



Newnan-Coweta County Airport Authority

Regular Meeting Session

~ Agenda ~

115 Airport Road
Newnan, GA 30263
www.coweta.ga.us

Fran Collins
770.254.2601

Thursday, December 16, 2021

9:00 AM

Commission Chambers

Call to Order

Attendee Name	Present	Absent	Late	Arrived
Chairman Joe Rutkiewicz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Vice-Chairman Hank Moody	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Secretary Lee Moody	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Authority Member Alan Starr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Authority Member Janice Laws Robinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Airport Manager Calvin Walker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Assistant Airport Manager Nate Schattner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Attorney Nathan Lee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Airport Engineer Phil Eberly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Clerk Fran Collins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Meeting Called to Order

Notification of Location of Rules

REGULAR SESSION

APPROVAL OF THE MINUTES

1. Thursday, November 18, 2021

SUPPLEMENTAL AGENDA

PUBLIC COMMENTS-ITEMS ON THE AGENDA

NEW BUSINESS

2. Request Approval/Execution of Lease Agreements Associated with 45, 47, and 49 Aviation Way and a Sublease Agreement for 45 Aviation Way
3. Request to Set Meeting Dates and Times for 2022 and the Beginning of 2023

UPDATES FOR THE AUTHORITY

4. Update from the Airport Manager
5. Update from the Airport Engineer

SUPPLEMENTAL ITEMS

PUBLIC COMMENTS-ITEMS NOT ON THE AGENDA

EXECUTIVE SESSION - In accordance with O.C.G.A. 50-14-4

AFFIDAVIT

ADJOURNMENT

As set forth in the Americans with Disabilities Act of 1992, the Coweta County government does not discriminate on the basis of disability and will assist citizens with special needs given proper notice (seven working days). For more information, please contact ADA Coordinator Tom Corker at 770.254.2608.



Airport Authority

To: Newnan-Coweta County Airport Authority

From: Calvin Walker, Airport Manager

Date: 12/10/2021

RE: Request Approval/Execution of Lease Agreements Associated with 45, 47, and 49 Aviation Way and a Sublease Agreement for 45 Aviation Way

Issue: Ground Lease Agreements for 45, 47, and 49 Aviation Way and Sublease Agreement for 45 Aviation Way

Discussion: In March 2021, the Coweta County Development Authority (CCDA) completed the purchase of Hangars 47 and 49 from the previous tenant as part of an economic development initiative. The CCDA then executed a ground lease with the Airport Authority for a period of 18 months and subleased Hangars 47 and 49 to the current tenants (47 Aviation, LLC and 49 Aviation, LLC, respectfully). The current tenants are in the process of purchasing the hangars from the CCDA and wish to have ground leases directly with the Airport Authority.

On July 1, 2022, the CCDA will complete its purchase of Hangar 45 and will enter into a ground lease with the Airport Authority at that time. The CCDA will then sublease Hangar 45 to 45 Aviation, LLC for the duration of the term of the ground lease.

FINANCIAL IMPACT:

+\$2,087.00/month

01/27/22 123457 · Airport Authority

\$2,087.00

Addl Ground Lease Income

Recommendation: Staff recommends that the Airport Authority execute ground lease agreements with Coweta County Development Authority, 47 Aviation, LLC and 49 Aviation, LLC for hangars 45, 47, and 49 respectfully. Additionally, staff recommends the Airport Authority execute a sublease agreement between the Coweta County Development Authority and 45 Aviation, LLC.

LEASE AGREEMENT
BETWEEN
NEWNAN-COWETA COUNTY
AIRPORT AUTHORITY
AND THE
COWETA COUNTY DEVELOPMENT AUTHORITY

Attachment: 20211216.Lease Agreement Dev Authority.45 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

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Attachment: 20211216.Lease Agreement Dev Authority.45 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

**COUNTY OF COWETA
STATE OF GEORGIA**

LEASE AGREEMENT

THIS AGREEMENT (the "Agreement" or "Lease") made and entered into by and among the NEWNAN COWETA COUNTY AIRPORT AUTHORITY (the "Authority"), a body corporate and politic and a political subdivision and public corporation of the State of Georgia, and the COWETA COUNTY DEVELOPMENT AUTHORITY, a body corporate and politic and a political subdivision of the State of Georgia (the "Lessee").

WITNESSETH:

WHEREAS, the Newnan Coweta County Airport Authority is the owner of the premises known as Newnan Coweta County Airport (the "Airport"); and

WHEREAS, the Authority and Lessee are mutually desirous of entering into a Lease for the use and occupancy of certain areas at the Airport;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto hereinafter set forth, the Authority hereby grants to the Lessee the right to use and occupy the ground area at the Airport shown on Exhibit A together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon (hereinafter called the "Leased Premises") during the term of this Agreement upon the following terms and conditions and it is hereby mutually agreed as follows:

SECTION 1
TERM

- 1.1 The term of this lease shall be for a Twenty-five (25) year period, two (2) five (5) year options commencing on the 1st day of July 2022, and expiring on the 30th day of June, 2047, unless sooner terminated or renewed in accordance with the provisions hereof.
- 1.2 Lessee shall have the right to renew this Lease for an additional period commencing upon the expiration of the original 25-year term by the giving of ninety (90) days written notice to the Lessor, and provided that any such renewal shall be upon the then prevailing terms and conditions as the then current leases at the Airport or unless otherwise agreed upon between the Authority and Lessee.

SECTION 2
LEASED PREMISES

- 2.1 The Leased Premises shown on Exhibit A, attached hereto and made a part hereof consist of:
- 2.1.1 Unimproved/Improved land area consisting of approximately 83,464 square feet,

SECTION 3
USE OF LEASED PREMISES

- 3.1 The Lessee or Lessee's tenants, sub-lessees or assigns shall continuously occupy and use the Leased Premises for the following purposes and for no other purpose whatsoever: **Aviation-based Economic Development activities.**
- 3.1.1 Aircraft storage and necessary accessory usage;
- 3.1.2 Any other purpose authorized in by the Newnan Coweta County Airport Authority.

SECTION 4
RENTS AND FEES

- 4.1 For Use and Occupancy of the Leased Premises herein granted, the Lessee agrees to pay to the Authority during the period commencing July 1, 2022, and ending June 30, 2025, a monthly rent of \$2,087.00.
- 4.1.1 Effective on July 1, 2025, and on July 1, of each third year of the remaining term, the monthly rental payable hereunder shall be adjusted by multiplying the monthly rental set forth in Section 4.1 above by a fraction, the numerator of which shall be the monthly CPI (as hereinafter defined) published for the month most recently preceding said July date, and the denominator of which shall be the monthly CPI published for July 2022, hereinafter referred to as Lessee's base month. In no event shall the rental payable under this Section 4.1.1 be less than the amount set forth in Section 4.1 above.
- 4.2 The term CPI as used herein shall mean the Consumer Price Index for all Urban Consumers, All Items, U.S. City Average, as most currently published by the Bureau of Labor Statistics of the United States Department for Labor.
- 4.2 The monthly rent shall be paid on the first day of each month in advance at the office of the Airport Director or at such other office as may be directed in writing by the Authority.
- 4.3 Nothing contained in the foregoing shall affect the survival of the obligations of the Lessees as set forth in the Sections of this Agreement covering the survival of the Lessee's obligations.
- 4.4 Lessee acknowledges that late payment by Lessee to Authority of any Agreement fees will cause Authority to incur costs not contemplated by this Agreement, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing, accounting, and interest charges. Therefore, if any installment of Agreement fees due from Lessee is not received by the tenth day after the due date, Lessee shall pay to Authority an additional sum of \$25.00 as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Authority will incur by reason of late payment by Lessee. Acceptance of any late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent Authority from exercising any of the other rights and remedies available to Authority. Agreement fees not paid when due shall bear simple interest from date due until paid at the rate of one- and one-half percent (1 ½%) per month.

SECTION 5
ACCEPTANCE, CARE, MAINTENANCE
IMPROVEMENTS AND REPAIR

- 5.1 Lessee warrants that it has inspected the Leased Premises and accepts possession of the Leased Premises and the improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, the State of Georgia Department of Transportation, and by ordinances of the Authority, and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, the Authority shall not be required to maintain nor to make any improvements, repairs restorations upon or to the Leased Premises or to any of the improvements presently located thereon.
- 5.2 Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:
- 5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises;

- 5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law;
- 5.2.3 Repair any damage caused by Lessee or its invitees, tenants, or contractors to paving, soils, water or other parts of the Leased Premises caused by any oil, gasoline, grease, lubricants, solvents, flammable liquids, or substances having a corrosive or detrimental effect thereon, and to remediate any release caused by Lessee or any of its invitees, tenants or contractors of any substance that has a harmful effect on human health or the environment as determined by any regulatory agency;
- 5.2.4 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas;
- 5.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.
- 5.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint, within a period of thirty (30) days after written notice from the Authority to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance, (b) or within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only; (c) or to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under this Agreement; then, the Authority may, at its option, and in addition to any other remedies which may be available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the Authority by Lessee on demand. Provided, however, if in the opinion of the Authority, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the Authority or other tenants at the Airport, and the Authority so states same in its notice to Lessee, the Authority may, at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to the Authority the cost and expense of such performance on demand. Furthermore, should the Authority, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result therefrom except for claims for damages arising from the Authority's sole gross negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in this Agreement and shall not impose or be construed to impose upon the Authority any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.
- 5.4 Plans and specifications for all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "improvements"), including, without limitation the new facility to be constructed by the Lessee pursuant to Section 5.5 below, undertaken by the Lessee shall be submitted to and receive the written approval of the Authority, and no such work shall be commenced until such written approvals are obtained from the Authority, which approval shall not be unreasonably withheld or delayed. Authority shall advise Lessee within thirty (30) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, of its approval or disapproval of the proposed work, and in the event it disapproves, stating its reasons therefor.
- 5.5 Reserved.
- 5.6 If Lessee makes any improvements without Authority approval, then, upon notice to do so, Lessee shall remove the same or at the option of Authority cause the same to be changed to the satisfaction of Authority. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, Authority may affect the removal or change and Lessee shall pay the cost thereof

to the Authority. Lessee expressly agrees in the making of all improvements that, except with the written consent of Authority, it will neither give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Leased Premises and improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by Authority to all persons that no lien attaches to any such improvements.

- 5.7 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that the Airport is subject to federal storm water regulations, 40 CFR. Part 122, for "motor vehicle or automobile maintenance shops" (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and/or deicing operations that occur at the Airport as defined in these regulations and, if applicable, state storm water regulations. Lessee further acknowledges that it is familiar with these storm water regulations; that it does not conduct or operate "motor vehicle or automobile maintenance" (including vehicle rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations and/or deicing activities as defined in the federal storm water regulations; and that it is aware that there are significant penalties for submitting false information, including fines and imprisonment for knowing violations. This paragraph does not preclude Lessee performing minor aircraft maintenance and repair.
- 5.7.1 Notwithstanding any other provisions or terms of the Lease, Authority acknowledges that it has taken steps necessary to apply for or obtain a storm water discharge permit as required by the applicable regulations for the Airport, including the Leased Premises operated by the Lessee. Lessee acknowledges that the storm water discharge permit issued to the Authority may name the Lessee as co-permittee.
- 5.7.2 Notwithstanding any other provisions or terms of this Lease, including the Lessee's right to quiet enjoyment, Authority and Lessee both acknowledge that close cooperation is necessary to ensure compliance with any storm water discharge permit terms and conditions, as well as to ensure safety and to minimize costs. Lessee acknowledges that, as discussed more fully below, it may have to undertake to minimize the exposure of storm water (and snow melt) to "significant materials" generated, stored, handled or otherwise used by the Lessee, as defined in the federal storm water regulations, by implementing and maintaining "Best Management Practices."
- 5.7.3 Lessee acknowledges that the Airport's storm water discharge permit is incorporated by reference into this Lease and any subsequent renewals.
- 5.8 Permit Compliance. Authority will provide Lessee with written notice of those storm water discharge permit requirements, that are in the Airport's storm water permit, that Lessee will be obligated to perform from time to time, including, but not limited to: Certification of non-storm water pollution prevention of similar plans; implementation of "good housekeeping" measures or Best Management Practices; and maintenance of necessary records. Such written notice shall include applicable deadlines. Lessee, within seven (7) days of receipt of such written notice shall notify Authority in writing if it disputes any of the storm water discharge permit requirements it is being directed to undertake. If Lessee does not provide such timely notice, it is deemed to assent to undertake such requirements. If Lessee provides Authority with timely written notice that disputes such storm water discharge permit requirements, Authority and Lessee agree to negotiate a prompt resolution of their differences. Lessee warrants that it will not object to written notice from the Authority for purposes of delay or avoiding compliance.
- 5.8.1 Lessee agrees to undertake, at its sole expense unless otherwise agreed to in writing between Authority and Lessee, those storm water discharge permit requirements for which it has received written notice from the Authority. Lessee warrants that it shall meet any and all deadlines that may be imposed on or agreed to by Authority and Lessee. Lessee acknowledges that time is of the essence.
- 5.8.2 Authority agrees to provide Lessee, at its request, with any non-privileged information collected and submitted to any governmental entity(ies) pursuant to applicable storm water regulations.

- 5.8.3 Lessee agrees that the terms and conditions of the Airport's storm water discharge permit may change from time to time and hereby appoints Authority as its agent to negotiate with the appropriate governmental entity(ies) any such permit modifications.
- 5.8.4 Authority will give Lessee written notice of any breach by Lessee of the Airport's storm water discharge permit or the provisions of this section. Such a breach is material, and if of a continuing nature, Airport may seek to terminate this Lease pursuant to Section 19, Termination by Authority. Lessee agrees to cure promptly any breach.
- 5.8.5 Lessee agrees to participate in any Airport-organized task force or other work group established to coordinate storm water activities at the Airport.
- 5.9 The Lessee shall be solely responsible for the proper management, storage, and disposal of hazardous substances and hazardous wastes used, generated, stored, disposed, treated, or caused to be present on the leased premises by the activities of the Lessee. Notwithstanding any other provision of the Lease, the Lessee shall not treat or dispose of hazardous wastes on the Authority's premises. The Lessee shall provide all required notices, including those mandated under right-to-know laws, of the presence or use on the leased premises of hazardous substances, extremely hazardous substance, or hazardous wastes, shall provide all notices to appropriate authorities and to Authority of any releases to the environment of hazardous substances, extremely hazardous substances, or hazardous wastes, and shall obtain all permits necessary for the generation, storage, disposal, or treatment of hazardous wastes. The Lessee shall manage used oil and other petroleum products as required by Federal and state law and regulations and the rules and regulations of the Authority. The Lessee shall be solely liable for the investigation, corrective action, or remediation of any release to the environment caused by the Lessee, its invitees, employees, agents, or contractors of any hazardous waste, hazardous substance, extremely hazardous substance, oil or other petroleum-based substance.
- 5.10 Indemnification. Notwithstanding any other provisions of this Lease, Lessee agrees to the extent allowed by law, to indemnify and hold harmless the Authority and other tenants for any and all claims, demands, costs, (including attorney's fees), fees, fines, penalties, charges and demands by and liability directly or indirectly arising from Lessee's actions or omissions, including failure to comply with Lessee's obligations under this Section, applicable regulations, or permits, unless the result of Authority's sole negligence. This indemnification shall survive any termination or non-renewal of this Lease.

SECTION 6
TITLE TO IMPROVEMENTS AND REPAIRS

- 6.1 Lessee's improvements erected or constructed upon the Leased Premises shall remain the property of the Lessee during the entire term of the Lease. In the event Lessee's improvements remains erected or constructed upon the Leased Premises upon the expiration or termination of this Lease, then upon expiration or termination of this lease, such improvements shall become the property of the Authority upon expiration or termination of this lease, free and clear of all claims on the part of the Lessee on account of any repair.

SECTION 7
ADDITIONAL OBLIGATIONS OF LESSEE

- 7.1 Lessee shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.
- 7.2 Further, Lessee shall take all reasonable measures not to produce on the Airport any disturbance that interferes with the operation by the Authority or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.
- 7.3 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from Authority concerning the conduct, or demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

- 7.4 Lessee shall comply with all environmental, health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations, and requirements, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder. Lessee agrees to allow Authority access to premises and records to investigate compliance with all applicable laws if there is reason to suspect negligence or willful non-compliance.
- 7.5 Lessee shall comply with all written instructions of the Authority and applicable Federal, state, and local laws, ordinances, and regulations in disposing of trash, garbage, and other refuse; the frequency of removal thereof from the Airport premises shall at all times be subject to the rules, regulations and approval of Authority. All disposal of trash, garbage, refuse and wastes shall be at the expense of the Lessee.
- 7.6 Lessee shall not commit, nor permit to be done, anything that may result in the commission of a nuisance, waste or injury on the Leased Premises.
- 7.7 Lessee shall not do, nor permit to be done, 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 Leased Premises.
- 7.8 Lessee shall take measures to ensure security in compliance with Federal Air Regulations and the Airport Security Plan and the Newnan Coweta Airport Authority rules and regulations.
- 7.9 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises, which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Agreement.
- 7.10 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. The term "working supply" as used in this Section 7.10 shall mean the amount consumed by Lessee during any normal workday. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- 7.11 Except for services permitted under Section 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to the Authority of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from the Authority.
- 7.12 It is the intent of the parties hereto that noise, including but not limited to, noise caused by aircraft engine operation shall be held to a minimum. To this end the Lessee will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof or any other noise to a minimum by the use of such methods or devices as are practicable, considering the extent and type of the operations of the Lessee, but in no event less than those devices or procedures that are required by Federal, State or local law. In addition, Lessee shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Leased Premises.
- 7.13 In connection with the conduct of Lessee's business, the Lessee shall maintain in accordance with generally accepted accounting principles, consistently applied, during the term hereof, Lessee's records and books of account, recording all transactions at, through or in anywise connected with the Airport which records and books of account shall be kept at all times at the Lessee's place of business at the Airport
- 7.14 Lessee shall permit in ordinary business hours during the term hereof and for one year thereafter the examination and audit by the employees or representatives of the Authority such records and books of account. As a result of such examination, Lessor acknowledges it may have access to various procedures, pricing lists, customer lists, marketing plans, financial information, engineering designs and other information that Lessee considers to be highly confidential and proprietary. Lessor agrees that it will not furnish or otherwise make available in any manner, such information without written consent of Lessee.

SECTION 8
INGRESS AND EGRESS

- 8.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.
- 8.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. Authority may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Leased Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the Authority, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee whether within the Leased Premises or outside the Leased Premises at the Airport unless otherwise mandated by safety considerations or lawful exercise of police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

SECTION 9
INSURANCE, DAMAGE OR DESTRUCTION

- 9.1 To safeguard the interest of the Authority, the Lessee at its sole cost and expense shall procure and maintain throughout the term of this lease insurance protection for "all risk" coverage on the structure and improvements of which the Leased Premises is a part, to the extent of one hundred percent (100%) of the actual replacement cost thereof, in insurance companies licensed to do business in the State of Georgia. If said insurance company becomes financially incapable of performing under the terms of said policy, the Lessee shall promptly obtain a new policy issued by a financially responsible carrier and shall submit such new policy as previously provided.
- 9.1.1 The above stated property insurance shall name the Authority as Additional Insured, provide thirty (30) days notice of cancellation or material change, by registered mail, to the Office of the Airport Manager, and have a deductible amount not to exceed one thousand dollars (\$1,000.00) per occurrence.
- 9.1.2 The Lessee shall provide a copy of the above stated property insurance policy to the Office of the Airport Manager, at least seven (7) days prior to the inception of the Lease Agreement. Upon the failure of the Lessee to maintain such insurance as above provided, the Authority, at its option, may take out such insurance and charge the cost thereof to Lessee with the next installment of the monthly fee due hereunder or may declare a default hereunder pursuant to Section 19 herein.
- 9.2 In the event any improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed (except damage or destruction caused by Lessee as set forth in Section 9.6 hereof) to the extent they are unusable by Lessee for the purposes for which they were used prior to such damage, or same are destroyed, Lessee shall have the option to promptly repair, rebuild, or replace the damaged or destroyed portion of the Leased Premises as they were immediately prior to such casualty, except for requirements of construction codes, which shall be as of the time of repair or replacement, or, to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement. In the event the improvements or fixtures are not rebuilt or restored, then that portion of the premises will revert back to the control of the Authority, and no longer be a part of the entire premises governed under this Lease. Any portion of the premises which reverts back to the Authority in a manner described in this paragraph, must be a commercially viable portion of the premises.
- 9.3 In the event of damage or destruction to any of the improvements upon the Leased Premises, the Authority shall have no obligation to repair or rebuild the improvements or any fixtures, equipment or other personal

property installed by Lessee pursuant to this Agreement. Following the expiration of 90 days after written notice to Lessee to commence repair or rebuilding or to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement upon, the failure of Lessee to repair or rebuild or restore, the Authority may, as agent of the Lessee, repair or rebuild such damage or destruction at the expense of Lessee which expense shall be due and payable on demand.

- 9.4 Upon completion of all the work, the Lessee shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the Lessee and said costs are fair and reasonable and said certification shall also include an itemization of costs. If the insurance proceeds are not sufficient the Lessee agrees to bear and pay the deficiency. Nothing herein contained shall be deemed to release the Lessee from any of its repair, maintenance or rebuilding obligations under this lease.
- 9.5 In the event the Lessee shall, at its expense, repair and replace any and all fixtures, equipment and other personal property necessary to properly and adequately continue its airport business on the Airport, in no event shall Lessee be obligated to provide equipment and fixtures in excess of those existing prior to such damage or destruction. During such period of repair or reconstruction, the rentals provided for elsewhere herein shall be proportionately abated during the period from the date of such damage, destruction, or loss until the same is repaired, replaced, restored or rebuilt, provided, Lessee does not use said damaged Leased Premises or the location thereof for any purposes other than the repair or rebuilding of same. Such abatement shall not exceed the actual time required for arranging for and the doing of such work. The proportional amount of reduction of rentals will be determined by the Authority. Lessee agrees that such work will be promptly commenced and prosecuted to completion with due diligence; subject to delays beyond Lessee's control.
- 9.6 In the event the improvements on the Leased Premises are damaged or destroyed by fire or other cause by reason of any act or omission of the Lessee or its employees, this Lease Agreement shall continue in full force and effect, notwithstanding the provisions of Sections 9.2, 9.3, 9.4 and 9.5 hereof, and the Lessee shall have the option to repair or rebuild the improvements so damaged or destroyed, at Lessee's own cost and expense, in a good workmanlike manner to the same standards existing at the time of the casualty, subject to applicable building codes existing at the time of repair or rebuilding, or, Lessee shall restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement.

