herein the minimum limits of insurance shown in sections 16.B.2. through 16.B.5.. Coverage shall be provided for liability resulting out of, or in connection with, ongoing operations performed with, ongoing operations performed by, or on behalf of, the Lessee under this Agreement or the use or occupancy of the Land or Improvements by, or on behalf of, the Lessee in connection with this Agreement. Hernando County Board of County Commissioners shall be listed as an additional insured on all policies under this provision.

INITIAL COVERAGE REQUIRED UPON EXECUTION

	Contract Specific
Land and Improvements/Operations Liability (Combined	
Single Limit per Occurrence/Aggregate)	\$2,000,000
Contractual Liability (Combined Single Limit Per	
Occurrence/Aggregate Limit)	\$2,000,000
Personal and Advertising Liability (Combined Single	
Limit per Occurrence/Aggregate Limit)	\$2,000,000

UPON ISSUANCE OF THE CERTIFICATE OF OCCUPANY OF
PHASE 1 AND TO BE CARRIED CONTINUOUSLY THEREAFTER:

Products/Completed Operations Liability (Combined	
Single Limit Each Occurrence and Annual	
Aggregate Limit)	\$2,000,000
Hangar Keepers Legal Liability (Each Aircraft/Each	
Occurrence)	\$2,000,000

Fire Damage (Any one Occurrence)	\$ 500,000
Premises Medical Payments	
Each Person	\$ 5,000
Each Occurrence	\$ 50,000
Broad Form Builder's Risk	\$1,000,000
(only through the issuance of the Certificate of Occupancy on each Phase of construction).	

16.B.3. Auto Liability. From the execution of this Agreement, Coverage shall be provided for all tagged vehicles. The minimum limits of insurance (inclusive of any amounts provided by an umbrella or excess policy) covering the work performed pursuant to this Agreement shall be:

Legal Liability (Combined Single Limit)	\$2,000,000
Non-Owned Auto Liability (Combined Single Limit)	\$2,000,000
Hired Auto Liability (Combined Single Limit)	\$2,000,000

16.B.4. Environmental Impairment Liability. This coverage shall insure the Lessee for liability resulting from pollution or other environmental impairment arising out of, or in connection with, work performed under this Agreement, or which arises out of, or in connection with, the use or occupancy of the Land and Improvements in connection with this Agreement. If this is a claims-made policy, the insurance must cover, at a minimum, claim events during the term of this Agreement (including all renewals thereof) for which claims are made no later than three (3) years after the termination of this Agreement. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

UPON COMMENCEMENT OF CONSTRUCTION:

Third Party & First Party (Clean Up)

Each Claim	\$1,000,000
In the Aggregate	\$2,000,000

16.B.5. Upon the issuance of the initial Certificate of Occupancy on Phase 1, Lessee shall add Aviation Third-Party Liability Insurance to its line of coverages. This insurance shall cover the Lessee for liability, including liability to passengers or resulting from the ownership, operation, maintenance or use of any aircraft in connection with any part of the Land or Improvements. The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence – Combined Single Limit	\$2,000,000
In the Aggregate	\$2,000,000.

16.B.6. Business Interruption Insurance. Lessee, at its option and sole expense, may obtain business interruption or rental insurance to cover its loss for any period that the Land may be wholly or partially untenable or otherwise unusable hereunder; however, in no event shall the Lessor be responsible to pay, credit, or set off such sums or any Land Rent hereunder in the event the Land becomes untenable or otherwise unusable for any reason whatsoever.

16.C. Evidence of Insurance. The Lessee shall deliver to the Lessor all certificates or binders, together with the required endorsements, evidencing the existence of the insurance coverages required above upon execution of this Agreement and shall provide, upon Lessor's request, evidence of continuing coverage throughout the term of this Agreement. The insurance binder shall provide that the insurance carrier shall notify the Lessor twenty (20) calendar days prior to the date of expiration of coverage thereunder. The Lessee shall notify the Lessor in writing a minimum of twenty (20) days in advance in the event of future insurance policy cancellation.

16.D. Periodic Review of Coverage Limits. Beginning in year six (6), and every five years thereafter, the Lessor, in its sole discretion, may review and adjust the required coverage limits set forth in section 16.B; however, in no event may the Lessor require coverage exceeding one hundred twenty-five percent (125%) of the required coverage in the preceding five-year period.

16.E. Additional Insured. Lessee agrees to endorse Lessor as an Additional Insured with a CG2026 Additional Insured – Designated Person or Organization endorsement, or similar endorsement, to the Commercial General Liability (section 16.B.2) and Business Automobile

Liability (section 16.B.3). The Additional Insured shall read "Hernando County and Brooksville-Tampa Bay Regional Airport."

16.F. Right to Revise or Reject. Lessor reserves the right, but not the obligation, to review and revise any insurance requirement, not limited to limits, coverages and endorsements based on insurance market conditions affecting the availability or affordability of coverage; or changes in the scope of work/specifications affecting the applicability of coverage. Additionally, the Lessor reserves the right, but not the obligation, to review and reject any insurance policies failing to meet the criteria stated herein or any insurer providing coverage due of its poor financial condition or failure to operate legally.

ARTICLE 17 - DAMAGE OR DESTRUCTION OF LAND

17.A. If the Land shall be damaged to the extent of less than twenty-five percent (25%) of the cost of replacement value, by fire or other casualty during the term of this Agreement, except for the last six (6) months of this Agreement, then the Lessor shall cause such damage to be repaired or restored without unreasonable delay. If the damage to the Land occurs during the last six (6) months of this Agreement, then the Lessor shall have the option to: (a) terminate this Agreement by giving written notice of termination to the Lessee within (60) days after the date of the casualty; or (b) cause such damage to be repaired or restored without reasonable delay.

17.B. If the Land shall be damaged to the extent of more than twenty-five percent (25%) of the cost of replacement, by fire or other casualty, then the Lessee may compel repair of such damage and restoration of improvements without reasonable delay. The Lessee shall give the Lessor immediate written notice of any fire or other casualty on the Land or Improvements.