SECTION 10
LIABILITIES AND INDEMNITIES

- 10.1 Authority shall not in any way be liable for any cost, liability, damage, or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations, works, acts or omissions performed on the Leased Premises, or the Airport, by Lessee, its sublessees or tenants, or their guest, licensees or invitees.
- 10.2 Lessee agrees, to the extent allowed by law, to defend, indemnify, save and hold harmless, the Authority, its officers, agents, servants and employees of and from any and all costs, liability, penalties, damages and expense (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any person, firm, governmental entity or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including Authority personnel and Authority property, and any claim of violation of any state, Federal or local law or regulation protecting human health or the environment, directly or indirectly arising from or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, licensees, invitees, sublessees or tenants. Provided, however, that upon the filing with the Authority by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the Authority harmless, the Authority shall notify Lessee of such claim and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of the Authority. It is specifically agreed, however, that the Authority at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the Authority for any cause for which Lessee is liable hereunder shall be

conclusive against Lessee as to liability and amount upon the expiration of the time for appeal. This indemnity obligation shall not be construed to require Lessee to indemnify Authority for its own negligence.

- 10.3 In addition to Lessee's undertaking, as stated in this Section, and as a means of further protecting the Authority, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect liability insurance coverage as set forth in Exhibit B attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sublessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insureds.
- 10.3.1 The Authority reserves the right to increase the minimum liability insurance requirements set forth in Exhibit B. Following thirty (30) days written notice from the Authority to Lessee, the Authority may increase the minimum liability insurance requirements when in the Authority's opinion, the risks attendant to Lessee's operations hereunder have increased commensurate with the other risks regulated by the Authority.
- 10.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The Lessee agrees, to the extent allowed by law, to defend, indemnify and save and hold the Authority, its officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any alleged or actual infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.
- 10.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall defend, indemnify and save harmless the Authority of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the Lessee.

SECTION 11 RULES AND REGULATIONS

- 11.1 From time-to-time Authority may adopt and enforce reasonable rules and regulations with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations and all other Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. Authority reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws. Lessee hereby acknowledges receipt of a current copy of such Authority rules and regulations.

SECTION 12 SIGNS

- 12.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the written approval of the Authority. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or other traffic or which fails to conform to the architectural scheme of the Airport or meet the requirements of the Authority.

SECTION 13 ASSIGNMENT AND SUBLEASE

- 13.1 Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of the Lessor, which

consent shall not be unreasonably withheld. Lessee will be allowed one (1) assignment of this Agreement, after which, a new lease will be required. Upon assignment Lessee agrees to pay the Lessor one percent (1%) of sale price.

- 13.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of the Authority, shall entitle the Authority at its option to forthwith cancel this Agreement.
- 13.3 Any assignment of this Agreement approved and ratified by the Authority shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof.
- 13.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the Authority, sublet a portion or portions of the Leased Premises to a person or entity that is in the opinion of the Authority compatible with Lessee's authorized airport business, but in no event shall the Lessee sublet any portion of the Leased Premises to a fixed base operator.
- 13.5 No consent by the Authority to subleasing by the Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the Authority set forth or arising from this Agreement and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.
- 13.6 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this Agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Section, or if the Leased Premises is occupied by anyone other than Lessee, Authority may collect from any assignee, tenant, sublessee or anyone who claims a right to this Agreement or who occupies the Leased Premises, any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by Authority of the agreements contained in this Section nor of acceptance by Authority of any assignee, tenant, claimant or occupant, nor as a release of the Lessee by Authority from the further performance by the Lessee of the agreements contained herein.

SECTION 14 CONDEMNATION

- 14.1 In the event that the Leased Premises or any material part thereof shall be condemned and taken by authority of eminent domain for any purpose during the term of this lease, rentals for that portion of the Leased Premises so taken shall be abated from the date that Lessee is dispossessed therefrom; provided, however, if, in the Lessee's judgment, the remaining portion of the Leased Premises is insufficient for Lessee's operations authorized hereunder, Lessee may terminate this Agreement and all of its rights and unaccrued obligations hereunder effective as of the date it is dispossessed of the condemned portion (or effective as of any date thereafter and within ninety (90) days of the date of such dispossession) by giving Authority thirty (30) days written notice of such termination.

SECTION 15 NON-DISCRIMINATION

- 15.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 15.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person

on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such 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 subjected to discrimination, and (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

- 15.3 In this connection, the Authority reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by Authority to cease and desist, will constitute a material breach of this Agreement and will entitle the Authority, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.
- 15.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the Authority, a right to take such action as the United States may direct to enforce such covenant.
- 15.5 The Lessee shall, to the extent allowed by law, indemnify and hold harmless Authority from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section and the Lessee shall reimburse Authority for any loss or expense incurred by reason of such noncompliance.

SECTION 16
GOVERNMENTAL REQUIREMENTS

- 16.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.
- 16.2 The Lessee shall pay all taxes, license, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted, or imposed on the Leased Premises or operation hereunder or on the gross receipts or income to Lessee therefrom, and shall make all applications, reports and returns required in connection therewith.

SECTION 17
RIGHTS OF ENTRY RESERVED

- 17.1 The Authority, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided, such action by the Authority, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises.
- 17.2 Without limiting the generality of the foregoing, the Authority, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of the Authority, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, the Authority shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is

specifically understood and agreed that the reservation of the aforesaid right by the Authority shall not impose or be construed to impose upon the Authority any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises.

- 17.3 In the event that any personal property of Lessee shall obstruct the access of the Authority, its officers, employees, agents or contractors, or the 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 Authority or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from Authority or said utility company to do so, the Authority or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result therefrom, except for claims for damages arising from the Authority's sole negligence.
- 17.4 At any reasonable time, and from time to time during the ordinary business hours, the Authority, by its officers, agents and employees, whether or not accompanied by a prospective lessee, occupier or user of the Leased Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, subject to Lessee's reasonable security requirements.
- 17.5 Exercise of any or all of the foregoing rights, by the Authority, or others under right of the Authority, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

SECTION 18 ADDITIONAL RENTS AND CHARGES

- 18.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from Authority to perform or commence to perform any obligation required herein to be performed by Lessee, Authority may enter the Leased Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to the Authority upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of the Authority, or other tenants of the Airport, and Authority so states in its notice to Lessee, the Authority may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.
- 18.2 If the Authority elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the Authority as the result of such failure, neglect or refusal of Lessee, including interest, not to exceed the greater of fifteen percent (15%) per annum or the rate which is four percent (4%) per annum above the prime rate as published by the Wall Street Journal, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by the Authority in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

SECTION 19 TERMINATION

- 19.1 In the event of a default on the part of Lessee in the payment of rents, or any other charges required by this Agreement to be paid to the Authority, the Authority shall give written notice to Lessee of such default, and may demand the cancellation of this Agreement, or the correction thereof. If, within fifteen (15) days after

the date Authority gives such notice, Lessee has not corrected said default, and paid the delinquent amount in full, this Agreement and all rights and privileges granted hereby in and to the Leased Premises shall terminate.

- 19.2 This Agreement together with all rights and privileges granted in and to the Leased Premises shall terminate automatically, upon the happening of any one or more of the following events:
- 19.2.1 The filing by Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of Lessee's assets; or,
- 19.2.2 Any institution of proceedings in bankruptcy against Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within thirty (30) days after the institution thereof; or,
- 19.2.3 The filing of a petition requesting a court to take jurisdiction of Lessee or its assets under the provisions of any Federal reorganization act; or
- 19.2.4 The filing of a request for the appointment of a receiver or trustee of Lessee's assets by a court of competent jurisdiction, or the request for the appointment of a receiver or trustee of Lessee's assets by a voluntary agreement with Lessee's creditors; or,
- 19.2.5 The abandonment by Lessee of the conduct of its authorized Airport business at the Airport, and in this connection suspension of operations for a period of sixty (60) days will be considered abandonment in the absence of a satisfactory explanation which is accepted in writing by the Authority.
- 19.2.6 The provisions of section 19.2.1 shall not apply to the pledge of all or any part of Lessee's assets as security for financing for the construction, operation, maintenance, and repair of Lessee's improvements.
- 19.3 Upon the default by Lessee in the performance of any covenant or conditions required to be performed by Lessee, and the failure of Lessee to remedy such default for a period of thirty (30) days after receipt from the Authority of written notice to remedy the same (except as otherwise provided in Section 5.3 (b) above) and, except default in the timely payment of any money due the Authority, the Authority shall have the right to cancel this Agreement for such cause.
- 19.4 Upon the default of Lessee, and the giving of notice by the Authority to cancel this Agreement as provided for elsewhere herein, said notice of cancellation shall be final; provided however, that should the Authority determine that Lessee is diligently remedying such default to completion, and so advises Lessee in writing, said notice of cancellation may be held in abeyance. If, however, the Authority determines that such default is no longer being diligently remedied to conclusion, the Authority shall so advise Lessee in writing, and said notice of cancellation shall no longer be held in abeyance for any reason and shall become final without further notice to Lessee. The determination of the Authority in this regard shall in all events be conclusive and binding upon Lessee.
- 19.5 Upon the cancellation or termination of this Agreement for any reason, all rights of the Lessee, tenants and any other persons in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Agreement for any reason, the Leased Premises, except for such personal property which may be removed from said Leased Premises as provided for elsewhere herein, shall be free of all encumbrances and all claims of Lessee, its tenants, creditors, trustees, assigns and all others, and the Authority shall have immediate right of possession to the Leased Premises.
- 19.6 Failure by the Authority to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of rentals by the Authority under the terms hereof, for any period or periods after a default by Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by Lessee shall not be deemed a waiver or estoppel of

any right on the part of the Authority to cancel this Agreement for any subsequent failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

SECTION 20
TERMINATION BY LESSEE

- 20.1 In addition to any other right or cancellation herein given to Lessee, or any other rights to which it may be entitled to by law, equity or otherwise, as long as Lessee is not in default in payment to Authority of any amounts due Authority under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving Authority written notice upon or after the happening of the following events:
- 20.1.1 Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or
- 20.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as to substantially restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

SECTION 21
SURRENDER AND RIGHT OF RE-ENTRY

- 21.1 Upon the cancellation or termination of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up and quit claim the Leased Premises to the Authority in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the Authority. Upon such cancellation or termination, the Authority may re-enter and repossess the Leased Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at Authority's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to the Authority current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or obligations due the Authority, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided, further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required.

SECTION 22
SERVICES TO LESSEE

- 22.1 Authority covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the Authority may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The Authority further agrees to use its best efforts to maintain the runways and taxiways in good repair. Authority agrees to keep in good repair hard-surfaced

public roads for access to the Leased Premises. Authority also agrees to maintain its water and sanitary sewer facilities in areas designated for utilities or easements adjacent to the Leased Premises for access thereto by Lessee in accordance with Authority Ordinances governing same.

- 22.2 Lessee will contract with and obtain all required permits from the appropriate Authority Departments for any utility services provided by Authority, paying any required connection fees, including those to be paid by owners, and all such services will be provided at rates and on terms and conditions established by the Authority for similar users in the Authority.
- 22.3 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, other utilities, telephone, burglary, and fire protection services furnished to the Leased Premises.

SECTION 23
SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

- 23.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Section 19 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to Authority to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.
- 23.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:
- 23.2.1 The amount of the total of all installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;
- 23.2.2 An amount equal to all expenses incurred by Authority in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including but not limited to attorney's fees), putting the Leased Premises in order, maintenance, and brokerage fees.
- 23.2.3 An amount equal to any deficiency for the remaining term of the Lease, computed in accordance with the provisions of Section 23.1.

SECTION 24
USE SUBSEQUENT TO CANCELLATION OR TERMINATION

- 24.1 The Authority, upon termination or cancellation pursuant to Section 19 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm, or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.
- 24.2 Authority shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purpose of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

- 24.3 In the event either of use by others or of any actual use and occupancy by Authority, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Leased Premises as Authority may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by Authority in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of Authority hereunder. Authority will use its best efforts to minimize damages to Lessee under this Section.

SECTION 25
LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

- 25.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

SECTION 26
NOTICES

- 26.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, return receipt requested, addressed to the recipient at the address set forth below:

To Authority: Newnan Coweta County Airport Authority
Attn: Airport Manager
115 Airport Rd.
Newnan, Georgia 30263

To Lessee: Coweta County Development Authority
Attn: President/CEO
25 Jefferson Street
Newnan, Georgia 30263

- 26.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

SECTION 27
HOLDING OVER

- 27.1 No holding over by Lessee after the termination of this lease shall operate to extend or renew this lease for any further term whatsoever; but Lessee will by such holding over become a tenant at will of the Authority after written notice by the Authority to vacate such premises. Continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 27.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the Authority shall make the Lessee liable to the Authority for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.

- 27.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee, or any of Lessee's sublessees or tenants occupy the Leased Premises or any part thereof.

SECTION 28
INVALID PROVISIONS

- 28.1 The invalidity of any provisions, articles, paragraphs, portions, or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Agreement.

SECTION 29
MISCELLANEOUS PROVISIONS

Remedies to be Nonexclusive.

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

Non-Waiver of Rights.

- 29.2 The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall other party be relieved thereby from its obligations under the terms hereof.

Force Majeure.

- 29.3 Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified. Notwithstanding the language in this subparagraph in the event of emergency wherein the Federal Airport Authority orders the cessation of flight operations out of the Newnan-Coweta airport which exceeds ninety (90) days, Lessee may be excused from any rental obligations until the Federal Airport Authority resumes flight operations at said airport.

Non-liability of Individuals.

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

Quiet Enjoyment

- 29.5 The Authority covenants that as long as Lessee is not in default of any provision of this Agreement, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled as provided in this Agreement.

General Provisions

- 29.6 Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.
- 29.7 This Agreement shall be performable and enforceable in Newnan, Georgia, and shall be construed in accordance with the laws of the State of Georgia.

- 29.8 This Agreement is made for the sole and exclusive benefit of the Authority and Lessee, their successors and assigns, and is not made for the benefit of any third party.
- 29.9 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.
- 29.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.
- 29.11 The titles of the several articles of this Agreement are inserted herein for convenience only and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
- 29.12 Nothing herein contained shall create or be construed to creating a co-partnership between the Authority and the Lessee or to constitute the Lessee an agent of the Authority. The Authority and the Lessee each expressly disclaim the existence of such a relationship between them.
- 29.13 All disputes and controversies of every kind and nature between the parties to this agreement arising out of or in connection with this agreement as to the existence, construction, validity, interpretation or meaning, performance, non-performance, enforcement, operation, breach, continuance, or termination thereof, including damages, shall be settled by binding arbitration conducted at the offices of the American Arbitration Association located in Atlanta, Georgia, at a date and time noticed by the arbitrators, in accordance with the commercial arbitration rules then in effect of the American Arbitration Association. All matters submitted to arbitration shall be submitted to two disinterested and competent persons, mutually chosen, who shall select a third, whose award shall be conclusive and binding on both parties and judgment thereon may be entered in any court of competent jurisdiction. If the parties cannot mutually agree on two arbitrators within ten (10) days after a demand for arbitration is given, the American Arbitration Association shall select the two arbitrators who shall select a third. The parties stipulate and agree that the provisions of this agreement as to the arbitration shall be a complete defense to any suit, action, or proceeding instituted in any federal, state, or local court, or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement; provided that nothing herein prohibits a party from bringing an action to enforce the arbitration provision hereof. The arbitration provisions of this agreement shall, with respect to controversies or disputes, survive the termination or expiration of this agreement. Nothing contained in this agreement shall be deemed to give the arbitrators any authority, power, or right to alter, change, amend, modify, add to or subtract from any of the provisions of this agreement. Either party may demand arbitration in writing by giving the other party thirty (30) days notice. The arbitrator, as part of the arbitration award, shall determine which party or parties pay the costs of arbitration.

SECTION 30
SUBORDINATION CLAUSES

- 30.1 This Agreement is subject and subordinate to the following:
- 30.1.1 Authority reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Leased Premises.
- 30.1.2 Authority reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.
- 30.1.3 This Agreement is and shall be subordinate to the provisions of existing and future agreements between Authority and the United States relative to the operation or maintenance of the Airport, the execution of

which has been or may be required as a condition precedent to the obtaining or expenditure of Federal funds for the benefit of the Airport.

- 30.1.4 During the time of war or national emergency, Authority shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be determined by the Authority in proportion to the degree of interference with Lessee's use of the Leased Premises.
- 30.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations, and orders currently or subsequently effective.

SECTION 31
ENTIRE AGREEMENT

- 31.1 This Agreement consists of Sections 1 to 31, inclusive, Exhibit A, and Exhibit B.
- 31.2 This Agreement constitutes the entire Agreement of the parties hereto and may not be changed, modified, discharged, or extended except by written instrument duly executed by the Authority and the Lessee. The parties agree that no representations or warranties shall be binding upon the Authority or the Lessee unless expressed in writing in this Agreement of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Signed, sealed and delivered NEWNAN COWETA COUNTY AIRPORT AUTHORITY by
Newnan Coweta County Airport Authority the presence of:

Unofficial Witness

BY: _____
Chairman

Notary Public
Commission Expires: _____
(SEAL)

ATTESTED
BY: _____

LESSEE

Signed , sealed and delivered
by LESSEE
In the presence of:

Unofficial Witness

COWETA COUNTY DEVELOPMENT AUTHORITY
BY: _____
Chairman

Notary Public
Commission Expires: _____
(SEAL)

Corporate Seal

Attachment: 20211216.Lease Agreement Dev Authority.45 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

EXHIBIT B

Insurance

Lessee in its own name as insured and, at its sole cost and expense, shall secure, and maintain in continuous effect during the term of this Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Georgia providing for:

- (1) Comprehensive General Liability Insurance. Combined Single limits including Bodily Injury and Property Damage with limits of \$1,000,000 for each occurrence, personal and advertising injury with a limit of \$1,000,000 per occurrence and \$2,000,000 general and products/completed operations aggregates. General Liability should include premises/operations coverage and products and completed operations coverage.
- (2) Auto Liability – including Owner, hired, and non-owned vehicles with Combined Single limits including Bodily injury and Property damage of \$500,000 for each occurrence.
- (3) Umbrella Excess Liability Insurance: Contractor shall carry umbrella excess liability including Auto, General Liability and Workers’ Compensation in the amount of \$1,000,000 over existing primary insurance and over self-insured hazards.
- (4) If Lessee has its own fuel tanks, Environment Impairment Liability and/or Pollution Liability - \$1,000,000 per occurrence.
- (5) Workers’ Compensation: As required by law.

All of the above policies must be occurrence based. Authority and Coweta County shall be named as an additional insured on all policies. The policies shall contain provisions that the coverage provided by said policies shall be primary to any insurance maintained by or for the benefit of Authority or Coweta County provide that the carrier issuing the certificate shall notify Authority thirty (30) days in advance of any cancellation or material change in the terms or coverage of such insurance policies. Said insurance shall in fact be primary to any insurance maintained by or for the benefit of Authority or Coweta County.

Lessee shall provide Authority with the Policies and Certificates indicating proof of the foregoing insurance coverages. The failure of the Lessee to obtain or maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Agreement nor any such liability be limited to the liability insurance coverage provided for herein.

Notwithstanding the above, any such certificate naming an insurance carrier not having at least an “A” rating by A.M. Best & Company, shall be referred to the Airport Manager for review and recommendation.

LEASE AGREEMENT
BETWEEN
NEWNAN-COWETA COUNTY
AIRPORT AUTHORITY
AND
47 AVIATION, LLC

Attachment: 20211216.Lease Agreement.47 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

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Attachment: 20211216.Lease Agreement.47 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

**COUNTY OF COWETA
STATE OF GEORGIA**

LEASE AGREEMENT

THIS AGREEMENT (the "Agreement" or "Lease") made and entered into by and among the NEWNAN COWETA COUNTY AIRPORT AUTHORITY (the "Authority"), a body corporate and politic and a political subdivision and public corporation of the State of Georgia, and the 47 AVIATION LLC, limited liability company organized and existing under the laws of the State of Georgia (the "Lessee").

WITNESSETH:

WHEREAS, the Newnan Coweta County Airport Authority is the owner of the premises known as Newnan Coweta County Airport (the "Airport"); and

WHEREAS, the Authority and Lessee are mutually desirous of entering into a Lease for the use and occupancy of certain areas at the Airport;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto hereinafter set forth, the Authority hereby grants to the Lessee the right to use and occupy the ground area at the Airport shown on Exhibit A together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon (hereinafter called the "Leased Premises") during the term of this Agreement upon the following terms and conditions and it is hereby mutually agreed as follows:

SECTION 1
TERM

- 1.1 The term of this lease shall be for a Twenty-five (25) year period, two (2) five (5) year options commencing on the 16th day of December, 2021, and expiring on the 31st day of December, 2046, unless sooner terminated or renewed in accordance with the provisions hereof.
- 1.2 Lessee shall have the right to renew this Lease for an additional period commencing upon the expiration of the original 25 year term by the giving of ninety (90) days written notice to the Lessor, and provided that any such renewal shall be upon the then prevailing terms and conditions as the then current leases at the Airport or unless otherwise agreed upon between the Authority and Lessee.

SECTION 2
LEASED PREMISES

- 2.1 The Leased Premises shown on Exhibit A, attached hereto and made a part hereof consist of:
- 2.1.1 Unimproved/Improved land area consisting of approximately 65,576 square feet,

SECTION 3
USE OF LEASED PREMISES

- 3.1 The Lessee or Lessee's tenants, sub-lessees or assigns shall continuously occupy and use the Leased Premises for the following purposes and for no other purpose whatsoever: **Aviation-based Economic Development activities.**
- 3.1.1 Aircraft storage and necessary accessory usage;
- 3.1.2 Any other purpose authorized in by the Newnan Coweta County Airport Authority.

SECTION 4
RENTS AND FEES

- 4.1 For Use and Occupancy of the Leased Premises herein granted, the Lessee agrees to pay to the Authority during the period commencing January 1, 2022, and ending December 31, 2046, a monthly rent of \$1,639.00.
- 4.1.1 Effective on January 1, 2025, and on January 1 of each third year of the remaining term, the monthly rental payable hereunder shall be adjusted by multiplying the monthly rental set forth in Section 4.1 above by a fraction, the numerator of which shall be the monthly CPI (as hereinafter defined) published for the month most recently preceding said January date, and the denominator of which shall be the monthly CPI published for January 2022, hereinafter referred to as Lessee's base month. In no event shall the rental payable under this Section 4.1.1 be less than the amount set forth in Section 4.1 above.
- 4.2 The term CPI as used herein shall mean the Consumer Price Index for all Urban Consumers, All Items, U.S. City Average, as most currently published by the Bureau of Labor Statistics of the United States Department for Labor.
- 4.2 The monthly rent shall be paid on the first day of each month in advance at the office of the Airport Director or at such other office as may be directed in writing by the Authority.
- 4.3 Nothing contained in the foregoing shall affect the survival of the obligations of the Lessees as set forth in the Sections of this Agreement covering the survival of the Lessee's obligations.
- 4.4 Lessee acknowledges that late payment by Lessee to Authority of any Agreement fees will cause Authority to incur costs not contemplated by this Agreement, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing, accounting and interest charges. Therefore, if any installment of Agreement fees due from Lessee is not received by the tenth day after the due date, Lessee shall pay to Authority an additional sum of \$25.00 as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Authority will incur by reason of late payment by Lessee. Acceptance of any late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent Authority from exercising any of the other rights and remedies available to Authority. Agreement fees not paid when due shall bear simple interest from date due until paid at the rate of one and one half percent (1 ½%) per month.

SECTION 5
ACCEPTANCE, CARE, MAINTENANCE
IMPROVEMENTS AND REPAIR

- 5.1 Lessee warrants that it has inspected the Leased Premises and accepts possession of the Leased Premises and the improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, the State of Georgia Department of Transportation, and by ordinances of the Authority, and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, the Authority shall not be required to maintain nor to make any improvements, repairs restorations upon or to the Leased Premises or to any of the improvements presently located thereon.
- 5.2 Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:
- 5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises;

- 5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law;
- 5.2.3 Repair any damage caused by Lessee or its invitees, tenants, or contractors to paving, soils, water or other parts of the Leased Premises caused by any oil, gasoline, grease, lubricants, solvents, flammable liquids, or substances having a corrosive or detrimental effect thereon, and to remediate any release caused by Lessee or any of its invitees, tenants or contractors of any substance that has a harmful effect on human health or the environment as determined by any regulatory agency;
- 5.2.4 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas;
- 5.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.
- 5.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint, within a period of thirty (30) days after written notice from the Authority to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance, (b) or within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only; (c) or to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under this Agreement; then, the Authority may, at its option, and in addition to any other remedies which may be available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the Authority by Lessee on demand. Provided, however, if in the opinion of the Authority, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the Authority or other tenants at the Airport, and the Authority so states same in its notice to Lessee, the Authority may, at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to the Authority the cost and expense of such performance on demand. Furthermore, should the Authority, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result therefrom except for claims for damages arising from the Authority's sole gross negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in this Agreement and shall not impose or be construed to impose upon the Authority any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.
- 5.4 Plans and specifications for all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "improvements"), including, without limitation the new facility to be constructed by the Lessee pursuant to Section 5.5 below, undertaken by the Lessee shall be submitted to and receive the written approval of the Authority, and no such work shall be commenced until such written approvals are obtained from the Authority, which approval shall not be unreasonably withheld or delayed. Authority shall advise Lessee within thirty (30) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, of its approval or disapproval of the proposed work, and in the event it disapproves, stating its reasons therefor.
- 5.5 Reserved.
- 5.6 If Lessee makes any improvements without Authority approval, then, upon notice to do so, Lessee shall remove the same or at the option of Authority cause the same to be changed to the satisfaction of Authority. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, Authority may affect the removal or change and Lessee shall pay the cost thereof

to the Authority. Lessee expressly agrees in the making of all improvements that, except with the written consent of Authority, it will neither give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Leased Premises and improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by Authority to all persons that no lien attaches to any such improvements.

- 5.7 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that the Airport is subject to federal storm water regulations, 40 CFR. Part 122, for "motor vehicle or automobile maintenance shops" (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and/or deicing operations that occur at the Airport as defined in these regulations and, if applicable, state storm water regulations. Lessee further acknowledges that it is familiar with these storm water regulations; that it does not conduct or operate "motor vehicle or automobile maintenance" (including vehicle rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations and/or deicing activities as defined in the federal storm water regulations; and that it is aware that there are significant penalties for submitting false information, including fines and imprisonment for knowing violations. This paragraph does not preclude Lessee performing minor aircraft maintenance and repair.
- 5.7.1 Notwithstanding any other provisions or terms of the Lease, Authority acknowledges that it has taken steps necessary to apply for or obtain a storm water discharge permit as required by the applicable regulations for the Airport, including the Leased Premises operated by the Lessee. Lessee acknowledges that the storm water discharge permit issued to the Authority may name the Lessee as co-permittee.
- 5.7.2 Notwithstanding any other provisions or terms of this Lease, including the Lessee's right to quiet enjoyment, Authority and Lessee both acknowledge that close cooperation is necessary to ensure compliance with any storm water discharge permit terms and conditions, as well as to ensure safety and to minimize costs. Lessee acknowledges that, as discussed more fully below, it may have to undertake to minimize the exposure of storm water (and snow melt) to "significant materials" generated, stored, handled or otherwise used by the Lessee, as defined in the federal storm water regulations, by implementing and maintaining "Best Management Practices."
- 5.7.3 Lessee acknowledges that the Airport's storm water discharge permit is incorporated by reference into this Lease and any subsequent renewals.
- 5.8 Permit Compliance. Authority will provide Lessee with written notice of those storm water discharge permit requirements, that are in the Airport's storm water permit, that Lessee will be obligated to perform from time to time, including, but not limited to: Certification of non-storm water pollution prevention of similar plans; implementation of "good housekeeping" measures or Best Management Practices; and maintenance of necessary records. Such written notice shall include applicable deadlines. Lessee, within seven (7) days of receipt of such written notice shall notify Authority in writing if it disputes any of the storm water discharge permit requirements it is being directed to undertake. If Lessee does not provide such timely notice, it is deemed to assent to undertake such requirements. If Lessee provides Authority with timely written notice that disputes such storm water discharge permit requirements, Authority and Lessee agree to negotiate a prompt resolution of their differences. Lessee warrants that it will not object to written notice from the Authority for purposes of delay or avoiding compliance.
- 5.8.1 Lessee agrees to undertake, at its sole expense unless otherwise agreed to in writing between Authority and Lessee, those storm water discharge permit requirements for which it has received written notice from the Authority. Lessee warrants that it shall meet any and all deadlines that may be imposed on or agreed to by Authority and Lessee. Lessee acknowledges that time is of the essence.
- 5.8.2 Authority agrees to provide Lessee, at its request, with any non-privileged information collected and submitted to any governmental entity(ies) pursuant to applicable storm water regulations.

- 5.8.3 Lessee agrees that the terms and conditions of the Airport's storm water discharge permit may change from time to time and hereby appoints Authority as its agent to negotiate with the appropriate governmental entity(ies) any such permit modifications.
- 5.8.4 Authority will give Lessee written notice of any breach by Lessee of the Airport's storm water discharge permit or the provisions of this section. Such a breach is material, and if of a continuing nature, Airport may seek to terminate this Lease pursuant to Section 19, Termination by Authority. Lessee agrees to cure promptly any breach.
- 5.8.5 Lessee agrees to participate in any Airport-organized task force or other work group established to coordinate storm water activities at the Airport.
- 5.9 The Lessee shall be solely responsible for the proper management, storage, and disposal of hazardous substances and hazardous wastes used, generated, stored, disposed, treated, or caused to be present on the leased premises by the activities of the Lessee. Notwithstanding any other provision of the Lease, the Lessee shall not treat or dispose of hazardous wastes on the Authority's premises. The Lessee shall provide all required notices, including those mandated under right-to-know laws, of the presence or use on the leased premises of hazardous substances, extremely hazardous substance, or hazardous wastes, shall provide all notices to appropriate authorities and to Authority of any releases to the environment of hazardous substances, extremely hazardous substances, or hazardous wastes, and shall obtain all permits necessary for the generation, storage, disposal, or treatment of hazardous wastes. The Lessee shall manage used oil and other petroleum products as required by Federal and state law and regulations and the rules and regulations of the Authority. The Lessee shall be solely liable for the investigation, corrective action, or remediation of any release to the environment caused by the Lessee, its invitees, employees, agents, or contractors of any hazardous waste, hazardous substance, extremely hazardous substance, oil or other petroleum based substance.
- 5.10 Indemnification. Notwithstanding any other provisions of this Lease, Lessee agrees to the extent allowed by law, to indemnify and hold harmless the Authority and other tenants for any and all claims, demands, costs, (including attorney's fees), fees, fines, penalties, charges and demands by and liability directly or indirectly arising from Lessee's actions or omissions, including failure to comply with Lessee's obligations under this Section, applicable regulations, or permits, unless the result of Authority's sole negligence. This indemnification shall survive any termination or non-renewal of this Lease.

SECTION 6
TITLE TO IMPROVEMENTS AND REPAIRS

- 6.1 Lessee's improvements erected or constructed upon the Leased Premises shall remain the property of the Lessee during the entire term of the Lease. In the event Lessee's improvements remains erected or constructed upon the Leased Premises upon the expiration or termination of this Lease, then upon expiration or termination of this lease, such improvements shall become the property of the Authority upon expiration or termination of this lease, free and clear of all claims on the part of the Lessee on account of any repair.

SECTION 7
ADDITIONAL OBLIGATIONS OF LESSEE

- 7.1 Lessee shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.
- 7.2 Further, Lessee shall take all reasonable measures not to produce on the Airport any disturbance that interferes with the operation by the Authority or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.
- 7.3 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from Authority concerning the conduct, or demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

- 7.4 Lessee shall comply with all environmental, health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder. Lessee agrees to allow Authority access to premises and records to investigate compliance with all applicable laws if there is reason to suspect negligence or willful non-compliance.
- 7.5 Lessee shall comply with all written instructions of the Authority and applicable Federal, state, and local laws, ordinances, and regulations in disposing of trash, garbage and other refuse; the frequency of removal thereof from the Airport premises shall at all times be subject to the rules, regulations and approval of Authority. All disposal of trash, garbage, refuse and wastes shall be at the expense of the Lessee.
- 7.6 Lessee shall not commit, nor permit to be done, anything that may result in the commission of a nuisance, waste or injury on the Leased Premises.
- 7.7 Lessee shall not do, nor permit to be done, 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 Leased Premises.
- 7.8 Lessee shall take measures to ensure security in compliance with Federal Air Regulations and the Airport Security Plan and the Newnan Coweta Airport Authority rules and regulations.
- 7.9 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises, which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Agreement.
- 7.10 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. The term "working supply" as used in this Section 7.10 shall mean the amount consumed by Lessee during any normal workday. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- 7.11 Except for services permitted under Section 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to the Authority of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from the Authority.
- 7.12 It is the intent of the parties hereto that noise, including but not limited to, noise caused by aircraft engine operation shall be held to a minimum. To this end the Lessee will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof or any other noise to a minimum by the use of such methods or devices as are practicable, considering the extent and type of the operations of the Lessee, but in no event less than those devices or procedures that are required by Federal, State or local law. In addition, Lessee shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Leased Premises.
- 7.13 In connection with the conduct of Lessee's business, the Lessee shall maintain in accordance with generally accepted accounting principles, consistently applied, during the term hereof, Lessee's records and books of account, recording all transactions at, through or in anywise connected with the Airport which records and books of account shall be kept at all times at the Lessee's place of business at the Airport
- 7.14 Lessee shall permit in ordinary business hours during the term hereof and for one year thereafter the examination and audit by the employees or representatives of the Authority such records and books of account. As a result of such examination, Lessor acknowledges it may have access to various procedures, pricing lists, customer lists, marketing plans, financial information, engineering designs and other information that Lessee considers to be highly confidential and proprietary. Lessor agrees that it will not furnish or otherwise make available in any manner, such information without written consent of Lessee.

SECTION 8
INGRESS AND EGRESS

- 8.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.
- 8.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. Authority may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Leased Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the Authority, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee whether within the Leased Premises or outside the Leased Premises at the Airport unless otherwise mandated by safety considerations or lawful exercise of police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

SECTION 9
INSURANCE, DAMAGE OR DESTRUCTION

- 9.1 To safeguard the interest of the Authority, the Lessee at its sole cost and expense shall procure and maintain throughout the term of this lease insurance protection for "all risk" coverage on the structure and improvements of which the Leased Premises is a part, to the extent of one hundred percent (100%) of the actual replacement cost thereof, in insurance companies licensed to do business in the State of Georgia. If said insurance company becomes financially incapable of performing under the terms of said policy, the Lessee shall promptly obtain a new policy issued by a financially responsible carrier and shall submit such new policy as previously provided.
- 9.1.1 The above stated property insurance shall name the Authority as Additional Insured, provide thirty (30) days notice of cancellation or material change, by registered mail, to the Office of the Airport Manager, and have a deductible amount not to exceed one thousand dollars (\$1,000.00) per occurrence.
- 9.1.2 The Lessee shall provide a copy of the above stated property insurance policy to the Office of the Airport Manager, at least seven (7) days prior to the inception of the Lease Agreement. Upon the failure of the Lessee to maintain such insurance as above provided, the Authority, at its option, may take out such insurance and charge the cost thereof to Lessee with the next installment of the monthly fee due hereunder or may declare a default hereunder pursuant to Section 19 herein.
- 9.2 In the event any improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed (except damage or destruction caused by Lessee as set forth in Section 9.6 hereof) to the extent they are unusable by Lessee for the purposes for which they were used prior to such damage, or same are destroyed, Lessee shall have the option to promptly repair, rebuild, or replace the damaged or destroyed portion of the Leased Premises as they were immediately prior to such casualty, except for requirements of construction codes, which shall be as of the time of repair or replacement, or, to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement. In the event the improvements or fixtures are not rebuilt or restored, then that portion of the premises will revert back to the control of the Authority, and no longer be a part of the entire premises governed under this Lease. Any portion of the premises which reverts back to the Authority in a manner described in this paragraph, must be a commercially viable portion of the premises.
- 9.3 In the event of damage or destruction to any of the improvements upon the Leased Premises, the Authority shall have no obligation to repair or rebuild the improvements or any fixtures, equipment or other personal

property installed by Lessee pursuant to this Agreement. Following the expiration of 90 days after written notice to Lessee to commence repair or rebuilding or to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement upon, the failure of Lessee to repair or rebuild or restore, the Authority may, as agent of the Lessee, repair or rebuild such damage or destruction at the expense of Lessee which expense shall be due and payable on demand.

- 9.4 Upon completion of all the work, the Lessee shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the Lessee and said costs are fair and reasonable and said certification shall also include an itemization of costs. If the insurance proceeds are not sufficient the Lessee agrees to bear and pay the deficiency. Nothing herein contained shall be deemed to release the Lessee from any of its repair, maintenance or rebuilding obligations under this lease.
- 9.5 In the event the Lessee shall, at its expense, repair and replace any and all fixtures, equipment and other personal property necessary to properly and adequately continue its airport business on the Airport, in no event shall Lessee be obligated to provide equipment and fixtures in excess of those existing prior to such damage or destruction. During such period of repair or reconstruction, the rentals provided for elsewhere herein shall be proportionately abated during the period from the date of such damage, destruction or loss until the same is repaired, replaced, restored or rebuilt, provided, Lessee does not use said damaged Leased Premises or the location thereof for any purposes other than the repair or rebuilding of same. Such abatement shall not exceed the actual time required for arranging for and the doing of such work. The proportional amount of reduction of rentals will be determined by the Authority. Lessee agrees that such work will be promptly commenced and prosecuted to completion with due diligence; subject to delays beyond Lessee's control.
- 9.6 In the event the improvements on the Leased Premises are damaged or destroyed by fire or other cause by reason of any act or omission of the Lessee or its employees, this Lease Agreement shall continue in full force and effect, notwithstanding the provisions of Sections 9.2, 9.3, 9.4 and 9.5 hereof, and the Lessee shall have the option to repair or rebuild the improvements so damaged or destroyed, at Lessee's own cost and expense, in a good workmanlike manner to the same standards existing at the time of the casualty, subject to applicable building codes existing at the time of repair or rebuilding, or, Lessee shall restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement.

SECTION 10
LIABILITIES AND INDEMNITIES

- 10.1 Authority shall not in any way be liable for any cost, liability, damage or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations, works, acts or omissions performed on the Leased Premises, or the Airport, by Lessee, its sublessees or tenants, or their guest, licensees or invitees.
- 10.2 Lessee agrees, to the extent allowed by law, to defend, indemnify, save and hold harmless, the Authority, its officers, agents, servants and employees of and from any and all costs, liability, penalties, damages and expense (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any person, firm, governmental entity or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including Authority personnel and Authority property, and any claim of violation of any state, Federal or local law or regulation protecting human health or the environment, directly or indirectly arising from or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, licensees, invitees, sublessees or tenants. Provided, however, that upon the filing with the Authority by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the Authority harmless, the Authority shall notify Lessee of such claim and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of the Authority. It is specifically agreed, however, that the Authority at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the Authority for any cause for which Lessee is liable hereunder shall be

conclusive against Lessee as to liability and amount upon the expiration of the time for appeal. This indemnity obligation shall not be construed to require Lessee to indemnify Authority for its own negligence.

- 10.3 In addition to Lessee's undertaking, as stated in this Section, and as a means of further protecting the Authority, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect liability insurance coverage as set forth in Exhibit B attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sublessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insureds.
- 10.3.1 The Authority reserves the right to increase the minimum liability insurance requirements set forth in Exhibit B. Following thirty (30) days written notice from the Authority to Lessee, the Authority may increase the minimum liability insurance requirements when in the Authority's opinion, the risks attendant to Lessee's operations hereunder have increased commensurate with the other risks regulated by the Authority.
- 10.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The Lessee agrees, to the extent allowed by law, to defend, indemnify and save and hold the Authority, its officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any alleged or actual infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.
- 10.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall defend, indemnify and save harmless the Authority of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the Lessee.

SECTION 11 RULES AND REGULATIONS

- 11.1 From time-to-time Authority may adopt and enforce reasonable rules and regulations with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations and all other Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. Authority reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws. Lessee hereby acknowledges receipt of a current copy of such Authority rules and regulations.

SECTION 12 SIGNS

- 12.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the written approval of the Authority. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or other traffic or which fails to conform to the architectural scheme of the Airport or meet the requirements of the Authority.

SECTION 13 ASSIGNMENT AND SUBLEASE

- 13.1 Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of the Lessor, which

consent shall not be unreasonably withheld. Lessee will be allowed one (1) assignment of this Agreement, after which, a new lease will be required. Upon assignment Lessee agrees to pay the Lessor one percent (1%) of sale price.

- 13.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of the Authority, shall entitle the Authority at its option to forthwith cancel this Agreement.
- 13.3 Any assignment of this Agreement approved and ratified by the Authority shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof.
- 13.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the Authority, sublet a portion or portions of the Leased Premises to a person or entity that is in the opinion of the Authority compatible with Lessee's authorized airport business, but in no event shall the Lessee sublet any portion of the Leased Premises to a fixed base operator.
- 13.5 No consent by the Authority to subleasing by the Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the Authority set forth or arising from this Agreement and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.
- 13.6 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this Agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Section, or if the Leased Premises is occupied by anyone other than Lessee, Authority may collect from any assignee, tenant, sublessee or anyone who claims a right to this Agreement or who occupies the Leased Premises, any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by Authority of the agreements contained in this Section nor of acceptance by Authority of any assignee, tenant, claimant or occupant, nor as a release of the Lessee by Authority from the further performance by the Lessee of the agreements contained herein.

SECTION 14 CONDEMNATION

- 14.1 In the event that the Leased Premises or any material part thereof shall be condemned and taken by authority of eminent domain for any purpose during the term of this lease, rentals for that portion of the Leased Premises so taken shall be abated from the date that Lessee is dispossessed therefrom; provided, however, if, in the Lessee's judgment, the remaining portion of the Leased Premises is insufficient for Lessee's operations authorized hereunder, Lessee may terminate this Agreement and all of its rights and unaccrued obligations hereunder effective as of the date it is dispossessed of the condemned portion (or effective as of any date thereafter and within ninety (90) days of the date of such dispossession) by giving Authority thirty (30) days written notice of such termination.

SECTION 15 NON-DISCRIMINATION

- 15.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 15.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person

on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such 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 subjected to discrimination, and (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

- 15.3 In this connection, the Authority reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by Authority to cease and desist, will constitute a material breach of this Agreement and will entitle the Authority, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.
- 15.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the Authority, a right to take such action as the United States may direct to enforce such covenant.
- 15.5 The Lessee shall, to the extent allowed by law, indemnify and hold harmless Authority from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section and the Lessee shall reimburse Authority for any loss or expense incurred by reason of such noncompliance.

SECTION 16
GOVERNMENTAL REQUIREMENTS

- 16.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.
- 16.2 The Lessee shall pay all taxes, license, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder or on the gross receipts or income to Lessee therefrom, and shall make all applications, reports and returns required in connection therewith.

SECTION 17
RIGHTS OF ENTRY RESERVED

- 17.1 The Authority, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided, such action by the Authority, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises.
- 17.2 Without limiting the generality of the foregoing, the Authority, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of the Authority, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, the Authority shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is

specifically understood and agreed that the reservation of the aforesaid right by the Authority shall not impose or be construed to impose upon the Authority any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises.