17.C. The Lessee, at the Lessee's sole expense, may obtain rental insurance to cover its loss for any period that the Land may be wholly or partially untenable or otherwise unusable hereunder.

ARTICLE 18 - ENVIRONMENTAL REGULATIONS AND GENERAL CONDITIONS

18.A. Hazardous Substances. The term "Hazardous Substance" means any substance:

18.A.1. The presence of which requires or may later require notification, investigation, or remediation under any environmental law; or,

18.A.2. That is or becomes defined as a “hazardous waste”, “hazardous material”, “hazardous substance”, “pollutant” or “contaminant” under any environmental law, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*) and the Code of Federal Regulations thereunder, as said regulations may be amended or renumbered; and including Chapters 376 and 403, Fla. Stat., and the Florida Administrative Rules, as said regulations may be amended or renumbered; or,

18.A.3. That is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency, or instrumentality of the United States and/or the State of Florida; or

18.A.4. The presence of which on the Land or Improvements causes or threatens to cause a nuisance on the Land or Improvements or to adjacent properties or poses or threatens to pose a hazard to the Land or Improvements or to the health or safety of persons on or about the Land or Improvements; or

18.A.5. That contains gasoline, diesel fuel or other petroleum hydrocarbons or volatile organic compounds; or,

18.A.6. That contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or,

18.A.7. That contains or emits radioactive particles, waves, or materials, including, without limitation, radon gas.

18.B. General Conditions: Environmental. Notwithstanding any other provisions of this Agreement, and in addition to any and all other requirements of this Agreement or any other covenants, representations or warranties of the Lessee, the Lessee hereby expressly covenants, warrants and represents to the Lessor, in connection with the Lessee’s operations on the Improvements, the following:

18.B.1.Lessee is knowledgeable of all applicable federal, state, and local environmental laws, ordinances, rules, regulations, and orders, that apply to the Lessee's operations at the Airport and acknowledges that such environmental laws, ordinances, rules, regulations, and orders change from time-to-time, and the Lessee shall keep informed of any such future changes.

18.B.2.Lessee shall comply with all applicable federal, state, and local environmental laws, ordinances, rules, regulations, orders that apply to the Lessee's operations. Lessee shall hold harmless and indemnify the Lessor for any violation by the Lessee of such applicable federal, state and local environmental laws, ordinances, rules, regulations and orders and for any non-compliance by the Lessee with any permits issued to the Lessee pursuant to such environmental laws, which hold harmless and indemnify shall include but not be limited to, enforcement actions to assess, abate, remediate, undertake corrective measures and monitor environmental conditions and for any monetary penalties, costs, expenses or damages, including natural resource damages, imposed against the Lessee, its employees, invitees, suppliers or service providers or the Lessor by reason of the Lessee's violation or non-compliance.

18.B.3.Lessee shall cooperate with any investigation, audit or inquiry by the **Lessor** or any governmental agency, regarding possible violation of any environmental law or regulation upon the Airport premises.

18.B.4. All remedies of the Lessor as provided herein with regard to violation of any federal, State or local environmental laws, ordinances, rules, regulations or orders shall be deemed cumulative in nature and shall survive termination of this Agreement.

18.B.5. Lessee shall provide to Lessor, within twenty-four (24) hours of receipt, a copy of any notice of violation, notice of non-compliance, or other enforcement action of the nature described in Section 18.B.2. Any violation or notice of violation or non-compliance with federal, state, or local environmental law or ordinance that the Lessee fails to rectify within the earlier of thirty (30) calendar days or such applicable provision herein shall be deemed a default under this Agreement. Any such default that is not cured shall be grounds for termination of this Agreement.

18.B.6. In entering this Agreement, the Lessor expressly relies on the covenants, representations and warranties of the Lessee as stated herein.

18.C. General Conditions: Stormwater and Hazardous Waste.

18.C.1. Notwithstanding any other provisions or terms of this Agreement, the **Lessee** acknowledges that certain properties within the Airport, or on the Land, are subject to stormwater rules and regulations. Lessee shall observe and abide by such stormwater rules and regulations applicable to the Land.

18.C.2. Lessee acknowledges that any stormwater discharge permit issued to the Lessor may name the Lessee as a co-permittee or the Lessee may be required to submit a separate Notice of Intent for the Land before the expiration date of the existing EPA NDPES Stormwater Multi-Sector General Permit (MSGP). The Lessee and the Lessor both acknowledge that close cooperation is necessary to ensure compliance with any stormwater discharge permit terms and conditions, as well as to ensure safety and to minimize cost of compliance. The Lessee shall undertake actions to minimize the exposure of stormwater to “significant materials” (as such term may be defined by applicable stormwater rules and regulations) generated, stored, handled or otherwise used by the Lessee by implementing and maintaining “best management practice” (as such term may be defined in applicable stormwater rules and regulations).

18.C.3. Lessor will provide the Lessee with written notice of any stormwater discharge permit requirements applicable to the Lessee and with which the Lessee will be obligated to comply including the submittal of Notice of Intent to the appropriate agency along with a copy to the Lessor. Lessee acknowledges it may also be required to comply with the following requirements including but not limited to certification of non-stormwater discharges: collection of stormwater samples; preparation of stormwater pollution prevention or similar plans; implementation of best management practices; and maintenance and submittal of necessary records. Lessee shall comply with such requirements, and shall observe applicable deadlines set by the regulatory agency that has jurisdiction over the permit. Lessee shall undertake, as its sole expense, those stormwater permit requirements for which it has received written notice from the regulatory agency and that apply to the Land or Improvements, and the Lessee shall hold harmless and indemnify the **Lessor** for any violations or non-compliance with any such permit requirements.

18.D. General Conditions: Solid and Hazardous Waste.

18.D.1. If the Lessee is deemed to be a generator of hazardous waste, as defined by federal, state or local law, the Lessee shall obtain a generator identification number from the U.S. Environmental Protection Agency (“EPA”) and the appropriate generator permit and shall comply with all federal, state and local laws, and any rules and regulations promulgated thereunder, including but not limited to, ensuring that the transportation, storage, handling and disposal of such hazardous wastes are conducted in full compliance with applicable law.

18.D.2. Lessee shall provide the Lessor, within ten (10) business days after the Lessor’s request, copies of all hazardous waste permit application documentation, permits, monitoring reports, transportation responses, storage and disposal plans, and material safety data sheets prepared or issued in connection with the Lessee’s use of the Land or Improvements.

18.E. Installation of Underground Tanks. Lessee shall not install underground storage tanks of any kind.

18.F. Environmental Inspection at End of Agreement Term.

18.F.1. At least thirty (30) calendar days, but no more than ninety (90) calendar days, before the expiration of the Term of this Agreement, including renewals or extensions thereto (as provided in Article 5 herein), the Lessee shall conduct an environmental inspection, examination, and audit to be performed within the aforementioned time period. The cost for professional consulting and engineering services required for such audit shall be at the sole cost of the Lessee. Lessee shall pay all associated laboratory and testing fees incurred to test and analyze samples collected during the audit process. If the existence of Hazardous Substances or hazardous waste are detected, the Lessee shall immediately take such action necessary to clean up the contamination at its own expense, and in accordance with applicable federal, state, and local law and the foregoing provisions of this Article 18.

18.F.2. If the Lessor is unable to lease the Land during the period of a cleanup referred to in this Article due to the environmental condition of the Improvements, in addition to any other damages for which the Lessee may be liable, the Lessee shall be responsible for payment of lost Land Rent or lost use to the Lessor during such period.

18.F.3. The firm conducting cleanup work must be approved by the Lessor, and the methodology used by such firm shall be consistent with then current engineering practices and methods required by the State of Florida or the United States government and be reasonably acceptable to the Lessor.

18.G. Lessor Contamination. Nothing in this Article 18 shall be construed to make the Lessee liable to the Lessor in any way for any contamination or release of Hazardous Substances that occurs as a result of the actions of the Lessor or any of its employees, agents or contractors.

18.H. Site Contamination. Nothing in this Article 18 shall be construed to make the Lessee liable to the Lessor in any way for any contamination or release of Hazardous Substances affecting the Land that occurs by reason of the migration or flow to the Land from verifiable or documented offsite contamination that is not attributable in any way whatsoever to the Lessee's activities at or upon the Land or under this Agreement.

ARTICLE 19 - COMPLIANCE WITH LAWS, REGULATIONS, ORDINANCES, RULES

19.A. Lessee and its subcontractors shall at all times comply with all applicable federal, state and local laws and regulations, Airport rules and regulations, minimum standards, operating directives, and state and federal grant assurances as are now or may hereinafter be prescribed by the Lessor and all applicable health rules and regulations and other mandates whether existing or as promulgated from time to time by the federal, state or local government, or the Lessor including, but not limited to, permitted and restricted activities, security matters, parking, ingress and egress, environmental and storm water regulations and any other operational matters related to the operation of the Airport. If the Lessee, its officers, employees, agents, subcontractors, or those under its control fail or refuse to comply with said measures, and such non-compliance results in a monetary penalty being assessed against the Lessor, then, in addition to any other remedies available to the Lessor, the Lessee shall be responsible and shall reimburse the Lessor in the full amount of any such monetary penalty or other damages. This amount must be paid by the Lessee within ten (10) business days of receipt of Lessor's written notice.

19.B. Further, where the Lessee is a corporation, limited liability company, limited partnership, professional association or any other business entity, whether domestic or foreign, which is required to be registered with the Florida Secretary of State, then the Lessee shall be so registered and in good standing at the time of execution of this Agreement and the Lessee shall

remain current and in good standing with the Florida Secretary of State at all times during this Agreement (including renewals or extensions thereto).

ARTICLE 20 - GOVERNMENTAL INCLUSIONS

20.A. This Agreement is subordinate to the provisions of the deed and other instruments from the United States of America conveying title to the Airport or otherwise imposing restrictions of record concerning use and operation of the Airport. This Agreement is further governed by all rules, regulations, and orders of the Federal Aviation Administration (FAA) including, but not limited to, Compliance Order 5190.6B, as amended from time to time, related to the operation of surplus airport property which includes the Airport herein. This Agreement expressly incorporates by this reference all of the above-referenced documents, as they may be amended from time to time.

20.B. This Agreement expressly incorporates by reference the terms of the Hernando County Property Management Ordinance, Hernando County Code § 2-136, *et seq.*, Hernando County Code, Chapter 3, and the “Airport Minimum Operating Standards”, as they may be amended from time to time.

ARTICLE 21 – INGRESS AND EGRESS

21. The County may, at any time, temporarily or permanently, close or consent to or request the closing of, any gate, roadway, or taxiway at the Airport and any other way at, in, or near the Land presently or hereafter used as such, so long as a reasonable means of ingress and egress remains available to Lessee. Lessee hereby releases and discharges the County, its officers, employees and agents, and all other governmental authorities from all claims, demands, or causes of action which Lessee may at any time have against any of the foregoing, arising out of the closing of any roadway or other area, provided that a reasonable means of access to the Land remains available to Lessee. Lessee 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 Land or to any roadways near the Land.

ARTICLE 22 – EXCLUSIVE RIGHTS

22. Notwithstanding any other provision of this Agreement, it is understood and agreed that the rights granted under this Agreement are non-exclusive and the Lessor herein

reserves the right to grant similar privileges, licenses or use to another operator(s), tenant(s) and/or licensee(s) on other portions of Airport property. Nor shall this Agreement be construed to grant or authorize the granting of an exclusive right within the meaning of 49 U.S.C. § 40103(e) or 49 U.S.C. § 47107(a), as said regulations may be amended or renumbered.

ARTICLE 23 - RIGHT TO DEVELOP AIRPORT

23. Lessor, in its sole discretion, reserves the right to further develop or improve the Airport. Lessee understands that periodically runways, taxiways, and ramps may be closed for repairs, maintenance, rehabilitation, or reconstruction. Lessee and subtenant(s) shall not receive compensation or rent abatement for any airport surface closure for any reason.