- 17.3 In the event that any personal property of Lessee shall obstruct the access of the Authority, its officers, employees, agents or contractors, or the 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 Authority or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from Authority or said utility company to do so, the Authority or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result therefrom, except for claims for damages arising from the Authority's sole negligence.
- 17.4 At any reasonable time, and from time to time during the ordinary business hours, the Authority, by its officers, agents and employees, whether or not accompanied by a prospective lessee, occupier or user of the Leased Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, subject to Lessee's reasonable security requirements.
- 17.5 Exercise of any or all of the foregoing rights, by the Authority, or others under right of the Authority, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

SECTION 18
ADDITIONAL RENTS AND CHARGES

- 18.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from Authority to perform or commence to perform any obligation required herein to be performed by Lessee, Authority may enter the Leased Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to the Authority upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of the Authority, or other tenants of the Airport, and Authority so states in its notice to Lessee, the Authority may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.
- 18.2 If the Authority elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the Authority as the result of such failure, neglect or refusal of Lessee, including interest, not to exceed the greater of fifteen percent (15%) per annum or the rate which is four percent (4%) per annum above the prime rate as published by the Wall Street Journal, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by the Authority in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

SECTION 19
TERMINATION

- 19.1 In the event of a default on the part of Lessee in the payment of rents, or any other charges required by this Agreement to be paid to the Authority, the Authority shall give written notice to Lessee of such default, and may demand the cancellation of this Agreement, or the correction thereof. If, within fifteen (15) days after

the date Authority gives such notice, Lessee has not corrected said default, and paid the delinquent amount in full, this Agreement and all rights and privileges granted hereby in and to the Leased Premises shall terminate.

- 19.2 This Agreement together with all rights and privileges granted in and to the Leased Premises shall terminate automatically, upon the happening of any one or more of the following events:
- 19.2.1 The filing by Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of Lessee's assets; or,
- 19.2.2 Any institution of proceedings in bankruptcy against Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within thirty (30) days after the institution thereof; or,
- 19.2.3 The filing of a petition requesting a court to take jurisdiction of Lessee or its assets under the provisions of any Federal reorganization act; or
- 19.2.4 The filing of a request for the appointment of a receiver or trustee of Lessee's assets by a court of competent jurisdiction, or the request for the appointment of a receiver or trustee of Lessee's assets by a voluntary agreement with Lessee's creditors; or,
- 19.2.5 The abandonment by Lessee of the conduct of its authorized Airport business at the Airport, and in this connection suspension of operations for a period of sixty (60) days will be considered abandonment in the absence of a satisfactory explanation which is accepted in writing by the Authority.
- 19.2.6 The provisions of section 19.2.1 shall not apply to the pledge of all or any part of Lessee's assets as security for financing for the construction, operation, maintenance and repair of Lessee's improvements.
- 19.3 Upon the default by Lessee in the performance of any covenant or conditions required to be performed by Lessee, and the failure of Lessee to remedy such default for a period of thirty (30) days after receipt from the Authority of written notice to remedy the same (except as otherwise provided in Section 5.3 (b) above) and, except default in the timely payment of any money due the Authority, the Authority shall have the right to cancel this Agreement for such cause.
- 19.4 Upon the default of Lessee, and the giving of notice by the Authority to cancel this Agreement as provided for elsewhere herein, said notice of cancellation shall be final; provided however, that should the Authority determine that Lessee is diligently remedying such default to completion, and so advises Lessee in writing, said notice of cancellation may be held in abeyance. If, however, the Authority determines that such default is no longer being diligently remedied to conclusion, the Authority shall so advise Lessee in writing, and said notice of cancellation shall no longer be held in abeyance for any reason and shall become final without further notice to Lessee. The determination of the Authority in this regard shall in all events be conclusive and binding upon Lessee.
- 19.5 Upon the cancellation or termination of this Agreement for any reason, all rights of the Lessee, tenants and any other persons in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Agreement for any reason, the Leased Premises, except for such personal property which may be removed from said Leased Premises as provided for elsewhere herein, shall be free of all encumbrances and all claims of Lessee, its tenants, creditors, trustees, assigns and all others, and the Authority shall have immediate right of possession to the Leased Premises.
- 19.6 Failure by the Authority to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of rentals by the Authority under the terms hereof, for any period or periods after a default by Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by Lessee shall not be deemed a waiver or estoppel of

any right on the part of the Authority to cancel this Agreement for any subsequent failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

SECTION 20
TERMINATION BY LESSEE

- 20.1 In addition to any other right or cancellation herein given to Lessee, or any other rights to which it may be entitled to by law, equity or otherwise, as long as Lessee is not in default in payment to Authority of any amounts due Authority under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving Authority written notice upon or after the happening of the following events:
- 20.1.1 Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or
- 20.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as to substantially restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

SECTION 21
SURRENDER AND RIGHT OF RE-ENTRY

- 21.1 Upon the cancellation or termination of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up and quit claim the Leased Premises to the Authority in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the Authority. Upon such cancellation or termination, the Authority may re-enter and repossess the Leased Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at Authority's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to the Authority current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or obligations due the Authority, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided, further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required.

SECTION 22
SERVICES TO LESSEE

- 22.1 Authority covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the Authority may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The Authority further agrees to use its best efforts to maintain the runways and taxiways in good repair. Authority agrees to keep in good repair hard-surfaced

public roads for access to the Leased Premises. Authority also agrees to maintain its water and sanitary sewer facilities in areas designated for utilities or easements adjacent to the Leased Premises for access thereto by Lessee in accordance with Authority Ordinances governing same.

- 22.2 Lessee will contract with and obtain all required permits from the appropriate Authority Departments for any utility services provided by Authority, paying any required connection fees, including those to be paid by owners, and all such services will be provided at rates and on terms and conditions established by the Authority for similar users in the Authority.
- 22.3 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, other utilities, telephone, burglary and fire protection services furnished to the Leased Premises.

SECTION 23
SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

- 23.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Section 19 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to Authority to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.
- 23.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:
- 23.2.1 The amount of the total of all installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;
- 23.2.2 An amount equal to all expenses incurred by Authority in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including but not limited to attorney's fees), putting the Leased Premises in order, maintenance and brokerage fees.
- 23.2.3 An amount equal to any deficiency for the remaining term of the Lease, computed in accordance with the provisions of Section 23.1.

SECTION 24
USE SUBSEQUENT TO CANCELLATION OR TERMINATION

- 24.1 The Authority, upon termination or cancellation pursuant to Section 19 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.
- 24.2 Authority shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purpose of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

- 24.3 In the event either of use by others or of any actual use and occupancy by Authority, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Leased Premises as Authority may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by Authority in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of Authority hereunder. Authority will use its best efforts to minimize damages to Lessee under this Section.

SECTION 25
LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

- 25.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

SECTION 26
NOTICES

- 26.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, return receipt requested, addressed to the recipient at the address set forth below:

To Authority: Newnan Coweta County Airport Authority
Attn: Airport Manager
115 Airport Rd.
Newnan, Georgia 30263

To Lessee: 47 Aviation, LLC, a Georgia limited liability company
Attn: Richard Ferry, Manager
270 N. Jeff Davis Drive
Fayetteville, Georgia 30214

- 26.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

SECTION 27
HOLDING OVER

- 27.1 No holding over by Lessee after the termination of this lease shall operate to extend or renew this lease for any further term whatsoever; but Lessee will by such holding over become a tenant at will of the Authority after written notice by the Authority to vacate such premises. Continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 27.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the Authority shall make the Lessee liable to the Authority for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.

- 27.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee, or any of Lessee's sublessees or tenants occupy the Leased Premises or any part thereof.

SECTION 28
INVALID PROVISIONS

- 28.1 The invalidity of any provisions, articles, paragraphs, portions, or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Agreement.

SECTION 29
MISCELLANEOUS PROVISIONS

Remedies to be Nonexclusive.

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

Non-Waiver of Rights.

- 29.2 The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall other party be relieved thereby from its obligations under the terms hereof.

Force Majeure.

- 29.3 Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified. Notwithstanding the language in this subparagraph in the event of emergency wherein the Federal Airport Authority orders the cessation of flight operations out of the Newnan-Coweta airport which exceeds ninety (90) days, Lessee may be excused from any rental obligations until the Federal Airport Authority resumes flight operations at said airport.

Non-liability of Individuals.

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

Quiet Enjoyment

- 29.5 The Authority covenants that as long as Lessee is not in default of any provision of this Agreement, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled as provided in this Agreement.

General Provisions

- 29.6 Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.
- 29.7 This Agreement shall be performable and enforceable in Newnan, Georgia, and shall be construed in accordance with the laws of the State of Georgia.

- 29.8 This Agreement is made for the sole and exclusive benefit of the Authority and Lessee, their successors and assigns, and is not made for the benefit of any third party.
- 29.9 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not authorize the same.
- 29.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.
- 29.11 The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
- 29.12 Nothing herein contained shall create or be construed to creating a co-partnership between the Authority and the Lessee or to constitute the Lessee an agent of the Authority. The Authority and the Lessee each expressly disclaim the existence of such a relationship between them.
- 29.13 All disputes and controversies of every kind and nature between the parties to this agreement arising out of or in connection with this agreement as to the existence, construction, validity, interpretation or meaning, performance, non-performance, enforcement, operation, breach, continuance, or termination thereof, including damages, shall be settled by binding arbitration conducted at the offices of the American Arbitration Association located in Atlanta, Georgia, at a date and time noticed by the arbitrators, in accordance with the commercial arbitration rules then in effect of the American Arbitration Association. All matters submitted to arbitration shall be submitted to two disinterested and competent persons, mutually chosen, who shall select a third, whose award shall be conclusive and binding on both parties and judgment thereon may be entered in any court of competent jurisdiction. If the parties cannot mutually agree on two arbitrators within ten (10) days after a demand for arbitration is given, the American Arbitration Association shall select the two arbitrators who shall select a third. The parties stipulate and agree that the provisions of this agreement as to the arbitration shall be a complete defense to any suit, action, or proceeding instituted in any federal, state, or local court, or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement; provided that nothing herein prohibits a party from bringing an action to enforce the arbitration provision hereof. The arbitration provisions of this agreement shall, with respect to controversies or disputes, survive the termination or expiration of this agreement. Nothing contained in this agreement shall be deemed to give the arbitrators any authority, power, or right to alter, change, amend, modify, add to or subtract from any of the provisions of this agreement. Either party may demand arbitration in writing by giving the other party thirty (30) days notice. The arbitrator, as part of the arbitration award, shall determine which party or parties pay the costs of arbitration.

SECTION 30
SUBORDINATION CLAUSES

- 30.1 This Agreement is subject and subordinate to the following:
- 30.1.1 Authority reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Leased Premises.
- 30.1.2 Authority reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.
- 30.1.3 This Agreement is and shall be subordinate to the provisions of existing and future agreements between Authority and the United States relative to the operation or maintenance of the Airport, the execution of

which has been or may be required as a condition precedent to the obtaining or expenditure of Federal funds for the benefit of the Airport.

- 30.1.4 During the time of war or national emergency, Authority shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be determined by the Authority in proportion to the degree of interference with Lessee's use of the Leased Premises.
- 30.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

SECTION 31
ENTIRE AGREEMENT

- 31.1 This Agreement consists of Sections 1 to 31, inclusive, Exhibit A, and Exhibit B.
- 31.2 This Agreement constitutes the entire Agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by the Authority and the Lessee. The parties agree that no representations or warranties shall be binding upon the Authority or the Lessee unless expressed in writing in this Agreement of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Signed, sealed and delivered NEWNAN COWETA COUNTY AIRPORT AUTHORITY by
Newnan Coweta County Airport Authority the presence of:

Unofficial Witness

BY: _____
Chairman

Notary Public
Commission Expires: _____
(SEAL)

ATTESTED
BY: _____

LESSEE

Signed , sealed and delivered
by LESSEE
In the presence of:

Unofficial Witness

47 AVIATION, LLC.
BY: _____
Member\Manager

Notary Public
Commission Expires: _____
(SEAL)

Corporate Seal

Attachment: 20211216.Lease Agreement.47 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

EXHIBIT B

Insurance

Lessee in its own name as insured and, at its sole cost and expense, shall secure, and maintain in continuous effect during the term of this Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Georgia providing for:

- (1) Comprehensive General Liability Insurance. Combined Single limits including Bodily Injury and Property Damage with limits of \$1,000,000 for each occurrence, personal and advertising injury with a limit of \$1,000,000 per occurrence and \$2,000,000 general and products/completed operations aggregates. General Liability should include premises/operations coverage and products and completed operations coverage.
- (2) Auto Liability – including Owner, hired, and non-owned vehicles with Combined Single limits including Bodily injury and Property damage of \$500,000 for each occurrence.
- (3) Umbrella Excess Liability Insurance: Contractor shall carry umbrella excess liability including Auto, General Liability and Workers’ Compensation in the amount of \$1,000,000 over existing primary insurance and over self-insured hazards.
- (4) If Lessee has its own fuel tanks, Environment Impairment Liability and/or Pollution Liability - \$1,000,000 per occurrence.
- (5) Workers’ Compensation: As required by law.

All of the above policies must be occurrence based. Authority and Coweta County shall be named as an additional insured on all policies. The policies shall contain provisions that the coverage provided by said policies shall be primary to any insurance maintained by or for the benefit of Authority or Coweta County provide that the carrier issuing the certificate shall notify Authority thirty (30) days in advance of any cancellation or material change in the terms or coverage of such insurance policies. Said insurance shall in fact be primary to any insurance maintained by or for the benefit of Authority or Coweta County.

Lessee shall provide Authority with the Policies and Certificates indicating proof of the foregoing insurance coverages. The failure of the Lessee to obtain or maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Agreement nor any such liability be limited to the liability insurance coverage provided for herein.

Notwithstanding the above, any such certificate naming an insurance carrier not having at least an “A” rating by A.M. Best & Company, shall be referred to the Airport Manager for review and recommendation.

LEASE AGREEMENT
BETWEEN
NEWNAN-COWETA COUNTY
AIRPORT AUTHORITY
AND
49 AVIATION, LLC

Attachment: 20211216.Lease Agreement.49 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

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Attachment: 20211216.Lease Agreement.49 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

**COUNTY OF COWETA
STATE OF GEORGIA**

LEASE AGREEMENT

THIS AGREEMENT (the "Agreement" or "Lease") made and entered into by and among the NEWNAN COWETA COUNTY AIRPORT AUTHORITY (the "Authority"), a body corporate and politic and a political subdivision and public corporation of the State of Georgia, and the 49 AVIATION LLC, limited liability company organized and existing under the laws of the State of Georgia (the "Lessee").

WITNESSETH:

WHEREAS, the Newnan Coweta County Airport Authority is the owner of the premises known as Newnan Coweta County Airport (the "Airport"); and

WHEREAS, the Authority and Lessee are mutually desirous of entering into a Lease for the use and occupancy of certain areas at the Airport;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto hereinafter set forth, the Authority hereby grants to the Lessee the right to use and occupy the ground area at the Airport shown on Exhibit A together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon (hereinafter called the "Leased Premises") during the term of this Agreement upon the following terms and conditions and it is hereby mutually agreed as follows:

SECTION 1
TERM

- 1.1 The term of this lease shall be for a Twenty-five (25) year period, two (2) five (5) year options commencing on the 16th day of December, 2021, and expiring on the 31st day of December, 2046, unless sooner terminated or renewed in accordance with the provisions hereof.
- 1.2 Lessee shall have the right to renew this Lease for an additional period commencing upon the expiration of the original 25-year term by the giving of ninety (90) days written notice to the Lessor, and provided that any such renewal shall be upon the then prevailing terms and conditions as the then current leases at the Airport or unless otherwise agreed upon between the Authority and Lessee.

SECTION 2
LEASED PREMISES

- 2.1 The Leased Premises shown on Exhibit A, attached hereto and made a part hereof consist of:
 - 2.1.1 Unimproved/Improved land area consisting of approximately 65,576 square feet,

SECTION 3
USE OF LEASED PREMISES

- 3.1 The Lessee or Lessee's tenants, sub-lessees or assigns shall continuously occupy and use the Leased Premises for the following purposes and for no other purpose whatsoever: **Aviation-based Economic Development activities.**
 - 3.1.1 Aircraft storage and necessary accessory usage;
 - 3.1.2 Any other purpose authorized in by the Newnan Coweta County Airport Authority.

SECTION 4
RENTS AND FEES

- 4.1 For Use and Occupancy of the Leased Premises herein granted, the Lessee agrees to pay to the Authority during the period commencing January 1, 2022, and ending December 31, 2046, a monthly rent of \$1,639.00.
- 4.1.1 Effective on January 1, 2025, and on January 1 of each third year of the remaining term, the monthly rental payable hereunder shall be adjusted by multiplying the monthly rental set forth in Section 4.1 above by a fraction, the numerator of which shall be the monthly CPI (as hereinafter defined) published for the month most recently preceding said January date, and the denominator of which shall be the monthly CPI published for January 2022, hereinafter referred to as Lessee's base month. In no event shall the rental payable under this Section 4.1.1 be less than the amount set forth in Section 4.1 above.
- 4.2 The term CPI as used herein shall mean the Consumer Price Index for all Urban Consumers, All Items, U.S. City Average, as most currently published by the Bureau of Labor Statistics of the United States Department for Labor.
- 4.2 The monthly rent shall be paid on the first day of each month in advance at the office of the Airport Director or at such other office as may be directed in writing by the Authority.
- 4.3 Nothing contained in the foregoing shall affect the survival of the obligations of the Lessees as set forth in the Sections of this Agreement covering the survival of the Lessee's obligations.
- 4.4 Lessee acknowledges that late payment by Lessee to Authority of any Agreement fees will cause Authority to incur costs not contemplated by this Agreement, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing, accounting and interest charges. Therefore, if any installment of Agreement fees due from Lessee is not received by the tenth day after the due date, Lessee shall pay to Authority an additional sum of \$25.00 as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Authority will incur by reason of late payment by Lessee. Acceptance of any late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent Authority from exercising any of the other rights and remedies available to Authority. Agreement fees not paid when due shall bear simple interest from date due until paid at the rate of one and one half percent (1 ½%) per month.

SECTION 5
ACCEPTANCE, CARE, MAINTENANCE
IMPROVEMENTS AND REPAIR

- 5.1 Lessee warrants that it has inspected the Leased Premises and accepts possession of the Leased Premises and the improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, the State of Georgia Department of Transportation, and by ordinances of the Authority, and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, the Authority shall not be required to maintain nor to make any improvements, repairs restorations upon or to the Leased Premises or to any of the improvements presently located thereon.
- 5.2 Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:
- 5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises;

- 5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law;
- 5.2.3 Repair any damage caused by Lessee or its invitees, tenants, or contractors to paving, soils, water or other parts of the Leased Premises caused by any oil, gasoline, grease, lubricants, solvents, flammable liquids, or substances having a corrosive or detrimental effect thereon, and to remediate any release caused by Lessee or any of its invitees, tenants or contractors of any substance that has a harmful effect on human health or the environment as determined by any regulatory agency;
- 5.2.4 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas;
- 5.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.
- 5.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint, within a period of thirty (30) days after written notice from the Authority to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance, (b) or within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only; (c) or to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under this Agreement; then, the Authority may, at its option, and in addition to any other remedies which may be available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the Authority by Lessee on demand. Provided, however, if in the opinion of the Authority, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the Authority or other tenants at the Airport, and the Authority so states same in its notice to Lessee, the Authority may, at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to the Authority the cost and expense of such performance on demand. Furthermore, should the Authority, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result therefrom except for claims for damages arising from the Authority's sole gross negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in this Agreement and shall not impose or be construed to impose upon the Authority any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.
- 5.4 Plans and specifications for all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "improvements"), including, without limitation the new facility to be constructed by the Lessee pursuant to Section 5.5 below, undertaken by the Lessee shall be submitted to and receive the written approval of the Authority, and no such work shall be commenced until such written approvals are obtained from the Authority, which approval shall not be unreasonably withheld or delayed. Authority shall advise Lessee within thirty (30) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, of its approval or disapproval of the proposed work, and in the event it disapproves, stating its reasons therefor.
- 5.5 Reserved.
- 5.6 If Lessee makes any improvements without Authority approval, then, upon notice to do so, Lessee shall remove the same or at the option of Authority cause the same to be changed to the satisfaction of Authority. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, Authority may affect the removal or change and Lessee shall pay the cost thereof

to the Authority. Lessee expressly agrees in the making of all improvements that, except with the written consent of Authority, it will neither give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Leased Premises and improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by Authority to all persons that no lien attaches to any such improvements.