ARTICLE 24 – FAA REQUIRED PROVISIONS

24.A. Lessee for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that, in the event facilities are constructed, maintained or otherwise operated on the Land for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, to maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations (“CFR”), DOT, 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 any amendments thereto.

24.B. Lessee for itself, its heirs, personal representatives, successors in interest and assigns, as 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 Land or Improvements; (2) in the construction of any improvements on, over or under the Land 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 be subject to discrimination; and (3) Lessee shall use the Land in compliance with all other requirements imposed by or pursuant to Title 49, CFR, DOT, 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 any amendments thereto.

24.C. In the event of breach of any of the above nondiscrimination covenants, the County may terminate this Lease and reenter and repossess the Land and hold the Land as if this Lease had never been made or issued as well as the Improvements thereon. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

24.D. Lessee shall furnish its accommodations and services on a fair, equal, and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or device; provided, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

24.E. Noncompliance with section 24.D above constitutes a material breach of this Agreement and in the event of noncompliance, the County may terminate this Agreement without liability, or, at the election of the County or the United States, either may judicially enforce section 24.D.

24.F. Lessee shall insert the above five (5) provisions, and any others required that may be required by the FAA or other governmental entity, in any sublease or other document by which Lessee grants a right or privilege to any person, firm or corporation to render accommodations or services to the public on the Land.

24.G. Lessee shall 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 will be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee agrees 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 section. Lessee shall require its covered suborganizations to provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effect.

24.H. The County reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

24.I. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the County and the United States related to the development, operation, or maintenance of the Airport. Lessee shall do nothing in its performance of its obligations under the Lease that would cause any noncompliance with such obligations of the sponsor. To the extent any provisions of the Agreement are in noncompliance with such obligations, the Parties shall take any necessary corrective action in order to bring the Agreement into compliance with such obligations.

24.J. Lessor reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from or operating on the airport.

24.K. Lessee shall comply with the notification and review requirements covered in Federal Aviation Regulations (“FAR”) Part 77 in the event future construction of a building is planned for the Land, or in the event of any planned modification or alteration of any present or future building or structure situated on the Land.

24.L. Lessee shall not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Land that exceeds the mean sea level elevations contained in FAR Part 77 or amendments thereto or interferes with the runway or taxiway “line of sight” of the control tower. If these covenants are breached, the County reserves the right to enter upon the Land and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Lessee.

24.M. Lessee shall not make use of the Land in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. If this covenant is breached, the County reserves the right to enter upon the Land and cause the abatement of such interference at the expense of Lessee.

24.N. The Lessee, its successors, and assigns, shall prevent any use of the Land that would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute an airport hazard.

24.O. This Agreement may be subject to approval of the FAA. If the FAA disapproves the Agreement, either party may immediately terminate the Agreement by providing written notice.

ARTICLE 25 - AIRPORT SECURITY PLAN

25. County reserves the right to implement an Airport Security Plan in a form acceptable to the FAA limiting access of persons, vehicles, and aircraft in and around the airside and landside of the Airport and to modify that Security Plan from time to time as it deems necessary to accomplish its purposes. Lessee shall at all times comply with the Security Plan and current or future compliance with aviation-specific, federally mandated security requirements by the TSA or Department of Homeland Security. Security requirements may change as the Homeland Security Threat Advisory Levels change, and, if required, the Lessee shall adjust operations to reflect the current security requirements.

ARTICLE 26 - RIGHT OF ENTRY RESERVED/RIGHT TO INSPECT

26.A. Lessor shall have the right to enter the Land and Improvements for the purpose of periodic inspection of the same from the standpoint of safety and health and monitoring the Lessee's compliance with the terms of this Agreement.

26.B. Without limiting the generality of the foregoing, the County and any furnisher of utilities and other services shall have the right, at its own cost, whether for its own benefit or for the benefit of others at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Land at all reasonable times to make such repairs, replacements or alterations thereto which may, in the opinion of the County, be deemed necessary or advisable and from time to time to construct or install over, in or under the Land such systems or parts thereof and, in connection with such maintenance, use the Land for access to other parts of the Airport otherwise not conveniently accessible; provided that in the exercise of such right of access, repair, alteration or new construction, the County shall not unreasonably interfere with the actual use and occupancy of the Land by Lessee.

26.C. If any personal property of Lessee shall obstruct the access of the County or any utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance, or repair of any such system, Lessee shall move such property, as directed by the County or utility company, in order

that access may be had to the system for inspection, maintenance or repair. If Lessee fails to move such property after direction from the County or utility company to do so, the County or the utility company may move it, and Lessee shall pay the cost of such moving upon demand, and Lessee hereby waives any claim for damages as a result thereof, except for claims for damages arising from the County's sole negligence.

26.D. Exercise of any or all of the foregoing rights by the County or others pursuant to the County's rights shall not constitute an eviction of Lessee, nor be made the grounds for any abatement of rent or any claim for damages.

ARTICLE 27 - PROPERTY RIGHTS RESERVED

27. This Agreement and all provisions hereof are subject and subordinate to the terms and conditions of the instruments and documents under which the Airport Owner acquired the subject property from the United States of America and shall be given only such effect as will not conflict or be inconsistent with the terms and conditions contained in the lease of said lands from the Airport Owner, and any existing or subsequent amendments thereto, and are subject to any ordinances, rules or regulations which have been, or may hereafter be adopted by the Airport Owner pertaining to the Brooksville-Tampa Bay Regional Airport.

ARTICLE 28 - SUBORDINATION OF TRUST AGREEMENT

28. This Agreement and all rights of the Lessee hereunder are expressly subordinated and subject to the lien and provisions of any pledge, transfer, hypothecation, or assignment made (at any time) by the Lessee to secure financing. Conflicts between this Agreement and the documents mentioned above shall be resolved in favor of such documents.

ARTICLE 29 – SIGNS

29.A. Lessee may, at the Lessee's sole expense, erect such exterior signs concerning the Lessee's business, that conform and comply with all requirements of appropriate governmental authorities including, but not limited to, existing sign ordinances and regulations of Hernando County. The Lessee agrees to obtain all necessary permits or licenses with respect to said signs, to maintain said signs in a good state of repair, to save the Lessor harmless from any loss, cost or damage as a result of the erection, maintenance, existence or removal of said signs and to repair any damage which may have been caused by the erection, existence, maintenance or removal of

said signs, and providing further that the plan and location for said signs be submitted to and approved by the Lessor in writing prior to the erection or alteration thereof. At the end of the term of this Agreement, the Lessee agrees to remove, at the Lessee's sole expense, any exterior signs erected during the term of this Agreement and to repair, at the Lessee's sole expense, any damage caused thereby.

29.B. Upon the expiration or termination of the Lease, Lessee shall remove, obliterate or paint out, as Lessor may direct, at its sole discretion, any and all signs and advertising on the Land and, in connection therewith, shall restore the portion of the Land affected by such signs or advertising to the same conditions as existed prior to the placement of such signs or advertising. In the event of failure on the part of Lessee to remove, obliterate or paint out each and every sign or advertising and to so restore the Land, Lessor may perform the necessary work and Lessee shall pay these costs to Lessor.

ARTICLE 30 - ENJOYMENT

30. Lessor represents and warrants that the Lessee shall peaceably have, hold, and enjoy the Land during the term of this Agreement (including renewals and extensions thereto) without hindrance or molestation from the Lessor subject, however, to all the terms and provisions hereof and covenants, easements and other encumbrances affecting the Land.

ARTICLE 31 - ASSIGNMENT AND SUBLETTING

31.A. Lessee may not voluntarily assign this Agreement or sublease the Land or Improvements, in whole or in part, without the prior written consent of the Lessor, which consent will not be unreasonably withheld, conditioned or delayed; however, in the event of any voluntary assignment (excluding bankruptcy, forfeiture, and foreclosure) or sub-lessee, the Lessee agrees that it shall remain jointly and severally liable, together with any assignee or sub-lessee, for the performance of all terms and conditions in this Agreement unless otherwise released by the Lessor in writing. The Lessee may, without prior consent, sub-lease space for aircraft storage without prior approval. Any sub-lease for the purpose of allowing an independent business to be operated from the Land or Improvements must be pre-approved in writing by the Lessor. In determining whether to grant or deny its consent to any assignment or sublease, the Lessor may review and consider the financial capacity, insurance and business experience of the proposed assignee or sub-lessee.

31.B. When requesting the County's approval of a sublease, Lessee shall submit a copy of the actual sublease documents it plans to submit for execution by the sublessee, including a specific description of the activities to be conducted by the sublessee at the Airport. The County shall notify Lessee of approval or rejection of the proposed sublease within thirty (30) days of Lessee's submission of the request. If the County requires additional review time, the County shall notify Lessee prior to expiration of the initial 30-day period, and the County shall have an additional thirty (30) days to review the proposed sublease. Thereafter, the review period shall only be extended for good cause or by mutual agreement of the Parties. All subleases, amendments, and other lease documents shall be subject to pre-approval as to form by the County as evidenced by signature of the County's designated representative on the original of such document. Any such sublease shall only be for a portion of the Land or Improvements reasonably necessary for the authorized activity of the sublessee, shall be subject to the terms of this Agreement, and shall contain, at a minimum, the provisions required by this Agreement.

31.C. If Lessee sells or transfers any of its interest in the leased Land, Lessee shall pay the County an administrative fee of \$500.00.

31.D. Lessee may mortgage, encumber, or assign any portion of its right, title and interest in the leasehold estate created by this Agreement to lenders for purposes of financing the initial construction of the Improvements required by this Agreement. Any such mortgage, encumbrance or assignment shall be subject to all of Lessee's obligations under this Agreement. No person or entity shall have the right to place any mortgages, deeds of trusts, liens, or encumbrances of any nature on the Land or Improvements, nor shall any permitted assignment result in a subordination, in whole or in part, of the County's rights under this Agreement. If a lender takes the leasehold estate, the administrative fee set forth in section 31.C. above shall not apply.

ARTICLE 32 - WAIVER OF CLAIM

32 Lessee hereby waives any claim against the Lessor, and its officers, board members, agents, or employees for loss of anticipated profits caused by any suit or proceedings directly or indirectly attacking the validity of this Agreement or any part hereof, or by any judgment or award in any suit or proceeding declaring this Agreement null, void, or voidable, or delaying the same, or any part hereof, from being carried out.

ARTICLE 33 - APPLICABLE LAW; VENUE; ATTORNEY'S FEES; JURY TRIAL WAIVER

33. This Agreement shall be governed by the laws of Florida and shall be deemed to have been prepared jointly by the Lessor and the Lessee, and any uncertainty or ambiguity existing herein, if any, shall not be interpreted against either party, but shall be interpreted according to the application of the rules of interpretation for arm's-length agreements. Each party hereto shall bear their own attorneys' fees and costs in the event of any dispute, claim, action, or appeal arising out of or related to this Agreement. Any dispute to this Agreement shall be litigated in civil court in Hernando County, Florida. The parties waive their right to a jury trial on any litigation arising out of this Agreement.

ARTICLE 34 - NOTICES AND COMMUNICATIONS

34. All notices or communications whether to the Lessor or to the Lessee will be considered valid upon receipt by the party addressed to, and shall be addressed as follows:

TO LESSOR:

Brooksville – Tampa Bay Regional Airport
c/o Airport Manager
15800 Flight Path Drive
Brooksville, FL 34604

With a copy to: County Attorney's Office
20 Main Street, Suite 462
Brooksville, FL 34601

TO LESSEE:

Jeff Smith
2103 American Flyer Way
Brooksville, Florida 34604

If the Notice is sent through the U.S. Mail or private delivery company (e.g. FedEx, UPS), a verifiable tracking documentation such as certified receipt or overnight mail tracking receipt shall be used. The date of receipt of any such Notice herein shall be three business days from the

date it is sent (not inclusive of the date it is sent), or the date certified as received by the tracking receipt, whichever is earlier.