- 5.7 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that the Airport is subject to federal storm water regulations, 40 CFR. Part 122, for "motor vehicle or automobile maintenance shops" (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and/or deicing operations that occur at the Airport as defined in these regulations and, if applicable, state storm water regulations. Lessee further acknowledges that it is familiar with these storm water regulations; that it does not conduct or operate "motor vehicle or automobile maintenance" (including vehicle rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations and/or deicing activities as defined in the federal storm water regulations; and that it is aware that there are significant penalties for submitting false information, including fines and imprisonment for knowing violations. This paragraph does not preclude Lessee performing minor aircraft maintenance and repair.
- 5.7.1 Notwithstanding any other provisions or terms of the Lease, Authority acknowledges that it has taken steps necessary to apply for or obtain a storm water discharge permit as required by the applicable regulations for the Airport, including the Leased Premises operated by the Lessee. Lessee acknowledges that the storm water discharge permit issued to the Authority may name the Lessee as co-permittee.
- 5.7.2 Notwithstanding any other provisions or terms of this Lease, including the Lessee's right to quiet enjoyment, Authority and Lessee both acknowledge that close cooperation is necessary to ensure compliance with any storm water discharge permit terms and conditions, as well as to ensure safety and to minimize costs. Lessee acknowledges that, as discussed more fully below, it may have to undertake to minimize the exposure of storm water (and snow melt) to "significant materials" generated, stored, handled or otherwise used by the Lessee, as defined in the federal storm water regulations, by implementing and maintaining "Best Management Practices."
- 5.7.3 Lessee acknowledges that the Airport's storm water discharge permit is incorporated by reference into this Lease and any subsequent renewals.
- 5.8 Permit Compliance. Authority will provide Lessee with written notice of those storm water discharge permit requirements, that are in the Airport's storm water permit, that Lessee will be obligated to perform from time to time, including, but not limited to: Certification of non-storm water pollution prevention of similar plans; implementation of "good housekeeping" measures or Best Management Practices; and maintenance of necessary records. Such written notice shall include applicable deadlines. Lessee, within seven (7) days of receipt of such written notice shall notify Authority in writing if it disputes any of the storm water discharge permit requirements it is being directed to undertake. If Lessee does not provide such timely notice, it is deemed to assent to undertake such requirements. If Lessee provides Authority with timely written notice that disputes such storm water discharge permit requirements, Authority and Lessee agree to negotiate a prompt resolution of their differences. Lessee warrants that it will not object to written notice from the Authority for purposes of delay or avoiding compliance.
- 5.8.1 Lessee agrees to undertake, at its sole expense unless otherwise agreed to in writing between Authority and Lessee, those storm water discharge permit requirements for which it has received written notice from the Authority. Lessee warrants that it shall meet any and all deadlines that may be imposed on or agreed to by Authority and Lessee. Lessee acknowledges that time is of the essence.
- 5.8.2 Authority agrees to provide Lessee, at its request, with any non-privileged information collected and submitted to any governmental entity(ies) pursuant to applicable storm water regulations.

- 5.8.3 Lessee agrees that the terms and conditions of the Airport's storm water discharge permit may change from time to time and hereby appoints Authority as its agent to negotiate with the appropriate governmental entity(ies) any such permit modifications.
- 5.8.4 Authority will give Lessee written notice of any breach by Lessee of the Airport's storm water discharge permit or the provisions of this section. Such a breach is material, and if of a continuing nature, Airport may seek to terminate this Lease pursuant to Section 19, Termination by Authority. Lessee agrees to cure promptly any breach.
- 5.8.5 Lessee agrees to participate in any Airport-organized task force or other work group established to coordinate storm water activities at the Airport.
- 5.9 The Lessee shall be solely responsible for the proper management, storage, and disposal of hazardous substances and hazardous wastes used, generated, stored, disposed, treated, or caused to be present on the leased premises by the activities of the Lessee. Notwithstanding any other provision of the Lease, the Lessee shall not treat or dispose of hazardous wastes on the Authority's premises. The Lessee shall provide all required notices, including those mandated under right-to-know laws, of the presence or use on the leased premises of hazardous substances, extremely hazardous substance, or hazardous wastes, shall provide all notices to appropriate authorities and to Authority of any releases to the environment of hazardous substances, extremely hazardous substances, or hazardous wastes, and shall obtain all permits necessary for the generation, storage, disposal, or treatment of hazardous wastes. The Lessee shall manage used oil and other petroleum products as required by Federal and state law and regulations and the rules and regulations of the Authority. The Lessee shall be solely liable for the investigation, corrective action, or remediation of any release to the environment caused by the Lessee, its invitees, employees, agents, or contractors of any hazardous waste, hazardous substance, extremely hazardous substance, oil or other petroleum based substance.
- 5.10 Indemnification. Notwithstanding any other provisions of this Lease, Lessee agrees to the extent allowed by law, to indemnify and hold harmless the Authority and other tenants for any and all claims, demands, costs, (including attorneys fees), fees, fines, penalties, charges and demands by and liability directly or indirectly arising from Lessee's actions or omissions, including failure to comply with Lessee's obligations under this Section, applicable regulations, or permits, unless the result of Authority's sole negligence. This indemnification shall survive any termination or non-renewal of this Lease.

SECTION 6
TITLE TO IMPROVEMENTS AND REPAIRS

- 6.1 Lessee's improvements erected or constructed upon the Leased Premises shall remain the property of the Lessee during the entire term of the Lease. In the event Lessee's improvements remains erected or constructed upon the Leased Premises upon the expiration or termination of this Lease, then upon expiration or termination of this lease, such improvements shall become the property of the Authority upon expiration or termination of this lease, free and clear of all claims on the part of the Lessee on account of any repair.

SECTION 7
ADDITIONAL OBLIGATIONS OF LESSEE

- 7.1 Lessee shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.
- 7.2 Further, Lessee shall take all reasonable measures not to produce on the Airport any disturbance that interferes with the operation by the Authority or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.
- 7.3 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from Authority concerning the conduct, or demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

- 7.4 Lessee shall comply with all environmental, health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder. Lessee agrees to allow Authority access to premises and records to investigate compliance with all applicable laws if there is reason to suspect negligence or willful non-compliance.
- 7.5 Lessee shall comply with all written instructions of the Authority and applicable Federal, state, and local laws, ordinances, and regulations in disposing of trash, garbage and other refuse; the frequency of removal thereof from the Airport premises shall at all times be subject to the rules, regulations and approval of Authority. All disposal of trash, garbage, refuse and wastes shall be at the expense of the Lessee.
- 7.6 Lessee shall not commit, nor permit to be done, anything that may result in the commission of a nuisance, waste or injury on the Leased Premises.
- 7.7 Lessee shall not do, nor permit to be done, 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 Leased Premises.
- 7.8 Lessee shall take measures to ensure security in compliance with Federal Air Regulations and the Airport Security Plan and the Newnan Coweta Airport Authority rules and regulations.
- 7.9 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises, which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Agreement.
- 7.10 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. The term "working supply" as used in this Section 7.10 shall mean the amount consumed by Lessee during any normal workday. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- 7.11 Except for services permitted under Section 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to the Authority of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from the Authority.
- 7.12 It is the intent of the parties hereto that noise, including but not limited to, noise caused by aircraft engine operation shall be held to a minimum. To this end the Lessee will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof or any other noise to a minimum by the use of such methods or devices as are practicable, considering the extent and type of the operations of the Lessee, but in no event less than those devices or procedures that are required by Federal, State or local law. In addition, Lessee shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Leased Premises.
- 7.13 In connection with the conduct of Lessee's business, the Lessee shall maintain in accordance with generally accepted accounting principles, consistently applied, during the term hereof, Lessee's records and books of account, recording all transactions at, through or in anywise connected with the Airport which records and books of account shall be kept at all times at the Lessee's place of business at the Airport
- 7.14 Lessee shall permit in ordinary business hours during the term hereof and for one year thereafter the examination and audit by the employees or representatives of the Authority such records and books of account. As a result of such examination, Lessor acknowledges it may have access to various procedures, pricing lists, customer lists, marketing plans, financial information, engineering designs and other information that Lessee considers to be highly confidential and proprietary. Lessor agrees that it will not furnish or otherwise make available in any manner, such information without written consent of Lessee.

SECTION 8
INGRESS AND EGRESS

- 8.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.
- 8.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. Authority may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Leased Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the Authority, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee whether within the Leased Premises or outside the Leased Premises at the Airport unless otherwise mandated by safety considerations or lawful exercise of police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

SECTION 9
INSURANCE, DAMAGE OR DESTRUCTION

- 9.1 To safeguard the interest of the Authority, the Lessee at its sole cost and expense shall procure and maintain throughout the term of this lease insurance protection for "all risk" coverage on the structure and improvements of which the Leased Premises is a part, to the extent of one hundred percent (100%) of the actual replacement cost thereof, in insurance companies licensed to do business in the State of Georgia. If said insurance company becomes financially incapable of performing under the terms of said policy, the Lessee shall promptly obtain a new policy issued by a financially responsible carrier and shall submit such new policy as previously provided.
- 9.1.1 The above stated property insurance shall name the Authority as Additional Insured, provide thirty (30) days notice of cancellation or material change, by registered mail, to the Office of the Airport Manager, and have a deductible amount not to exceed one thousand dollars (\$1,000.00) per occurrence.
- 9.1.2 The Lessee shall provide a copy of the above stated property insurance policy to the Office of the Airport Manager, at least seven (7) days prior to the inception of the Lease Agreement. Upon the failure of the Lessee to maintain such insurance as above provided, the Authority, at its option, may take out such insurance and charge the cost thereof to Lessee with the next installment of the monthly fee due hereunder or may declare a default hereunder pursuant to Section 19 herein.
- 9.2 In the event any improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed (except damage or destruction caused by Lessee as set forth in Section 9.6 hereof) to the extent they are unusable by Lessee for the purposes for which they were used prior to such damage, or same are destroyed, Lessee shall have the option to promptly repair, rebuild, or replace the damaged or destroyed portion of the Leased Premises as they were immediately prior to such casualty, except for requirements of construction codes, which shall be as of the time of repair or replacement, or, to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement. In the event the improvements or fixtures are not rebuilt or restored, then that portion of the premises will revert back to the control of the Authority, and no longer be a part of the entire premises governed under this Lease. Any portion of the premises which reverts back to the Authority in a manner described in this paragraph, must be a commercially viable portion of the premises.
- 9.3 In the event of damage or destruction to any of the improvements upon the Leased Premises, the Authority shall have no obligation to repair or rebuild the improvements or any fixtures, equipment or other personal

property installed by Lessee pursuant to this Agreement. Following the expiration of 90 days after written notice to Lessee to commence repair or rebuilding or to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement upon, the failure of Lessee to repair or rebuild or restore, the Authority may, as agent of the Lessee, repair or rebuild such damage or destruction at the expense of Lessee which expense shall be due and payable on demand.

- 9.4 Upon completion of all the work, the Lessee shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the Lessee and said costs are fair and reasonable and said certification shall also include an itemization of costs. If the insurance proceeds are not sufficient the Lessee agrees to bear and pay the deficiency. Nothing herein contained shall be deemed to release the Lessee from any of its repair, maintenance or rebuilding obligations under this lease.
- 9.5 In the event the Lessee shall, at its expense, repair and replace any and all fixtures, equipment and other personal property necessary to properly and adequately continue its airport business on the Airport, in no event shall Lessee be obligated to provide equipment and fixtures in excess of those existing prior to such damage or destruction. During such period of repair or reconstruction, the rentals provided for elsewhere herein shall be proportionately abated during the period from the date of such damage, destruction or loss until the same is repaired, replaced, restored or rebuilt, provided, Lessee does not use said damaged Leased Premises or the location thereof for any purposes other than the repair or rebuilding of same. Such abatement shall not exceed the actual time required for arranging for and the doing of such work. The proportional amount of reduction of rentals will be determined by the Authority. Lessee agrees that such work will be promptly commenced and prosecuted to completion with due diligence; subject to delays beyond Lessee's control.
- 9.6 In the event the improvements on the Leased Premises are damaged or destroyed by fire or other cause by reason of any act or omission of the Lessee or its employees, this Lease Agreement shall continue in full force and effect, notwithstanding the provisions of Sections 9.2, 9.3, 9.4 and 9.5 hereof, and the Lessee shall have the option to repair or rebuild the improvements so damaged or destroyed, at Lessee's own cost and expense, in a good workmanlike manner to the same standards existing at the time of the casualty, subject to applicable building codes existing at the time of repair or rebuilding, or, Lessee shall restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement.

SECTION 10
LIABILITIES AND INDEMNITIES

- 10.1 Authority shall not in any way be liable for any cost, liability, damage or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations, works, acts or omissions performed on the Leased Premises, or the Airport, by Lessee, its sublessees or tenants, or their guest, licensees or invitees.
- 10.2 Lessee agrees, to the extent allowed by law, to defend, indemnify, save and hold harmless, the Authority, its officers, agents, servants and employees of and from any and all costs, liability, penalties, damages and expense (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any person, firm, governmental entity or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including Authority personnel and Authority property, and any claim of violation of any state, Federal or local law or regulation protecting human health or the environment, directly or indirectly arising from or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, licensees, invitees, sublessees or tenants. Provided, however, that upon the filing with the Authority by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the Authority harmless, the Authority shall notify Lessee of such claim and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of the Authority. It is specifically agreed, however, that the Authority at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the Authority for any cause for which Lessee is liable hereunder shall be

conclusive against Lessee as to liability and amount upon the expiration of the time for appeal. This indemnity obligation shall not be construed to require Lessee to indemnify Authority for its own negligence.

- 10.3 In addition to Lessee's undertaking, as stated in this Section, and as a means of further protecting the Authority, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect liability insurance coverage as set forth in Exhibit B attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sublessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insureds.
- 10.3.1 The Authority reserves the right to increase the minimum liability insurance requirements set forth in Exhibit B. Following thirty (30) days written notice from the Authority to Lessee, the Authority may increase the minimum liability insurance requirements when in the Authority's opinion, the risks attendant to Lessee's operations hereunder have increased commensurate with the other risks regulated by the Authority.
- 10.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The Lessee agrees, to the extent allowed by law, to defend, indemnify and save and hold the Authority, its officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any alleged or actual infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.
- 10.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall defend, indemnify and save harmless the Authority of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the Lessee.

SECTION 11 RULES AND REGULATIONS

- 11.1 From time-to-time Authority may adopt and enforce reasonable rules and regulations with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations and all other Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. Authority reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws. Lessee hereby acknowledges receipt of a current copy of such Authority rules and regulations.

SECTION 12 SIGNS

- 12.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the written approval of the Authority. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or other traffic or which fails to conform to the architectural scheme of the Airport or meet the requirements of the Authority.

SECTION 13 ASSIGNMENT AND SUBLEASE

- 13.1 Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of the Lessor, which

consent shall not be unreasonably withheld. Lessee will be allowed one (1) assignment of this Agreement, after which, a new lease will be required. Upon assignment Lessee agrees to pay the Lessor one percent (1%) of sale price.

- 13.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of the Authority, shall entitle the Authority at its option to forthwith cancel this Agreement.
- 13.3 Any assignment of this Agreement approved and ratified by the Authority shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof.
- 13.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the Authority, sublet a portion or portions of the Leased Premises to a person or entity that is in the opinion of the Authority compatible with Lessee's authorized airport business, but in no event shall the Lessee sublet any portion of the Leased Premises to a fixed base operator.
- 13.5 No consent by the Authority to subleasing by the Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the Authority set forth or arising from this Agreement and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.
- 13.6 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this Agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Section, or if the Leased Premises is occupied by anyone other than Lessee, Authority may collect from any assignee, tenant, sublessee or anyone who claims a right to this Agreement or who occupies the Leased Premises, any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by Authority of the agreements contained in this Section nor of acceptance by Authority of any assignee, tenant, claimant or occupant, nor as a release of the Lessee by Authority from the further performance by the Lessee of the agreements contained herein.

SECTION 14 CONDEMNATION

- 14.1 In the event that the Leased Premises or any material part thereof shall be condemned and taken by authority of eminent domain for any purpose during the term of this lease, rentals for that portion of the Leased Premises so taken shall be abated from the date that Lessee is dispossessed therefrom; provided, however, if, in the Lessee's judgment, the remaining portion of the Leased Premises is insufficient for Lessee's operations authorized hereunder, Lessee may terminate this Agreement and all of its rights and unaccrued obligations hereunder effective as of the date it is dispossessed of the condemned portion (or effective as of any date thereafter and within ninety (90) days of the date of such dispossession) by giving Authority thirty (30) days written notice of such termination.

SECTION 15 NON-DISCRIMINATION

- 15.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 15.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person

on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such 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 subjected to discrimination, and (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

- 15.3 In this connection, the Authority reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by Authority to cease and desist, will constitute a material breach of this Agreement and will entitle the Authority, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.
- 15.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the Authority, a right to take such action as the United States may direct to enforce such covenant.
- 15.5 The Lessee shall, to the extent allowed by law, indemnify and hold harmless Authority from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section and the Lessee shall reimburse Authority for any loss or expense incurred by reason of such noncompliance.

SECTION 16
GOVERNMENTAL REQUIREMENTS

- 16.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.
- 16.2 The Lessee shall pay all taxes, license, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder or on the gross receipts or income to Lessee therefrom, and shall make all applications, reports and returns required in connection therewith.

SECTION 17
RIGHTS OF ENTRY RESERVED

- 17.1 The Authority, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided, such action by the Authority, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises.
- 17.2 Without limiting the generality of the foregoing, the Authority, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of the Authority, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, the Authority shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is

specifically understood and agreed that the reservation of the aforesaid right by the Authority shall not impose or be construed to impose upon the Authority any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises.

- 17.3 In the event that any personal property of Lessee shall obstruct the access of the Authority, its officers, employees, agents or contractors, or the 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 Authority or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from Authority or said utility company to do so, the Authority or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result therefrom, except for claims for damages arising from the Authority's sole negligence.
- 17.4 At any reasonable time, and from time to time during the ordinary business hours, the Authority, by its officers, agents and employees, whether or not accompanied by a prospective lessee, occupier or user of the Leased Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, subject to Lessee's reasonable security requirements.
- 17.5 Exercise of any or all of the foregoing rights, by the Authority, or others under right of the Authority, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

SECTION 18
ADDITIONAL RENTS AND CHARGES

- 18.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from Authority to perform or commence to perform any obligation required herein to be performed by Lessee, Authority may enter the Leased Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to the Authority upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of the Authority, or other tenants of the Airport, and Authority so states in its notice to Lessee, the Authority may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.
- 18.2 If the Authority elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the Authority as the result of such failure, neglect or refusal of Lessee, including interest, not to exceed the greater of fifteen percent (15%) per annum or the rate which is four percent (4%) per annum above the prime rate as published by the Wall Street Journal, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by the Authority in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

SECTION 19
TERMINATION

- 19.1 In the event of a default on the part of Lessee in the payment of rents, or any other charges required by this Agreement to be paid to the Authority, the Authority shall give written notice to Lessee of such default, and may demand the cancellation of this Agreement, or the correction thereof. If, within fifteen (15) days after

the date Authority gives such notice, Lessee has not corrected said default, and paid the delinquent amount in full, this Agreement and all rights and privileges granted hereby in and to the Leased Premises shall terminate.

- 19.2 This Agreement together with all rights and privileges granted in and to the Leased Premises shall terminate automatically, upon the happening of any one or more of the following events:
- 19.2.1 The filing by Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of Lessee's assets; or,
- 19.2.2 Any institution of proceedings in bankruptcy against Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within thirty (30) days after the institution thereof; or,
- 19.2.3 The filing of a petition requesting a court to take jurisdiction of Lessee or its assets under the provisions of any Federal reorganization act; or
- 19.2.4 The filing of a request for the appointment of a receiver or trustee of Lessee's assets by a court of competent jurisdiction, or the request for the appointment of a receiver or trustee of Lessee's assets by a voluntary agreement with Lessee's creditors; or,
- 19.2.5 The abandonment by Lessee of the conduct of its authorized Airport business at the Airport, and in this connection suspension of operations for a period of sixty (60) days will be considered abandonment in the absence of a satisfactory explanation which is accepted in writing by the Authority.
- 19.2.6 The provisions of section 19.2.1 shall not apply to the pledge of all or any part of Lessee's assets as security for financing for the construction, operation, maintenance and repair of Lessee's improvements.
- 19.3 Upon the default by Lessee in the performance of any covenant or conditions required to be performed by Lessee, and the failure of Lessee to remedy such default for a period of thirty (30) days after receipt from the Authority of written notice to remedy the same (except as otherwise provided in Section 5.3 (b) above) and, except default in the timely payment of any money due the Authority, the Authority shall have the right to cancel this Agreement for such cause.
- 19.4 Upon the default of Lessee, and the giving of notice by the Authority to cancel this Agreement as provided for elsewhere herein, said notice of cancellation shall be final; provided however, that should the Authority determine that Lessee is diligently remedying such default to completion, and so advises Lessee in writing, said notice of cancellation may be held in abeyance. If, however, the Authority determines that such default is no longer being diligently remedied to conclusion, the Authority shall so advise Lessee in writing, and said notice of cancellation shall no longer be held in abeyance for any reason and shall become final without further notice to Lessee. The determination of the Authority in this regard shall in all events be conclusive and binding upon Lessee.
- 19.5 Upon the cancellation or termination of this Agreement for any reason, all rights of the Lessee, tenants and any other persons in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Agreement for any reason, the Leased Premises, except for such personal property which may be removed from said Leased Premises as provided for elsewhere herein, shall be free of all encumbrances and all claims of Lessee, its tenants, creditors, trustees, assigns and all others, and the Authority shall have immediate right of possession to the Leased Premises.
- 19.6 Failure by the Authority to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of rentals by the Authority under the terms hereof, for any period or periods after a default by Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by Lessee shall not be deemed a waiver or estoppel of

any right on the part of the Authority to cancel this Agreement for any subsequent failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

SECTION 20
TERMINATION BY LESSEE

- 20.1 In addition to any other right or cancellation herein given to Lessee, or any other rights to which it may be entitled to by law, equity or otherwise, as long as Lessee is not in default in payment to Authority of any amounts due Authority under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving Authority written notice upon or after the happening of the following events:
- 20.1.1 Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or
- 20.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as to substantially restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

SECTION 21
SURRENDER AND RIGHT OF RE-ENTRY

- 21.1 Upon the cancellation or termination of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up and quit claim the Leased Premises to the Authority in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the Authority. Upon such cancellation or termination, the Authority may re-enter and repossess the Leased Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at Authority's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to the Authority current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or obligations due the Authority, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided, further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required.

SECTION 22
SERVICES TO LESSEE

- 22.1 Authority covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the Authority may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The Authority further agrees to use its best efforts to maintain the runways and taxiways in good repair. Authority agrees to keep in good repair hard-surfaced

public roads for access to the Leased Premises. Authority also agrees to maintain its water and sanitary sewer facilities in areas designated for utilities or easements adjacent to the Leased Premises for access thereto by Lessee in accordance with Authority Ordinances governing same.

- 22.2 Lessee will contract with and obtain all required permits from the appropriate Authority Departments for any utility services provided by Authority, paying any required connection fees, including those to be paid by owners, and all such services will be provided at rates and on terms and conditions established by the Authority for similar users in the Authority.
- 22.3 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, other utilities, telephone, burglary and fire protection services furnished to the Leased Premises.