ARTICLE 35 - AGENT FOR SERVICE OF PROCESS

35. Lessee agrees that service of process may be made against its Florida registered agent, any of its officers or directors, its on-site manager, or its designated representation in Article 1 hereunder. Lessee hereby agrees to the process so served, submits to the jurisdiction of Hernando County courts and waives any and all obligation and protest thereto, any laws to the contrary notwithstanding.

ARTICLE 36 - COMPLETE AGREEMENT; AMENDMENTS; SUPERSEDES.

36. This Agreement represents the complete understanding between the Parties, and any prior agreements or representations, whether written or verbal, are hereby superseded. This Agreement may subsequently be amended only by written instrument signed by the Parties hereto. Any and all amendments or modifications to this Agreement shall be in conformity with the provisions herein and shall comport with all laws, regulations, rules and orders regarding the leasing of surplus airport property and including, without limitation, the provisions referenced in Article 19 herein.

ARTICLE 37 - SEVERABILITY

37. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be declared invalid or deemed unenforceable by a court of competent jurisdiction or superseding law, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law notwithstanding the invalidity of any other term or provision hereof.

ARTICLE 38 - BINDING EFFECT

38. This Agreement and the covenants and conditions contained herein shall be binding upon and inure to the benefit of the Lessor and its successors and assigns and shall be binding upon the Lessee and its successors and assigns.

ARTICLE 39 - RECORDING OF LEASE AGREEMENT

39. Lessor shall record this Agreement in the public records of Hernando County. The Lessee shall pay all recording costs.

ARTICLE 40 - BROKERS

40. Lessor shall not be liable for any brokerage fees or commissions except pursuant to a brokerage fee agreement duly signed by the Lessor, or the Airport Manager as designee, prior to the Effective Date of this Agreement and which agreement shall name or refer to the Lessee herein, shall state the brokerage fee or commission and time of payment of such fee or commission, and shall name the broker(s) entitled to such fee or commission (the "Brokerage Agreement"). The Brokerage Agreement shall be attached as an Exhibit hereto. Other than the broker(s) named in the Brokerage Agreement, the parties represent that there are no other brokers involved regarding the negotiation or consummation of this Agreement or of the leased fee herein.

ARTICLE 41 – FORCE MAJEURE

41. Neither the Lessor nor Lessee shall be deemed in violation of the Agreement if it is prevented from performing any of its obligations hereunder by reasons of Acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, or any other circumstances for which are not in its control. In the event of circumstances as outlined above the Lessor and Lessee shall mutually agree upon an equitable adjustment of the rates, fee, and changes payable to the Lessor, determined by the precise nature of the events causing the non-performance of the Lessee's obligation hereunder.

ARTICLE 42 – MISCELLANEOUS

42.A. Wherever used, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

42.B. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by their duly authorized officers or representatives.

ATTEST:

Flightpath Aviation Services, Inc. (LESSEE)



By: _____

Jeffrey Smith, Manager

_____ Date

BOARD OF COUNTY COMMISSIONERS
HERNANDO COUNTY, FLORIDA (LESSOR)

ATTEST:

Doug Chorvat, Jr.
CLERK OF CIRCUIT COURT

By: _____

Brian Hawkins, Chairman

_____ Date

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:



County Attorney's Office

STATE OF FLORIDA
COUNTY OF HERNANDO

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 8 day of April, 2025, by Jeffrey Smith, as Manager of Flightpath Aviation Services, Inc., who ☐ is personally known to me OR ☒ has produced Driver's License, as identification.



Notary Public (Signature of Notary)

Name legibly printed, typewritten or
stamped



STATE OF FLORIDA
COUNTY OF HERNANDO

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2025, by Brian Hawkins, as Chairman of the Hernando County Board of County Commissioners, who ☐ is personally known to me OR ☐ has produced _____, as identification.

Notary Public (Signature of Notary)

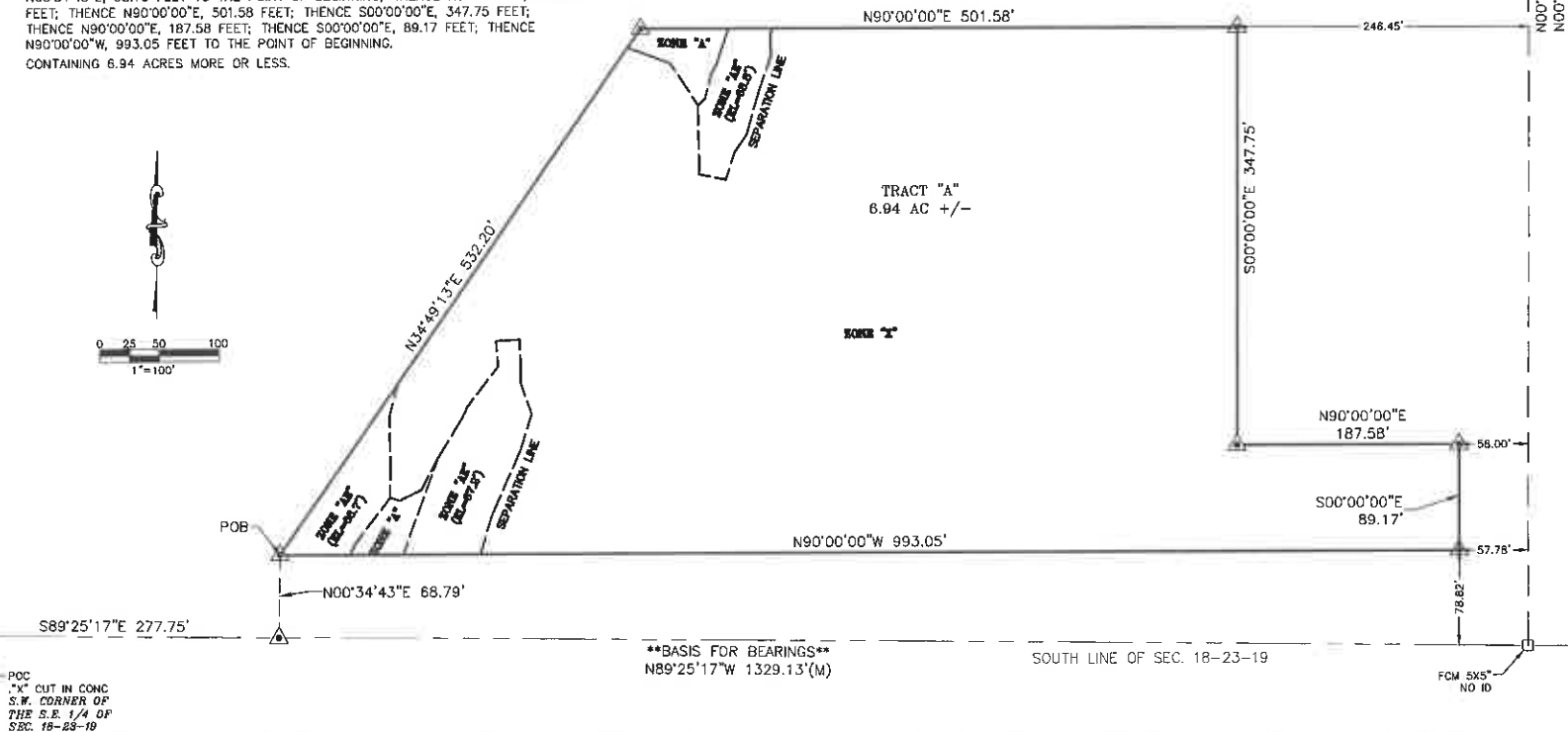
Name legibly printed, typewritten or
stamped

WEST LINE OF THE S.E. 1/4 OF SEC. 18-23-19

PARCEL 31.2
O.R. 1428, PG. 1570
HERNANDO COUNTY AIRPORT

LEGAL DESCRIPTION FOR TRACT "A"

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 CORNER OF SECTION 18, TOWNSHIP 23 SOUTH, RANGE 19 EAST, HERNANDO COUNTY, FLORIDA; THENCE ALONG THE SOUTH LINE OF SAID SECTION 18, RUN S89°25'17"E, 277.75 FEET TO A POINT ON THE SOUTH LINE; THENCE LEAVING SAID SOUTH LINE, RUN N00°34'43"E, 68.79 FEET TO THE POINT OF BEGINNING; THENCE N34°49'13"E, 532.20 FEET; THENCE N90°00'00"E, 501.58 FEET; THENCE S00°00'00"E, 347.75 FEET; THENCE N90°00'00"E, 187.58 FEET; THENCE S00°00'00"E, 89.17 FEET; THENCE N90°00'00"W, 993.05 FEET TO THE POINT OF BEGINNING, CONTAINING 6.94 ACRES MORE OR LESS.



PARCEL 12.0
O.R. 4006, PG. 317

"EXHIBIT 1"

REVISIONS		REUSE OF DOCUMENT		SKETCH ONLY		PREPARED FOR AND CERTIFIED TO:	
DATE	REVISION	DATE	REVISION	FOR LEGAL DESCRIPTION		PROUD PELICAN CONSTRUCTION	
02/17/24	SKD	02/17/24	SKD	NOT A BOUNDARY SURVEY		HERNANDO COUNTY AIRPORT AUTHORITY	
DATE	REVISION	DATE	REVISION	SECTION 18, TOWNSHIP 23 SOUTH, RANGE 19 EAST			
02/17/24	SKD	02/17/24	SKD	HERNANDO COUNTY, FLORIDA			
24005-SKT-3							

LEGEND

SEE CURVE TABLE
SEE LINE TABLE
CALCULATED
PLAT ON MAP
FIELD MEASURED
RECORD OF DEED
FOUND IRON PIN AND CAP
FOUND IRON PIN AND DISK
FOUND CONCRETE MONUMENT
SET IRON PIN AND CAP
SET CONCRETE MONUMENT
CONCRETE
RESIDENCE

CONCRETE BLOCK STRUCTURE
CHAIN LINK FENCE
BARRIED WIRE FENCE
WOOD WIRE FIELD FENCE
SIDEWALK
OVERHEAD POWER
ELECTRIC
EDGE OF PAVEMENT
ORIGINAL RECORD
PLAT BOOK
PAVE
POINT OF CURVATURE
POINT OF TANGENT
PERMANENT CONTROL POINT

PERMANENT REFERENCE MARKER
RIGHT-OF-WAY
AIR CONDITIONER PAD
CONCRETE SLAB
COVERED ENTRY
SECTION
MISPLACED END SECTION
REINFORCED CONCRETE PIPE
TOP OF BLANK
TOP OF SLOPE
POINT OF BEGINNING
POINT OF REVERSE CURVE
POINT OF COMPOUND CURVE

TESTING ELEVATION
SEMI
FIRE HYDRANT
UTILITY POLE
LIGHT POLE
UTILITY GATE VALVE
TELEPHONE SERVICE RISER
ELECTRIC TRANSFORMER
FURNER DRAIN BOX
WATER METER
SANITARY MANHOLE

UTILITY SPUR BOX
DRAIN WARDEN
FOUND IRON PIN AND CAP (AS SHOWN)
SET IRON PIN AND CAP (1/8" IR LB #7200)
FOUND NAIL AND DISK (AS SHOWN)
SET NAIL AND DISK (LB #7200)
FOUND CONCRETE MONUMENT (AS SHOWN)
SET CONCRETE MONUMENT (4X4 LB #7200)
DESCRIPTIVE POINT