SECTION 23
SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

- 23.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Section 19 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to Authority to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.
- 23.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:
- 23.2.1 The amount of the total of all installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;
- 23.2.2 An amount equal to all expenses incurred by Authority in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including but not limited to attorney's fees), putting the Leased Premises in order, maintenance and brokerage fees.
- 23.2.3 An amount equal to any deficiency for the remaining term of the Lease, computed in accordance with the provisions of Section 23.1.

SECTION 24
USE SUBSEQUENT TO CANCELLATION OR TERMINATION

- 24.1 The Authority, upon termination or cancellation pursuant to Section 19 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.
- 24.2 Authority shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purpose of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

- 24.3 In the event either of use by others or of any actual use and occupancy by Authority, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Leased Premises as Authority may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by Authority in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of Authority hereunder. Authority will use its best efforts to minimize damages to Lessee under this Section.

SECTION 25
LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

- 25.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

SECTION 26
NOTICES

- 26.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, return receipt requested, addressed to the recipient at the address set forth below:

To Authority: Newnan Coweta County Airport Authority
Attn: Airport Manager
115 Airport Rd.
Newnan, Georgia 30263

To Lessee: 49 Aviation, LLC, a Georgia limited liability company
Attn: Richard Ferry, Manager
270 N. Jeff Davis Drive
Fayetteville, Georgia 30214

- 26.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

SECTION 27
HOLDING OVER

- 27.1 No holding over by Lessee after the termination of this lease shall operate to extend or renew this lease for any further term whatsoever; but Lessee will by such holding over become a tenant at will of the Authority after written notice by the Authority to vacate such premises. Continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 27.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the Authority shall make the Lessee liable to the Authority for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.

- 27.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee, or any of Lessee's sublessees or tenants occupy the Leased Premises or any part thereof.

SECTION 28
INVALID PROVISIONS

- 28.1 The invalidity of any provisions, articles, paragraphs, portions, or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Agreement.

SECTION 29
MISCELLANEOUS PROVISIONS

Remedies to be Nonexclusive.

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

Non-Waiver of Rights.

- 29.2 The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall other party be relieved thereby from its obligations under the terms hereof.

Force Majeure.

- 29.3 Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified. Notwithstanding the language in this subparagraph in the event of emergency wherein the Federal Airport Authority orders the cessation of flight operations out of the Newnan-Coweta airport which exceeds ninety (90) days, Lessee may be excused from any rental obligations until the Federal Airport Authority resumes flight operations at said airport.

Non-liability of Individuals.

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

Quiet Enjoyment

- 29.5 The Authority covenants that as long as Lessee is not in default of any provision of this Agreement, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled as provided in this Agreement.

General Provisions

- 29.6 Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.
- 29.7 This Agreement shall be performable and enforceable in Newnan, Georgia, and shall be construed in accordance with the laws of the State of Georgia.

- 29.8 This Agreement is made for the sole and exclusive benefit of the Authority and Lessee, their successors and assigns, and is not made for the benefit of any third party.
- 29.9 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not authorize the same.
- 29.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.
- 29.11 The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
- 29.12 Nothing herein contained shall create or be construed to creating a co-partnership between the Authority and the Lessee or to constitute the Lessee an agent of the Authority. The Authority and the Lessee each expressly disclaim the existence of such a relationship between them.
- 29.13 All disputes and controversies of every kind and nature between the parties to this agreement arising out of or in connection with this agreement as to the existence, construction, validity, interpretation or meaning, performance, non-performance, enforcement, operation, breach, continuance, or termination thereof, including damages, shall be settled by binding arbitration conducted at the offices of the American Arbitration Association located in Atlanta, Georgia, at a date and time noticed by the arbitrators, in accordance with the commercial arbitration rules then in effect of the American Arbitration Association. All matters submitted to arbitration shall be submitted to two disinterested and competent persons, mutually chosen, who shall select a third, whose award shall be conclusive and binding on both parties and judgment thereon may be entered in any court of competent jurisdiction. If the parties cannot mutually agree on two arbitrators within ten (10) days after a demand for arbitration is given, the American Arbitration Association shall select the two arbitrators who shall select a third. The parties stipulate and agree that the provisions of this agreement as to the arbitration shall be a complete defense to any suit, action, or proceeding instituted in any federal, state, or local court, or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement; provided that nothing herein prohibits a party from bringing an action to enforce the arbitration provision hereof. The arbitration provisions of this agreement shall, with respect to controversies or disputes, survive the termination or expiration of this agreement. Nothing contained in this agreement shall be deemed to give the arbitrators any authority, power, or right to alter, change, amend, modify, add to or subtract from any of the provisions of this agreement. Either party may demand arbitration in writing by giving the other party thirty (30) days notice. The arbitrator, as part of the arbitration award, shall determine which party or parties pay the costs of arbitration.

SECTION 30
SUBORDINATION CLAUSES

- 30.1 This Agreement is subject and subordinate to the following:
- 30.1.1 Authority reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Leased Premises.
- 30.1.2 Authority reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.
- 30.1.3 This Agreement is and shall be subordinate to the provisions of existing and future agreements between Authority and the United States relative to the operation or maintenance of the Airport, the execution of

which has been or may be required as a condition precedent to the obtaining or expenditure of Federal funds for the benefit of the Airport.

- 30.1.4 During the time of war or national emergency, Authority shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be determined by the Authority in proportion to the degree of interference with Lessee's use of the Leased Premises.
- 30.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

SECTION 31
ENTIRE AGREEMENT

- 31.1 This Agreement consists of Sections 1 to 31, inclusive, Exhibit A, and Exhibit B.
- 31.2 This Agreement constitutes the entire Agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by the Authority and the Lessee. The parties agree that no representations or warranties shall be binding upon the Authority or the Lessee unless expressed in writing in this Agreement of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Signed, sealed and delivered NEWNAN COWETA COUNTY AIRPORT AUTHORITY by Newnan Coweta County Airport Authority the presence of:

Unofficial Witness

BY: _____
Chairman

Notary Public
Commission Expires: _____
(SEAL)

ATTESTED
BY: _____

LESSEE

Signed , sealed and delivered
by LESSEE
In the presence of:

Unofficial Witness

49 AVIATION, LLC.
BY: _____
Member\Manager

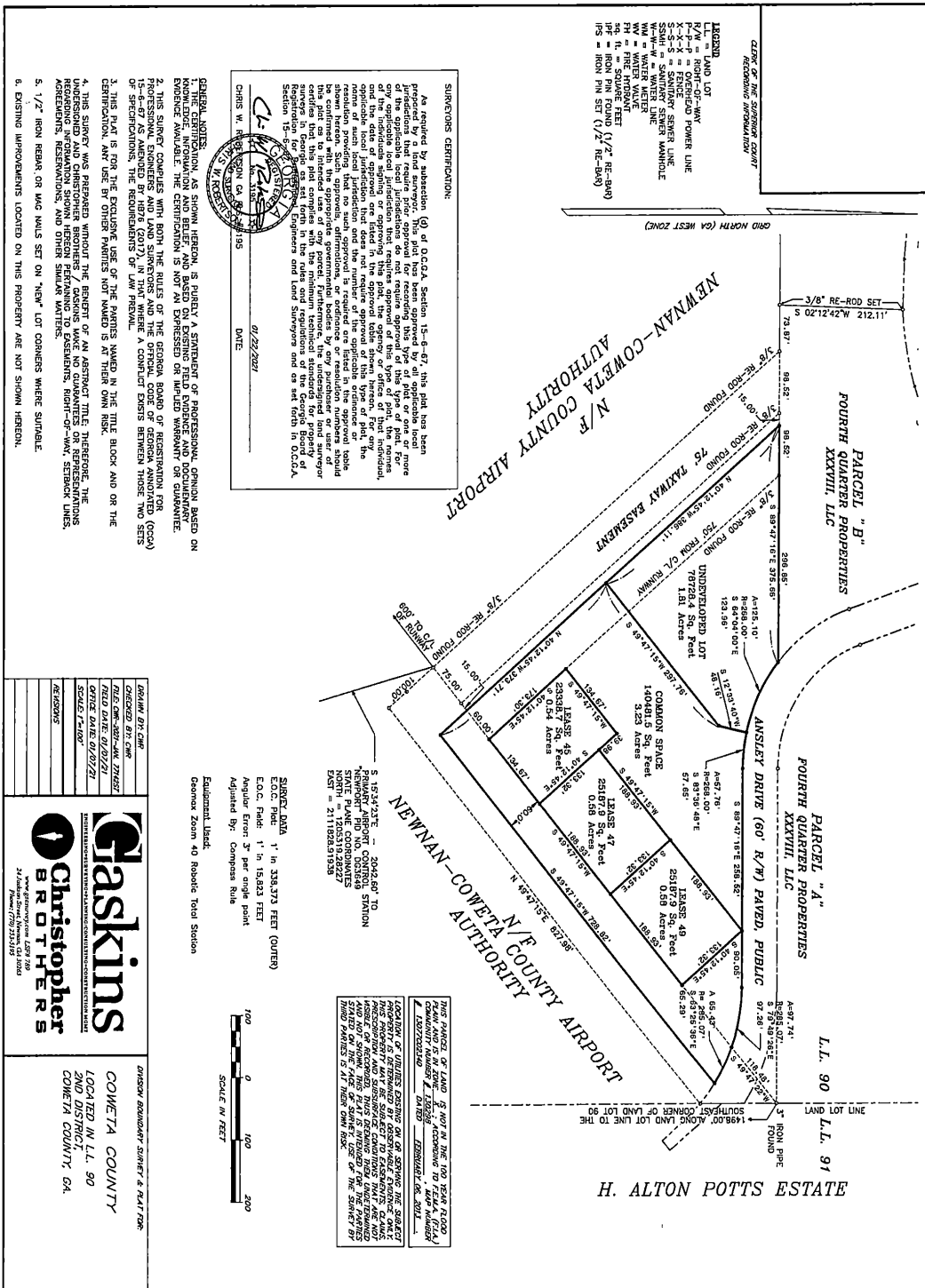
Notary Public
Commission Expires: _____
(SEAL)

Corporate Seal

Attachment: 20211216.Lease Agreement.49 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

EXHIBIT A

Survey & Legal Description of Leased Premises



"EXHIBIT A"

Attachment: 20211216.Lease Agreement.49 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

EXHIBIT B

Insurance

Lessee in its own name as insured and, at its sole cost and expense, shall secure, and maintain in continuous effect during the term of this Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Georgia providing for:

- (1) Comprehensive General Liability Insurance. Combined Single limits including Bodily Injury and Property Damage with limits of \$1,000,000 for each occurrence, personal and advertising injury with a limit of \$1,000,000 per occurrence and \$2,000,000 general and products/completed operations aggregates. General Liability should include premises/operations coverage and products and completed operations coverage.
- (2) Auto Liability – including Owner, hired, and non-owned vehicles with Combined Single limits including Bodily injury and Property damage of \$500,000 for each occurrence.
- (3) Umbrella Excess Liability Insurance: Contractor shall carry umbrella excess liability including Auto, General Liability and Workers’ Compensation in the amount of \$1,000,000 over existing primary insurance and over self-insured hazards.
- (4) If Lessee has its own fuel tanks, Environment Impairment Liability and/or Pollution Liability - \$1,000,000 per occurrence.
- (5) Workers’ Compensation: As required by law.

All of the above policies must be occurrence based. Authority and Coweta County shall be named as an additional insured on all policies. The policies shall contain provisions that the coverage provided by said policies shall be primary to any insurance maintained by or for the benefit of Authority or Coweta County provide that the carrier issuing the certificate shall notify Authority thirty (30) days in advance of any cancellation or material change in the terms or coverage of such insurance policies. Said insurance shall in fact be primary to any insurance maintained by or for the benefit of Authority or Coweta County.

Lessee shall provide Authority with the Policies and Certificates indicating proof of the foregoing insurance coverages. The failure of the Lessee to obtain or maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Agreement nor any such liability be limited to the liability insurance coverage provided for herein.

Notwithstanding the above, any such certificate naming an insurance carrier not having at least an “A” rating by A.M. Best & Company, shall be referred to the Airport Manager for review and recommendation.

ASSIGNMENT AND ASSUMPTION OF LEASE AND LANDLORD CONSENT

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AND LANDLORD CONSENT (“Agreement”) is made and entered into as of this 16th day of December, 2021 (the “Effective Date”), by and between THE COWETA COUNTY DEVELOPMENT AUTHORITY, a political subdivision of the State of Georgia (“CCDA”), as the assignor, 45 AVIATION, LLC, a Georgia limited liability company (“45 AVIATION”), as the assignee, and THE NEWNAN-COWETA AIRPORT AUTHORITY (the “AIRPORT AUTHORITY”), as the landlord pursuant to the below defined Lease. CCDA, and the AIRPORT AUTHORITY, individually or collectively as the context may require, a “Party” or the “Parties”.

Background

CCDA, as tenant, presently leases from the AIRPORT AUTHORITY, as landlord, approximately 82,340 square feet of space located at 45 Aviation Way, Newnan, Georgia 30263 (the “Premises”), pursuant to that certain Lease Agreement (the “Lease”), dated December 16, 2021, a copy of which Lease (including all amendments, if any) is attached to this Agreement as Exhibit “A”.

Pursuant to the terms of this Agreement, CCDA desires to assign all of its right, title and interest in and to the aforementioned Lease to 45 AVIATION, and 45 AVIATION desires to assume all of such rights, title and interest in and to the Lease from CCDA. Furthermore, and as required by the Lease, the AIRPORT AUTHORITY desires to consent to the assignment of the Lease as set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth in this Agreement, and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Assignment of Lease. Effective as of 11:59 p.m. (Eastern Time Zone) on the Effective Date (the “Effective Time”), CCDA assigns and grants to 45 AVIATION all of CCDA’s right, title and interest in and to the Lease and all of CCDA’ leasehold interest as created pursuant to the Lease.
2. Assumption of Lease. Effective as of the Effective Time, 45 AVIATION accepts the assignment of the Lease and assumes all of CCDA’s right, title and interest in and to the Lease and all of CCDA’s leasehold interest as created pursuant to the Lease. 45 AVIATION hereby assumes and covenants to perform all of the obligations of the “tenant” under the Lease (collectively, the “Obligations”) that first arise or accrue from and after the Effective Date, including but not limited to the timely payment of rent.
3. Landlord’s Consent. The AIRPORT AUTHORITY hereby consents to this assignment of the Lease from CCDA to 45 AVIATION pursuant to the terms and conditions set forth in this Agreement. The AIRPORT AUTHORITY acknowledges and agrees that such

assignment will not conflict with, or result in any violation of, breach of or default under (with or without notice or lapse of time, or both) any provision of the Lease, nor will such assignment give rise to a right of termination, cancellation, acceleration, modification or loss of any benefit to 45 AVIATION as the successor tenant under any provision of the Lease. Furthermore, the AIRPORT AUTHORITY agrees to look solely to 45 Aviation to perform the obligations of “tenant” under the Lease that first arise or accrue from and after the Effective Time, including but not limited to the timely payment of rent, and all without participation, contribution, guaranty or indemnification from CCDA with respect to the same.

4. Payment of Rent. CCDA represents and warrants that the monthly rental payment is Two Thousand and Eighty-Seven and 00/100 Dollars (USD \$2087.00), effective July 1, 2022 and that rental payments which were due prior to July 1, 2022 has been paid in full through and including July 1, 2022 (the “Paid Through Date”) to the paid to the Airport Authority. Furthermore, the AIRPORT AUTHORITY affirms that the monthly rental payment due and payable pursuant to the Lease has been paid in full through and including the Paid Through Date. 45 AVIATION shall be responsible for the payment of the same to the AIRPORT AUTHORITY.

5. CCDA Representations. CCDA represents and warrants to the Parties as follows:

(a) CCDA’s execution, delivery and performance of this Agreement have been approved by all necessary corporate action, and the person(s) signing this Agreement on behalf of CCDA are authorized to do so. Accordingly, CCDA has the full authority (i) to enter into, execute and deliver this Agreement, (ii) to perform CCDA’s obligations under this Agreement, and (iii) to consummate any related transactions contemplated by this Agreement.

(b) The Lease is in full force and effect. The Lease (including any amendments thereto) attached to this Agreement as Exhibit “A” is the sole and complete agreement by and between CCDA and the AIRPORT AUTHORITY with respect to leasing of the Premises.

(c) No material default presently exists pursuant to the terms of the Lease by CCDA, as tenant, and CCDA has received no written notice from the AIRPORT AUTHORITY regarding or alleging any default pursuant to the terms of the Lease which has not otherwise been previously resolved.

(d) To the best of CCDA’s knowledge and belief, no default presently exists nor with the passage of time would such a default arise pursuant to the terms of the Lease by the AIRPORT AUTHORITY, as landlord. For the purpose of the preceding sentence, the “knowledge and belief” of CCDA shall mean the knowledge and belief of only the officer signing this Agreement below on behalf of CCDA.

6. 45 Aviation Representations. 45 AVIATION represents and warrants to the Parties as follows:

(a) 45 AVIATION's execution, delivery and performance of this Agreement have been approved by all necessary corporate action, and the person(s) signing this Agreement on behalf of 45 AVIATION are authorized to do so. Accordingly, 45 AVIATION has the full authority (i) to enter into, execute and deliver this Agreement, (ii) to perform 45 AVIATION obligations under this Agreement, and (iii) to consummate any related transactions contemplated by this Agreement.

(b) All representations as set forth in the Lease are hereby restated and affirmed by 45 AVIATION as if 45 AVIATION was the original tenant under said Lease, provided that the terms of such Paragraph shall otherwise be conformed to 45 AVIATION as a limited liability company duly organized and validly existing under the laws of the State of Georgia.

7. AIRPORT AUTHORITY Representations. The AIRPORT AUTHORITY represents and warrants to the Parties as follows:

(a) The AIRPORT AUTHORITY's execution, delivery and performance of this Agreement have been approved by all necessary corporate action, and the person(s) signing this Agreement on behalf of the AIRPORT AUTHORITY are authorized to do so. Accordingly, the AIRPORT AUTHORITY has the full authority (i) to enter into, execute and deliver this Agreement, (ii) to perform the AIRPORT AUTHORITY's obligations under this Agreement, and (iii) to consummate any related transactions contemplated by this Agreement.

(b) The Lease is in full force and effect. The Lease (including any amendments thereto) attached to this Agreement as Exhibit "A" is the sole and complete agreement by and between CCDA and the AIRPORT AUTHORITY with respect to leasing of the Premises.

(c) No material default presently exists pursuant to the terms of the Lease by the AIRPORT AUTHORITY, as landlord, and the AIRPORT AUTHORITY has received no written notice from CCDA regarding or alleging any default pursuant to the terms of the Lease which has not otherwise been previously resolved.

(d) To the best of the AIRPORT AUTHORITY's knowledge and belief, no default presently exists nor with the passage of time would such a default arise pursuant to the terms of the Lease by CCDA, as tenant. For the purpose of the preceding sentence, the "knowledge and belief" of the AIRPORT AUTHORITY shall mean the knowledge and belief of only the officer signing this Agreement below on behalf of the AIRPORT AUTHORITY.

8. Reserved.

9. Reserved.

10. Condition of the Premises. 45 AVIATION agrees that it has made such inspections of the Premises so as to satisfy itself on the condition and suitability of the Premises for 45 AVIATION's intended use and occupancy, and 45 AVIATION agrees to accept the Premises in its present condition and in an "as is, where is" condition. TO THE FULLEST EXTENT ALLOWED BY LAW, THE AIRPORT AUTHORITY AND CCDA MAKE, AND SHALL MAKE, NO EXPRESS OR IMPLIED WARRANTY OF SUITABILITY OR FITNESS OF THE PREMISES FOR ANY PURPOSE, OR AS TO THE HABITABILITY, MERCHANTABILITY, VALUE, QUALITY, CONDITION OR TENANTABILITY OF THE PREMISES.

11. No Brokers. Each Party represents and warrants to the other that they have neither directly nor indirectly engaged a broker, leasing agent, finder or other such person in connection with the transaction contemplated by this Agreement. Each Party agrees to the extent allowed by law to indemnify, hold harmless and defend the other Parties from and against all claims, losses, liabilities and expenses, including reasonable attorneys' fees, through any and all appeals, arising out of any claim made by any broker, leasing agent, finder or any other such person who claims to have been engaged by such Party in connection with the transactions contemplated by this Agreement.

12. Notices. Any notice, consent or other communication required or permitted to be given under this Agreement must be given in writing and sent by hand delivery or by nationally recognized overnight courier service (such as FedEx or UPS) for next business day delivery with signature receipt. Such notice shall be addressed and delivered to the applicable Party at the address under its signature to this Agreement with copy to the Party's registered agent as then on file in the corporate records of the State of incorporation/formation. Upon notice provided from time to time, a Party may provide the other Parties an additional or replacement notice address, which new notice address shall thereafter be effective for purposes of this Paragraph. Notice will be deemed to have been given upon actual receipt or upon the date delivery is first attempted in the event delivery is first attempted and refused or in the event the Party to whom notice is to be given has moved and provided no forwarding address.

13. Miscellaneous.

(a) This Agreement is the entire agreement among the Parties regarding its subject matter. The Parties have not relied upon any promise, representation, warranty, agreement or undertaking outside of this Agreement. This Agreement supersedes any and all prior written or oral negotiations or agreements among the Parties regarding its subject matter. Time is of the essence with respect to the terms and conditions of this Agreement and the transactions contemplated hereby. The terms of the recital and Exhibits "A" attached hereto are incorporate herein by this reference.

(b) No amendment or other modification of this Agreement's terms, or waiver of any right or obligation herein, will bind any Party unless it is in writing and duly executed by all Parties.

(c) This Agreement binds and inures to the benefit of and is enforceable by and against the Parties and their respective successors and permitted assigns. However, no Party will assign (by voluntary action, operation of law, change of control or otherwise) or delegate this Agreement or any of its obligations or rights under this Agreement to any other person or entity without the other Party's prior written consent, to be given or withheld by the other Party in its sole absolute discretion, from time to time.

(d) Georgia law governs this Agreement excluding its choice and conflicts of law rules. Venue for any dispute regarding this Agreement shall be in the Superior Court of Coweta County, Georgia.