BEARINGS SHOWN HEREON BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983 (NAD 83), 2011 ADJUSTMENT, ESTABLISHING A BEARING OF 180°00'00" ALONG THE SOUTH LINE OF SECTION 18-23-19. BEARINGS SHOWN HEREON ARE GRID BEARINGS. BASED ON THE SITE PLAN, RECORD PLAT AND MONUMENTATION FOUND IN PLACE.
NO UNDERGROUND OR ABOVEGROUND UTILITIES HAVE BEEN LOCATED EXCEPT AS NOTED. THE HORIZONTAL LOCATION OF UNDERGROUND UTILITIES IS BASED ON THE LOCATIONS PROVIDED BY THE CONTRACTOR. SOFT TIES TO CONFINED ZONE LOCATIONS WERE NOT PERFORMED EXCEPT WHERE TOP OF PIPE ELEVATIONS ARE NOTED.
UNDERGROUND UTILITIES, IF ANY, WERE NOT LOCATED. GUTTERS, OVERHEAD WIRE, OR UNDERGROUND FOUNDATIONS NOT LOCATED.
THE OWNERSHIP OF THE PROPERTY IS NOT KNOWN BY THIS SURVEYOR.
ADDITIONAL, BELIEFABLE REPRESENTATION OF SKETCH DRAWINGS BY OTHER THAN THE ISSUED PARTY OR PARTIES IS PROHIBITED BY LAW WITHOUT WRITTEN CONSENT OF THE ISSUED PARTY OR PARTIES.
THIS SKETCH MAP IS VALID ONLY TO THOSE PERSONS OR ENTITIES NAMED HEREON. COASTAL ENGINEERING ASSOCIATES, INC. MAKES NO RESPONSIBILITY FOR THE UNAUTHORIZED REPRODUCTION AND/OR DISTRIBUTION OF THIS SKETCH MAP.

ELEVATIONS AS SHOWN HEREON ARE BASED ON THE NORTH AMERICAN DATUM OF 1983, UNLESS OTHERWISE NOTED.
THIS SURVEY WAS CONDUCTED WITHOUT THE BENEFIT OF A COMPLETE TITLE REPORT OR TITLE ABSTRACT AND THEREFORE MAY NOT NECESSARILY SHOW ALL RIGHTS-OF-WAY, EASEMENTS OR OTHER ENCUMBRANCES OF RECORD.
THIS PROPERTY IS SUBJECT TO ANY EASEMENTS, RESTRICTIONS, RESERVATIONS, ENCUMBRANCES, AND/OR EASEMENTS OF RECORD AND NOT OF RECORD.
THE PROPERTY LINE OF THE PROPERTY AS DESCRIBED HEREON, AS CLASSIFIED IN THE STANDARDS OF PRACTICE (34-17) OF THE FLORIDA ADMINISTRATIVE CODE, IS "SUBSTANTIAL". THE HORIZONTAL DISTANCE ACCURACY FOR THIS TYPE OF SURVEY IS 1 FOOT IN 7,500 FEET. THE ACCURACY DETERMINED BY MEASUREMENT AND CALCULATION OF A CLOSED GEOMETRIC FIGURE WAS FOUND TO MEET OR EXCEED THIS REQUIREMENT.
THE PROPERTY DESCRIBED HEREON APPEARS TO BE IN FLOOD ZONE "A" (AREA DETERMINED TO FALL OUTSIDE OF THE 1% CHANCE ANNUAL FLOODPLAIN), ZONE "A" (BASE FLOOD ELEVATION NOT DETERMINED), AND FLOOD ZONE "A" (AREA DETERMINED TO BE INSIDE THE 1% ANNUAL FLOODPLAIN) AS SHOWN FROM THE FLOOD REFERENCE RATE MAP COMMUNITY NUMBER 12019, MAP NUMBER 12019-1, PANEL NUMBER 0301-1, EFFECTIVE DATE 02/02/2019.

COASTAL ENGINEERING ASSOCIATES, INC.

888 Camille Blvd.
Boca Raton, FL 33493
Office 562-996-9423
FID-0000142

2701 Van Forest Drive
Tomball, TX 77463
953-344-3036

FLORIDA CERTIFICATE OF ADEQUACY NO. 7200

SKETCH ONLY

FOR LEGAL DESCRIPTION

NOT A BOUNDARY SURVEY

SECTION 18, TOWNSHIP 23 SOUTH, RANGE 19 EAST
HERNANDO COUNTY, FLORIDA

PREPARED FOR AND CERTIFIED TO:

PROUD PELICAN CONSTRUCTION
HERNANDO COUNTY AIRPORT AUTHORITY

SURVEYOR'S CERTIFICATE

THE BENCH, DATA AND ALL OTHER REQUIREMENTS OF THE FLORIDA ENGINEERING ACT, AS CONTAINED IN CHAPTER 34-17 OF THE FLORIDA ADMINISTRATIVE CODE.

DATE: 02/17/24
BY: SKD
I, SKD, A LICENSED SURVEYOR, HAVE PREPARED AND CERTIFIED THIS SKETCH MAP AS ACCURATE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND I AM NOT PROVIDING ANY GUARANTEE OR WARRANTY FOR THE USE OF THIS SKETCH MAP FOR ANY PURPOSE OTHER THAN THAT FOR WHICH IT WAS PREPARED.

Anti-Human Trafficking Affidavit

In compliance with Fla. Stat. § 787.06(13), this affidavit must be completed by an officer or representative of a nongovernmental entity that is executing, renewing, or extending a contract with Hernando County or any of its subordinate units (the "Governmental Entity").

1. My name is JEANNE SMITH and I am over eighteen years of age. The following information is given from my own personal knowledge.
2. I am an officer or representative with FLORIDA ARTS ACADEMY, a nongovernmental entity (the "Nongovernmental Entity"). I am authorized to provide this affidavit on behalf of Nongovernmental Entity.
3. Neither Nongovernmental Entity, nor any of its subsidiaries or affiliates, uses coercion for labor or services, as such italicized terms are defined in Fla. Stat. § 787.06, as it may be amended from time to time.
4. If, at any time in the future, Nongovernmental Entity does use coercion for labor or services, Nongovernmental Entity will immediately notify Governmental Entity and no contracts may be executed, renewed, or extended between the parties.
5. This declaration is made pursuant to Fla. Stat. § 92.525. I understand that making a false statement in this declaration may subject me to criminal penalties.

Under penalties of perjury, I JEANNE SMITH, declare that I have read the foregoing Anti-Human Trafficking Affidavit and that the facts stated in it are true.

FURTHER AFFIANT SAYETH NAUGHT.

FLORIDA ARTS ACADEMY
Name of Nongovernmental Entity

JEANNE SMITH
Printed Name of Affiant

PRESIDENT
Title of Affiant

[Signature]
Signature of Affiant

3-12-2015
Date