(e) Upon a Party's breach or default under this Agreement, the other Party's failure, whether single or repeated, to exercise a right under this Agreement will not be deemed to be a waiver of the right as to any future breach or default.

(f) Any provision of this Agreement deemed unenforceable will be construed to be modified, consistent with its general intent, to the extent necessary to then be enforceable. If the construction is not possible, then this Agreement will be deemed to not contain the provision. The foregoing will not affect the remaining provisions of this Agreement, which remain in full force and effect.

(g) The Parties may execute this Agreement in any number of counterparts, and any Party may execute any counterpart. Upon execution and delivery, each counterpart will be deemed an original and all counterparts taken together will be deemed one and the same agreement. Execution and delivery of this Agreement by exchange of electronic mail with PDF copies bearing the signature of each Party shall constitute a valid and binding execution and delivery of this Agreement by each Party, provided that (a) one Party assembles the final executed version of the Agreement and redelivers such assembled Agreement to all of the Parties by electronic mail with PDF copy, and (b) all Parties thereafter acknowledge receipt of the assembled and final executed version of this Agreement by electronic mail. Notwithstanding the preceding sentence, and upon request by any Party, the other Parties agree to deliver an original "wet signature" version of this Agreement to said Party.

(h) This Agreement has been negotiated and prepared by the Parties and their respective counsel, and should any provision of this Agreement require judicial interpretation, the court interpreting or construing the provision shall not apply the rule of construction that a document is to be construed more strictly against one party.

[SIGNATURES ON THE FOLLOWING PAGE]

[ASSIGNMENT AND ASSUMPTION OF LEASE SIGNATURE PAGE]

IN WITNESS WHEREOF, each Party has executed this Agreement under seal as of the Effective Date.

45 AVIATION, LLC, a Georgia Limited Liability Company:

By: _____ (Seal)

Name:

Title:

Notice Address:

CCDA:

Coweta County Development Authority

By: _____

Name:

Title:

Notice Address:

AIRPORT AUTHORITY:

Newnan-Coweta County Airport Authority

By: _____

Name:

Title:

Attest: _____

Name:

Title:

[Seal]

Notice Address:

Attachment: 20211216.Sublease Agreement.45 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

Exhibit "A"

Copy of the Lease
(including any amendments)

Attachment: 20211216.Sublease Agreement.45 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

“EXHIBIT A”

LEASE AGREEMENT
BETWEEN
NEWNAN-COWETA COUNTY
AIRPORT AUTHORITY
AND THE
COWETA COUNTY DEVELOPMENT AUTHORITY

Attachment: 20211216.Sublease Agreement.45 Aviation Way (12744 : Ground Leases 45, 47, 49 Aviation Way)

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COUNTY OF COWETA
STATE OF GEORGIA

LEASE AGREEMENT

THIS AGREEMENT (the "Agreement" or "Lease") made and entered into by and among the NEWNAN COWETA COUNTY AIRPORT AUTHORITY (the "Authority"), a body corporate and politic and a political subdivision and public corporation of the State of Georgia, and the COWETA COUNTY DEVELOPMENT AUTHORITY, a body corporate and politic and a political subdivision of the State of Georgia (the "Lessee").

WITNESSETH:

WHEREAS, the Newnan Coweta County Airport Authority is the owner of the premises known as Newnan Coweta County Airport (the "Airport"); and

WHEREAS, the Authority and Lessee are mutually desirous of entering into a Lease for the use and occupancy of certain areas at the Airport;

NOW, THEREFORE, for and in consideration of the respective promises and mutual agreements made by the parties hereto hereinafter set forth, the Authority hereby grants to the Lessee the right to use and occupy the ground area at the Airport shown on Exhibit A together with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon (hereinafter called the "Leased Premises") during the term of this Agreement upon the following terms and conditions and it is hereby mutually agreed as follows:

SECTION 1
TERM

- 1.1 The term of this lease shall be for a Twenty-five (25) year period, two (2) five (5) year options commencing on the 1st day of July 2022, and expiring on the 30th day of June, 2047, unless sooner terminated or renewed in accordance with the provisions hereof.
- 1.2 Lessee shall have the right to renew this Lease for an additional period commencing upon the expiration of the original 25-year term by the giving of ninety (90) days written notice to the Lessor, and provided that any such renewal shall be upon the then prevailing terms and conditions as the then current leases at the Airport or unless otherwise agreed upon between the Authority and Lessee.

SECTION 2
LEASED PREMISES

- 2.1 The Leased Premises shown on Exhibit A, attached hereto and made a part hereof consist of:
 - 2.1.1 Unimproved/Improved land area consisting of approximately 83,464 square feet,

SECTION 3
USE OF LEASED PREMISES

- 3.1 The Lessee or Lessee's tenants, sub-lessees or assigns shall continuously occupy and use the Leased Premises for the following purposes and for no other purpose whatsoever: **Aviation-based Economic Development activities.**
 - 3.1.1 Aircraft storage and necessary accessory usage;
 - 3.1.2 Any other purpose authorized in by the Newnan Coweta County Airport Authority.

SECTION 4
RENTS AND FEES

- 4.1 For Use and Occupancy of the Leased Premises herein granted, the Lessee agrees to pay to the Authority during the period commencing July 1, 2022, and ending June 30, 2025, a monthly rent of \$2,087.00.
- 4.1.1 Effective on July 1, 2025, and on July 1, of each third year of the remaining term, the monthly rental payable hereunder shall be adjusted by multiplying the monthly rental set forth in Section 4.1 above by a fraction, the numerator of which shall be the monthly CPI (as hereinafter defined) published for the month most recently preceding said July date, and the denominator of which shall be the monthly CPI published for July 2022, hereinafter referred to as Lessee's base month. In no event shall the rental payable under this Section 4.1.1 be less than the amount set forth in Section 4.1 above.
- 4.2 The term CPI as used herein shall mean the Consumer Price Index for all Urban Consumers, All Items, U.S. City Average, as most currently published by the Bureau of Labor Statistics of the United States Department for Labor.
- 4.2 The monthly rent shall be paid on the first day of each month in advance at the office of the Airport Director or at such other office as may be directed in writing by the Authority.
- 4.3 Nothing contained in the foregoing shall affect the survival of the obligations of the Lessees as set forth in the Sections of this Agreement covering the survival of the Lessee's obligations.
- 4.4 Lessee acknowledges that late payment by Lessee to Authority of any Agreement fees will cause Authority to incur costs not contemplated by this Agreement, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing, accounting, and interest charges. Therefore, if any installment of Agreement fees due from Lessee is not received by the tenth day after the due date, Lessee shall pay to Authority an additional sum of \$25.00 as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Authority will incur by reason of late payment by Lessee. Acceptance of any late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent Authority from exercising any of the other rights and remedies available to Authority. Agreement fees not paid when due shall bear simple interest from date due until paid at the rate of one- and one-half percent (1 ½%) per month.

SECTION 5
ACCEPTANCE, CARE, MAINTENANCE
IMPROVEMENTS AND REPAIR

- 5.1 Lessee warrants that it has inspected the Leased Premises and accepts possession of the Leased Premises and the improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, the State of Georgia Department of Transportation, and by ordinances of the Authority, and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, the Authority shall not be required to maintain nor to make any improvements, repairs restorations upon or to the Leased Premises or to any of the improvements presently located thereon.
- 5.2 Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:
- 5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises;

- 5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law;
- 5.2.3 Repair any damage caused by Lessee or its invitees, tenants, or contractors to paving, soils, water or other parts of the Leased Premises caused by any oil, gasoline, grease, lubricants, solvents, flammable liquids, or substances having a corrosive or detrimental effect thereon, and to remediate any release caused by Lessee or any of its invitees, tenants or contractors of any substance that has a harmful effect on human health or the environment as determined by any regulatory agency;
- 5.2.4 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas;
- 5.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.
- 5.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint, within a period of thirty (30) days after written notice from the Authority to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance, (b) or within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only; (c) or to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under this Agreement; then, the Authority may, at its option, and in addition to any other remedies which may be available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the Authority by Lessee on demand. Provided, however, if in the opinion of the Authority, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the Authority or other tenants at the Airport, and the Authority so states same in its notice to Lessee, the Authority may, at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to the Authority the cost and expense of such performance on demand. Furthermore, should the Authority, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result thereof except for claims for damages arising from the Authority's sole gross negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in this Agreement and shall not impose or be construed to impose upon the Authority any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.
- 5.4 Plans and specifications for all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "improvements"), including, without limitation the new facility to be constructed by the Lessee pursuant to Section 5.5 below, undertaken by the Lessee shall be submitted to and receive the written approval of the Authority, and no such work shall be commenced until such written approvals are obtained from the Authority, which approval shall not be unreasonably withheld or delayed. Authority shall advise Lessee within thirty (30) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, of its approval or disapproval of the proposed work, and in the event it disapproves, stating its reasons therefor.
- 5.5 Reserved.
- 5.6 If Lessee makes any improvements without Authority approval, then, upon notice to do so, Lessee shall remove the same or at the option of Authority cause the same to be changed to the satisfaction of Authority. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, Authority may affect the removal or change and Lessee shall pay the cost thereof

to the Authority. Lessee expressly agrees in the making of all improvements that, except with the written consent of Authority, it will neither give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Leased Premises and improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by Authority to all persons that no lien attaches to any such improvements.

- 5.7 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that the Airport is subject to federal storm water regulations, 40 CFR. Part 122, for "motor vehicle or automobile maintenance shops" (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and/or deicing operations that occur at the Airport as defined in these regulations and, if applicable, state storm water regulations. Lessee further acknowledges that it is familiar with these storm water regulations; that it does not conduct or operate "motor vehicle or automobile maintenance" (including vehicle rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations and/or deicing activities as defined in the federal storm water regulations; and that it is aware that there are significant penalties for submitting false information, including fines and imprisonment for knowing violations. This paragraph does not preclude Lessee performing minor aircraft maintenance and repair.
- 5.7.1 Notwithstanding any other provisions or terms of the Lease, Authority acknowledges that it has taken steps necessary to apply for or obtain a storm water discharge permit as required by the applicable regulations for the Airport, including the Leased Premises operated by the Lessee. Lessee acknowledges that the storm water discharge permit issued to the Authority may name the Lessee as co-permittee.
- 5.7.2 Notwithstanding any other provisions or terms of this Lease, including the Lessee's right to quiet enjoyment, Authority and Lessee both acknowledge that close cooperation is necessary to ensure compliance with any storm water discharge permit terms and conditions, as well as to ensure safety and to minimize costs. Lessee acknowledges that, as discussed more fully below, it may have to undertake to minimize the exposure of storm water (and snow melt) to "significant materials" generated, stored, handled or otherwise used by the Lessee, as defined in the federal storm water regulations, by implementing and maintaining "Best Management Practices."
- 5.7.3 Lessee acknowledges that the Airport's storm water discharge permit is incorporated by reference into this Lease and any subsequent renewals.
- 5.8 Permit Compliance. Authority will provide Lessee with written notice of those storm water discharge permit requirements, that are in the Airport's storm water permit, that Lessee will be obligated to perform from time to time, including, but not limited to: Certification of non-storm water pollution prevention of similar plans; implementation of "good housekeeping" measures or Best Management Practices; and maintenance of necessary records. Such written notice shall include applicable deadlines. Lessee, within seven (7) days of receipt of such written notice shall notify Authority in writing if it disputes any of the storm water discharge permit requirements it is being directed to undertake. If Lessee does not provide such timely notice, it is deemed to assent to undertake such requirements. If Lessee provides Authority with timely written notice that disputes such storm water discharge permit requirements, Authority and Lessee agree to negotiate a prompt resolution of their differences. Lessee warrants that it will not object to written notice from the Authority for purposes of delay or avoiding compliance.
- 5.8.1 Lessee agrees to undertake, at its sole expense unless otherwise agreed to in writing between Authority and Lessee, those storm water discharge permit requirements for which it has received written notice from the Authority. Lessee warrants that it shall meet any and all deadlines that may be imposed on or agreed to by Authority and Lessee. Lessee acknowledges that time is of the essence.
- 5.8.2 Authority agrees to provide Lessee, at its request, with any non-privileged information collected and submitted to any governmental entity(ies) pursuant to applicable storm water regulations.

- 5.8.3 Lessee agrees that the terms and conditions of the Airport's storm water discharge permit may change from time to time and hereby appoints Authority as its agent to negotiate with the appropriate governmental entity(ies) any such permit modifications.
- 5.8.4 Authority will give Lessee written notice of any breach by Lessee of the Airport's storm water discharge permit or the provisions of this section. Such a breach is material, and if of a continuing nature, Airport may seek to terminate this Lease pursuant to Section 19, Termination by Authority. Lessee agrees to cure promptly any breach.
- 5.8.5 Lessee agrees to participate in any Airport-organized task force or other work group established to coordinate storm water activities at the Airport.
- 5.9 The Lessee shall be solely responsible for the proper management, storage, and disposal of hazardous substances and hazardous wastes used, generated, stored, disposed, treated, or caused to be present on the leased premises by the activities of the Lessee. Notwithstanding any other provision of the Lease, the Lessee shall not treat or dispose of hazardous wastes on the Authority's premises. The Lessee shall provide all required notices, including those mandated under right-to-know laws, of the presence or use on the leased premises of hazardous substances, extremely hazardous substance, or hazardous wastes, shall provide all notices to appropriate authorities and to Authority of any releases to the environment of hazardous substances, extremely hazardous substances, or hazardous wastes, and shall obtain all permits necessary for the generation, storage, disposal, or treatment of hazardous wastes. The Lessee shall manage used oil and other petroleum products as required by Federal and state law and regulations and the rules and regulations of the Authority. The Lessee shall be solely liable for the investigation, corrective action, or remediation of any release to the environment caused by the Lessee, its invitees, employees, agents, or contractors of any hazardous waste, hazardous substance, extremely hazardous substance, oil or other petroleum-based substance.
- 5.10 Indemnification. Notwithstanding any other provisions of this Lease, Lessee agrees to the extent allowed by law, to indemnify and hold harmless the Authority and other tenants for any and all claims, demands, costs, (including attorney's fees), fees, fines, penalties, charges and demands by and liability directly or indirectly arising from Lessee's actions or omissions, including failure to comply with Lessee's obligations under this Section, applicable regulations, or permits, unless the result of Authority's sole negligence. This indemnification shall survive any termination or non-renewal of this Lease.

SECTION 6
TITLE TO IMPROVEMENTS AND REPAIRS

- 6.1 Lessee's improvements erected or constructed upon the Leased Premises shall remain the property of the Lessee during the entire term of the Lease. In the event Lessee's improvements remains erected or constructed upon the Leased Premises upon the expiration or termination of this Lease, then upon expiration or termination of this lease, such improvements shall become the property of the Authority upon expiration or termination of this lease, free and clear of all claims on the part of the Lessee on account of any repair.

SECTION 7
ADDITIONAL OBLIGATIONS OF LESSEE

- 7.1 Lessee shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.
- 7.2 Further, Lessee shall take all reasonable measures not to produce on the Airport any disturbance that interferes with the operation by the Authority or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.
- 7.3 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from Authority concerning the conduct, or demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

- 7.4 Lessee shall comply with all environmental, health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations, and requirements, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder. Lessee agrees to allow Authority access to premises and records to investigate compliance with all applicable laws if there is reason to suspect negligence or willful non-compliance.
- 7.5 Lessee shall comply with all written instructions of the Authority and applicable Federal, state, and local laws, ordinances, and regulations in disposing of trash, garbage, and other refuse; the frequency of removal thereof from the Airport premises shall at all times be subject to the rules, regulations and approval of Authority. All disposal of trash, garbage, refuse and wastes shall be at the expense of the Lessee.
- 7.6 Lessee shall not commit, nor permit to be done, anything that may result in the commission of a nuisance, waste or injury on the Leased Premises.
- 7.7 Lessee shall not do, nor permit to be done, 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 Leased Premises.
- 7.8 Lessee shall take measures to ensure security in compliance with Federal Air Regulations and the Airport Security Plan and the Newnan Coweta Airport Authority rules and regulations.
- 7.9 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises, which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Agreement.
- 7.10 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. The term "working supply" as used in this Section 7.10 shall mean the amount consumed by Lessee during any normal workday. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- 7.11 Except for services permitted under Section 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to the Authority of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from the Authority.
- 7.12 It is the intent of the parties hereto that noise, including but not limited to, noise caused by aircraft engine operation shall be held to a minimum. To this end the Lessee will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof or any other noise to a minimum by the use of such methods or devices as are practicable, considering the extent and type of the operations of the Lessee, but in no event less than those devices or procedures that are required by Federal, State or local law. In addition, Lessee shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Leased Premises.
- 7.13 In connection with the conduct of Lessee's business, the Lessee shall maintain in accordance with generally accepted accounting principles, consistently applied, during the term hereof, Lessee's records and books of account, recording all transactions at, through or in anywise connected with the Airport which records and books of account shall be kept at all times at the Lessee's place of business at the Airport
- 7.14 Lessee shall permit in ordinary business hours during the term hereof and for one year thereafter the examination and audit by the employees or representatives of the Authority such records and books of account. As a result of such examination, Lessor acknowledges it may have access to various procedures, pricing lists, customer lists, marketing plans, financial information, engineering designs and other information that Lessee considers to be highly confidential and proprietary. Lessor agrees that it will not furnish or otherwise make available in any manner, such information without written consent of Lessee.

SECTION 8
INGRESS AND EGRESS

- 8.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises and the public landing areas at the Airport by means of connecting taxiways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.
- 8.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. Authority may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway or taxiway and any other way at, in or near the Leased Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the Authority, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee whether within the Leased Premises or outside the Leased Premises at the Airport unless otherwise mandated by safety considerations or lawful exercise of police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

SECTION 9
INSURANCE, DAMAGE OR DESTRUCTION

- 9.1 To safeguard the interest of the Authority, the Lessee at its sole cost and expense shall procure and maintain throughout the term of this lease insurance protection for "all risk" coverage on the structure and improvements of which the Leased Premises is a part, to the extent of one hundred percent (100%) of the actual replacement cost thereof, in insurance companies licensed to do business in the State of Georgia. If said insurance company becomes financially incapable of performing under the terms of said policy, the Lessee shall promptly obtain a new policy issued by a financially responsible carrier and shall submit such new policy as previously provided.
- 9.1.1 The above stated property insurance shall name the Authority as Additional Insured, provide thirty (30) days notice of cancellation or material change, by registered mail, to the Office of the Airport Manager, and have a deductible amount not to exceed one thousand dollars (\$1,000.00) per occurrence.
- 9.1.2 The Lessee shall provide a copy of the above stated property insurance policy to the Office of the Airport Manager, at least seven (7) days prior to the inception of the Lease Agreement. Upon the failure of the Lessee to maintain such insurance as above provided, the Authority, at its option, may take out such insurance and charge the cost thereof to Lessee with the next installment of the monthly fee due hereunder or may declare a default hereunder pursuant to Section 19 herein.
- 9.2 In the event any improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed (except damage or destruction caused by Lessee as set forth in Section 9.6 hereof) to the extent they are unusable by Lessee for the purposes for which they were used prior to such damage, or same are destroyed, Lessee shall have the option to promptly repair, rebuild, or replace the damaged or destroyed portion of the Leased Premises as they were immediately prior to such casualty, except for requirements of construction codes, which shall be as of the time of repair or replacement, or, to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement. In the event the improvements or fixtures are not rebuilt or restored, then that portion of the premises will revert back to the control of the Authority, and no longer be a part of the entire premises governed under this Lease. Any portion of the premises which reverts back to the Authority in a manner described in this paragraph, must be a commercially viable portion of the premises.
- 9.3 In the event of damage or destruction to any of the improvements upon the Leased Premises, the Authority shall have no obligation to repair or rebuild the improvements or any fixtures, equipment or other personal

property installed by Lessee pursuant to this Agreement. Following the expiration of 90 days after written notice to Lessee to commence repair or rebuilding or to restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement upon, the failure of Lessee to repair or rebuild or restore, the Authority may, as agent of the Lessee, repair or rebuild such damage or destruction at the expense of Lessee which expense shall be due and payable on demand.

- 9.4 Upon completion of all the work, the Lessee shall certify by a responsible officer or authorized representative that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the Lessee and said costs are fair and reasonable and said certification shall also include an itemization of costs. If the insurance proceeds are not sufficient the Lessee agrees to bear and pay the deficiency. Nothing herein contained shall be deemed to release the Lessee from any of its repair, maintenance or rebuilding obligations under this lease.
- 9.5 In the event the Lessee shall, at its expense, repair and replace any and all fixtures, equipment and other personal property necessary to properly and adequately continue its airport business on the Airport, in no event shall Lessee be obligated to provide equipment and fixtures in excess of those existing prior to such damage or destruction. During such period of repair or reconstruction, the rentals provided for elsewhere herein shall be proportionately abated during the period from the date of such damage, destruction, or loss until the same is repaired, replaced, restored or rebuilt, provided, Lessee does not use said damaged Leased Premises or the location thereof for any purposes other than the repair or rebuilding of same. Such abatement shall not exceed the actual time required for arranging for and the doing of such work. The proportional amount of reduction of rentals will be determined by the Authority. Lessee agrees that such work will be promptly commenced and prosecuted to completion with due diligence; subject to delays beyond Lessee's control.
- 9.6 In the event the improvements on the Leased Premises are damaged or destroyed by fire or other cause by reason of any act or omission of the Lessee or its employees, this Lease Agreement shall continue in full force and effect, notwithstanding the provisions of Sections 9.2, 9.3, 9.4 and 9.5 hereof, and the Lessee shall have the option to repair or rebuild the improvements so damaged or destroyed, at Lessee's own cost and expense, in a good workmanlike manner to the same standards existing at the time of the casualty, subject to applicable building codes existing at the time of repair or rebuilding, or, Lessee shall restore the Leased Premises to the condition which existed immediately prior to the beginning of this Agreement.

SECTION 10
LIABILITIES AND INDEMNITIES

- 10.1 Authority shall not in any way be liable for any cost, liability, damage, or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations, works, acts or omissions performed on the Leased Premises, or the Airport, by Lessee, its sublessees or tenants, or their guest, licensees or invitees.
- 10.2 Lessee agrees, to the extent allowed by law, to defend, indemnify, save and hold harmless, the Authority, its officers, agents, servants and employees of and from any and all costs, liability, penalties, damages and expense (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any person, firm, governmental entity or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including Authority personnel and Authority property, and any claim of violation of any state, Federal or local law or regulation protecting human health or the environment, directly or indirectly arising from or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, licensees, invitees, sublessees or tenants. Provided, however, that upon the filing with the Authority by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the Authority harmless, the Authority shall notify Lessee of such claim and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of the Authority. It is specifically agreed, however, that the Authority at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the Authority for any cause for which Lessee is liable hereunder shall be

conclusive against Lessee as to liability and amount upon the expiration of the time for appeal. This indemnity obligation shall not be construed to require Lessee to indemnify Authority for its own negligence.

- 10.3 In addition to Lessee's undertaking, as stated in this Section, and as a means of further protecting the Authority, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect liability insurance coverage as set forth in Exhibit B attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sublessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insureds.
- 10.3.1 The Authority reserves the right to increase the minimum liability insurance requirements set forth in Exhibit B. Following thirty (30) days written notice from the Authority to Lessee, the Authority may increase the minimum liability insurance requirements when in the Authority's opinion, the risks attendant to Lessee's operations hereunder have increased commensurate with the other risks regulated by the Authority.
- 10.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The Lessee agrees, to the extent allowed by law, to defend, indemnify and save and hold the Authority, its officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any alleged or actual infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.
- 10.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall defend, indemnify and save harmless the Authority of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the Lessee.

SECTION 11
RULES AND REGULATIONS

- 11.1 From time-to-time Authority may adopt and enforce reasonable rules and regulations with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations and all other Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. Authority reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws. Lessee hereby acknowledges receipt of a current copy of such Authority rules and regulations.

SECTION 12
SIGNS

- 12.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the written approval of the Authority. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or other traffic or which fails to conform to the architectural scheme of the Airport or meet the requirements of the Authority.

SECTION 13
ASSIGNMENT AND SUBLEASE

- 13.1 Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of the Lessor, which

consent shall not be unreasonably withheld. Lessee will be allowed one (1) assignment of this Agreement, after which, a new lease will be required. Upon assignment Lessee agrees to pay the Lessor one percent (1%) of sale price.

- 13.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of the Authority, shall entitle the Authority at its option to forthwith cancel this Agreement.
- 13.3 Any assignment of this Agreement approved and ratified by the Authority shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof.
- 13.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the Authority, sublet a portion or portions of the Leased Premises to a person or entity that is in the opinion of the Authority compatible with Lessee's authorized airport business, but in no event shall the Lessee sublet any portion of the Leased Premises to a fixed base operator.
- 13.5 No consent by the Authority to subleasing by the Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the Authority set forth or arising from this Agreement and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.
- 13.6 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this Agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Section, or if the Leased Premises is occupied by anyone other than Lessee, Authority may collect from any assignee, tenant, sublessee or anyone who claims a right to this Agreement or who occupies the Leased Premises, any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by Authority of the agreements contained in this Section nor of acceptance by Authority of any assignee, tenant, claimant or occupant, nor as a release of the Lessee by Authority from the further performance by the Lessee of the agreements contained herein.

SECTION 14
CONDEMNATION

- 14.1 In the event that the Leased Premises or any material part thereof shall be condemned and taken by authority of eminent domain for any purpose during the term of this lease, rentals for that portion of the Leased Premises so taken shall be abated from the date that Lessee is dispossessed therefrom; provided, however, if, in the Lessee's judgment, the remaining portion of the Leased Premises is insufficient for Lessee's operations authorized hereunder, Lessee may terminate this Agreement and all of its rights and unaccrued obligations hereunder effective as of the date it is dispossessed of the condemned portion (or effective as of any date thereafter and within ninety (90) days of the date of such dispossession) by giving Authority thirty (30) days written notice of such termination.

SECTION 15
NON-DISCRIMINATION

- 15.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 15.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person

on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such 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 subjected to discrimination, and (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

- 15.3 In this connection, the Authority reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by Authority to cease and desist, will constitute a material breach of this Agreement and will entitle the Authority, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.
- 15.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the Authority, a right to take such action as the United States may direct to enforce such covenant.
- 15.5 The Lessee shall, to the extent allowed by law, indemnify and hold harmless Authority from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section and the Lessee shall reimburse Authority for any loss or expense incurred by reason of such noncompliance.

SECTION 16
GOVERNMENTAL REQUIREMENTS

- 16.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.
- 16.2 The Lessee shall pay all taxes, license, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted, or imposed on the Leased Premises or operation hereunder or on the gross receipts or income to Lessee therefrom, and shall make all applications, reports and returns required in connection therewith.

SECTION 17
RIGHTS OF ENTRY RESERVED

- 17.1 The Authority, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided, such action by the Authority, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises.
- 17.2 Without limiting the generality of the foregoing, the Authority, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of the Authority, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, the Authority shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is

specifically understood and agreed that the reservation of the aforesaid right by the Authority shall not impose or be construed to impose upon the Authority any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises.

- 17.3 In the event that any personal property of Lessee shall obstruct the access of the Authority, its officers, employees, agents or contractors, or the 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 Authority or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from Authority or said utility company to do so, the Authority or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result thereof, except for claims for damages arising from the Authority's sole negligence.
- 17.4 At any reasonable time, and from time to time during the ordinary business hours, the Authority, by its officers, agents and employees, whether or not accompanied by a prospective lessee, occupier or user of the Leased Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, subject to Lessee's reasonable security requirements.
- 17.5 Exercise of any or all of the foregoing rights, by the Authority, or others under right of the Authority, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

SECTION 18
ADDITIONAL RENTS AND CHARGES

- 18.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from Authority to perform or commence to perform any obligation required herein to be performed by Lessee, Authority may enter the Leased Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to the Authority upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of the Authority, or other tenants of the Airport, and Authority so states in its notice to Lessee, the Authority may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.
- 18.2 If the Authority elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the Authority as the result of such failure, neglect or refusal of Lessee, including interest, not to exceed the greater of fifteen percent (15%) per annum or the rate which is four percent (4%) per annum above the prime rate as published by the Wall Street Journal, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by the Authority in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

SECTION 19
TERMINATION

- 19.1 In the event of a default on the part of Lessee in the payment of rents, or any other charges required by this Agreement to be paid to the Authority, the Authority shall give written notice to Lessee of such default, and may demand the cancellation of this Agreement, or the correction thereof. If, within fifteen (15) days after

the date Authority gives such notice, Lessee has not corrected said default, and paid the delinquent amount in full, this Agreement and all rights and privileges granted hereby in and to the Leased Premises shall terminate.

- 19.2 This Agreement together with all rights and privileges granted in and to the Leased Premises shall terminate automatically, upon the happening of any one or more of the following events:
- 19.2.1 The filing by Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of Lessee's assets; or,
- 19.2.2 Any institution of proceedings in bankruptcy against Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within thirty (30) days after the institution thereof; or,
- 19.2.3 The filing of a petition requesting a court to take jurisdiction of Lessee or its assets under the provisions of any Federal reorganization act; or
- 19.2.4 The filing of a request for the appointment of a receiver or trustee of Lessee's assets by a court of competent jurisdiction, or the request for the appointment of a receiver or trustee of Lessee's assets by a voluntary agreement with Lessee's creditors; or,
- 19.2.5 The abandonment by Lessee of the conduct of its authorized Airport business at the Airport, and in this connection suspension of operations for a period of sixty (60) days will be considered abandonment in the absence of a satisfactory explanation which is accepted in writing by the Authority.
- 19.2.6 The provisions of section 19.2.1 shall not apply to the pledge of all or any part of Lessee's assets as security for financing for the construction, operation, maintenance, and repair of Lessee's improvements.
- 19.3 Upon the default by Lessee in the performance of any covenant or conditions required to be performed by Lessee, and the failure of Lessee to remedy such default for a period of thirty (30) days after receipt from the Authority of written notice to remedy the same (except as otherwise provided in Section 5.3 (b) above) and, except default in the timely payment of any money due the Authority, the Authority shall have the right to cancel this Agreement for such cause.
- 19.4 Upon the default of Lessee, and the giving of notice by the Authority to cancel this Agreement as provided for elsewhere herein, said notice of cancellation shall be final; provided however, that should the Authority determine that Lessee is diligently remedying such default to completion, and so advises Lessee in writing, said notice of cancellation may be held in abeyance. If, however, the Authority determines that such default is no longer being diligently remedied to conclusion, the Authority shall so advise Lessee in writing, and said notice of cancellation shall no longer be held in abeyance for any reason and shall become final without further notice to Lessee. The determination of the Authority in this regard shall in all events be conclusive and binding upon Lessee.
- 19.5 Upon the cancellation or termination of this Agreement for any reason, all rights of the Lessee, tenants and any other persons in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Agreement for any reason, the Leased Premises, except for such personal property which may be removed from said Leased Premises as provided for elsewhere herein, shall be free of all encumbrances and all claims of Lessee, its tenants, creditors, trustees, assigns and all others, and the Authority shall have immediate right of possession to the Leased Premises.
- 19.6 Failure by the Authority to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of rentals by the Authority under the terms hereof, for any period or periods after a default by Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by Lessee shall not be deemed a waiver or estoppel of

any right on the part of the Authority to cancel this Agreement for any subsequent failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

SECTION 20
TERMINATION BY LESSEE

- 20.1 In addition to any other right or cancellation herein given to Lessee, or any other rights to which it may be entitled to by law, equity or otherwise, as long as Lessee is not in default in payment to Authority of any amounts due Authority under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving Authority written notice upon or after the happening of the following events:
- 20.1.1 Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or
- 20.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as to substantially restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

SECTION 21
SURRENDER AND RIGHT OF RE-ENTRY

- 21.1 Upon the cancellation or termination of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up and quit claim the Leased Premises to the Authority in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the Authority. Upon such cancellation or termination, the Authority may re-enter and repossess the Leased Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at Authority's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to the Authority current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or obligations due the Authority, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided, further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required.

SECTION 22
SERVICES TO LESSEE

- 22.1 Authority covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the Authority may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The Authority further agrees to use its best efforts to maintain the runways and taxiways in good repair. Authority agrees to keep in good repair hard-surfaced

public roads for access to the Leased Premises. Authority also agrees to maintain its water and sanitary sewer facilities in areas designated for utilities or easements adjacent to the Leased Premises for access thereto by Lessee in accordance with Authority Ordinances governing same.

- 22.2 Lessee will contract with and obtain all required permits from the appropriate Authority Departments for any utility services provided by Authority, paying any required connection fees, including those to be paid by owners, and all such services will be provided at rates and on terms and conditions established by the Authority for similar users in the Authority.
- 22.3 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, other utilities, telephone, burglary, and fire protection services furnished to the Leased Premises.

SECTION 23

SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

- 23.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Section 19 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to Authority to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.
- 23.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:
- 23.2.1 The amount of the total of all installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;
- 23.2.2 An amount equal to all expenses incurred by Authority in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including but not limited to attorney's fees), putting the Leased Premises in order, maintenance, and brokerage fees.
- 23.2.3 An amount equal to any deficiency for the remaining term of the Lease, computed in accordance with the provisions of Section 23.1.

SECTION 24

USE SUBSEQUENT TO CANCELLATION OR TERMINATION

- 24.1 The Authority, upon termination or cancellation pursuant to Section 19 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm, or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.
- 24.2 Authority shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purpose of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

- 24.3 In the event either of use by others or of any actual use and occupancy by Authority, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Leased Premises as Authority may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by Authority in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of Authority hereunder. Authority will use its best efforts to minimize damages to Lessee under this Section.

SECTION 25
LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

- 25.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

SECTION 26
NOTICES

- 26.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, return receipt requested, addressed to the recipient at the address set forth below:
- To Authority: Newnan Coweta County Airport Authority
Attn: Airport Manager
115 Airport Rd.
Newnan, Georgia 30263
- To Lessee: Coweta County Development Authority
Attn: President/CEO
25 Jefferson Street
Newnan, Georgia 30263
- 26.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

SECTION 27
HOLDING OVER

- 27.1 No holding over by Lessee after the termination of this lease shall operate to extend or renew this lease for any further term whatsoever; but Lessee will by such holding over become a tenant at will of the Authority after written notice by the Authority to vacate such premises. Continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 27.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the Authority shall make the Lessee liable to the Authority for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.

- 27.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee, or any of Lessee's sublessees or tenants occupy the Leased Premises or any part thereof.

SECTION 28
INVALID PROVISIONS

- 28.1 The invalidity of any provisions, articles, paragraphs, portions, or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Agreement.

SECTION 29
MISCELLANEOUS PROVISIONS

Remedies to be Nonexclusive.

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

Non-Waiver of Rights.

- 29.2 The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall other party be relieved thereby from its obligations under the terms hereof.

Force Majeure.

- 29.3 Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified. Notwithstanding the language in this subparagraph in the event of emergency wherein the Federal Airport Authority orders the cessation of flight operations out of the Newnan-Coweta airport which exceeds ninety (90) days, Lessee may be excused from any rental obligations until the Federal Airport Authority resumes flight operations at said airport.

Non-liability of Individuals.

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

Quiet Enjoyment

- 29.5 The Authority covenants that as long as Lessee is not in default of any provision of this Agreement, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled as provided in this Agreement.

General Provisions

- 29.6 Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.
- 29.7 This Agreement shall be performable and enforceable in Newnan, Georgia, and shall be construed in accordance with the laws of the State of Georgia.

- 29.8 This Agreement is made for the sole and exclusive benefit of the Authority and Lessee, their successors and assigns, and is not made for the benefit of any third party.
- 29.9 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.
- 29.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.
- 29.11 The titles of the several articles of this Agreement are inserted herein for convenience only and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
- 29.12 Nothing herein contained shall create or be construed to creating a co-partnership between the Authority and the Lessee or to constitute the Lessee an agent of the Authority. The Authority and the Lessee each expressly disclaim the existence of such a relationship between them.
- 29.13 All disputes and controversies of every kind and nature between the parties to this agreement arising out of or in connection with this agreement as to the existence, construction, validity, interpretation or meaning, performance, non-performance, enforcement, operation, breach, continuance, or termination thereof, including damages, shall be settled by binding arbitration conducted at the offices of the American Arbitration Association located in Atlanta, Georgia, at a date and time noticed by the arbitrators, in accordance with the commercial arbitration rules then in effect of the American Arbitration Association. All matters submitted to arbitration shall be submitted to two disinterested and competent persons, mutually chosen, who shall select a third, whose award shall be conclusive and binding on both parties and judgment thereon may be entered in any court of competent jurisdiction. If the parties cannot mutually agree on two arbitrators within ten (10) days after a demand for arbitration is given, the American Arbitration Association shall select the two arbitrators who shall select a third. The parties stipulate and agree that the provisions of this agreement as to the arbitration shall be a complete defense to any suit, action, or proceeding instituted in any federal, state, or local court, or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement; provided that nothing herein prohibits a party from bringing an action to enforce the arbitration provision hereof. The arbitration provisions of this agreement shall, with respect to controversies or disputes, survive the termination or expiration of this agreement. Nothing contained in this agreement shall be deemed to give the arbitrators any authority, power, or right to alter, change, amend, modify, add to or subtract from any of the provisions of this agreement. Either party may demand arbitration in writing by giving the other party thirty (30) days notice. The arbitrator, as part of the arbitration award, shall determine which party or parties pay the costs of arbitration.

SECTION 30
SUBORDINATION CLAUSES

- 30.1 This Agreement is subject and subordinate to the following:
- 30.1.1 Authority reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Leased Premises.
- 30.1.2 Authority reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.
- 30.1.3 This Agreement is and shall be subordinate to the provisions of existing and future agreements between Authority and the United States relative to the operation or maintenance of the Airport, the execution of

which has been or may be required as a condition precedent to the obtaining or expenditure of Federal funds for the benefit of the Airport.

- 30.1.4 During the time of war or national emergency, Authority shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be determined by the Authority in proportion to the degree of interference with Lessee's use of the Leased Premises.
- 30.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations, and orders currently or subsequently effective.

SECTION 31
ENTIRE AGREEMENT

- 31.1 This Agreement consists of Sections 1 to 31, inclusive, Exhibit A, and Exhibit B.
- 31.2 This Agreement constitutes the entire Agreement of the parties hereto and may not be changed, modified, discharged, or extended except by written instrument duly executed by the Authority and the Lessee. The parties agree that no representations or warranties shall be binding upon the Authority or the Lessee unless expressed in writing in this Agreement of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Signed, sealed and delivered NEWNAN COWETA COUNTY AIRPORT AUTHORITY by
Newnan Coweta County Airport Authority the presence of:

Unofficial Witness

BY: _____
Chairman

Notary Public
Commission Expires: _____
(SEAL)

ATTESTED
BY: _____

LESSEE

Signed , sealed and delivered
by LESSEE
In the presence of:

Unofficial Witness

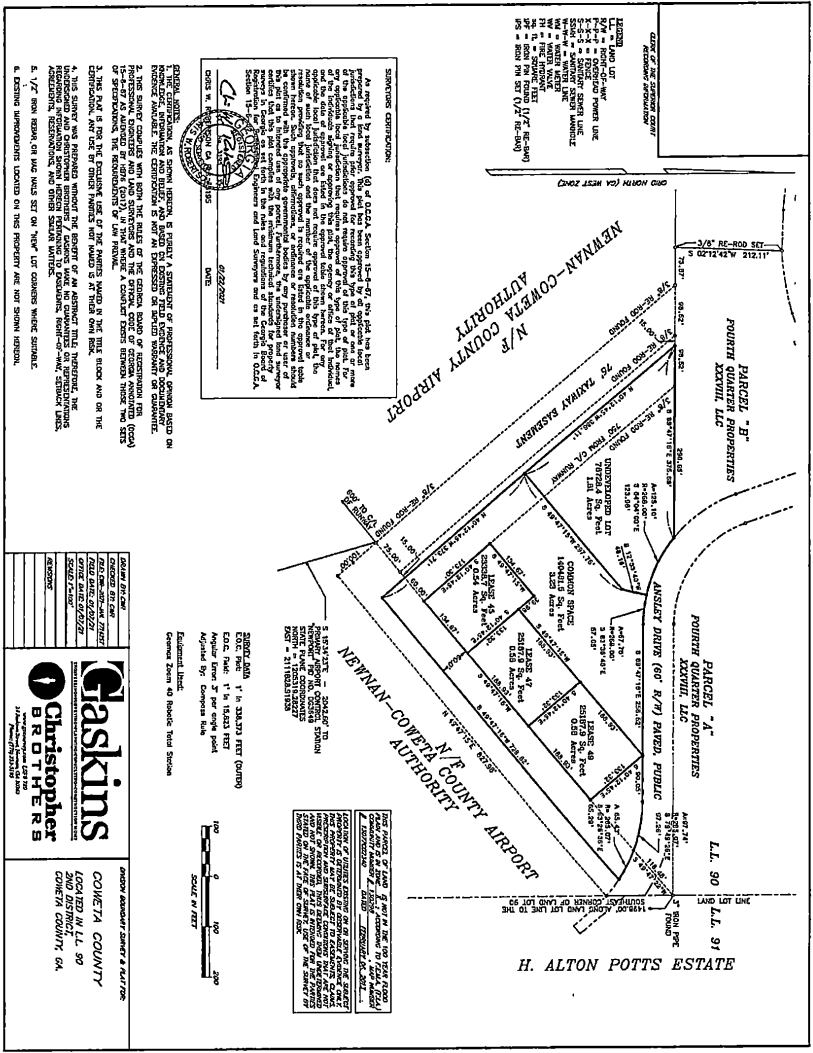
COWETA COUNTY DEVELOPMENT AUTHORITY
BY: _____
Chairman

Notary Public
Commission Expires: _____
(SEAL)

Corporate Seal

EXHIBIT A

Survey & Legal Description of Leased Premises



"EXHIBIT A"

EXHIBIT B

Insurance

Lessee in its own name as insured and, at its sole cost and expense, shall secure, and maintain in continuous effect during the term of this Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Georgia providing for:

- (1) Comprehensive General Liability Insurance. Combined Single limits including Bodily Injury and Property Damage with limits of \$1,000,000 for each occurrence, personal and advertising injury with a limit of \$1,000,000 per occurrence and \$2,000,000 general and products/completed operations aggregates. General Liability should include premises/operations coverage and products and completed operations coverage.
- (2) Auto Liability – including Owner, hired, and non-owned vehicles with Combined Single limits including Bodily injury and Property damage of \$500,000 for each occurrence.
- (3) Umbrella Excess Liability Insurance: Contractor shall carry umbrella excess liability including Auto, General Liability and Workers' Compensation in the amount of \$1,000,000 over existing primary insurance and over self-insured hazards.
- (4) If Lessee has its own fuel tanks, Environment Impairment Liability and/or Pollution Liability - \$1,000,000 per occurrence.
- (5) Workers' Compensation: As required by law.

All of the above policies must be occurrence based. Authority and Coweta County shall be named as an additional insured on all policies. The policies shall contain provisions that the coverage provided by said policies shall be primary to any insurance maintained by or for the benefit of Authority or Coweta County provide that the carrier issuing the certificate shall notify Authority thirty (30) days in advance of any cancellation or material change in the terms or coverage of such insurance policies. Said insurance shall in fact be primary to any insurance maintained by or for the benefit of Authority or Coweta County.

Lessee shall provide Authority with the Policies and Certificates indicating proof of the foregoing insurance coverages. The failure of the Lessee to obtain or maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Agreement nor any such liability be limited to the liability insurance coverage provided for herein.

Notwithstanding the above, any such certificate naming an insurance carrier not having at least an "A" rating by A.M. Best & Company, shall be referred to the Airport Manager for review and recommendation.



Airport

To: Newnan-Coweta County Airport Authority

From: Calvin Walker, Airport Manager

Date: 12/10/2021

RE: Request to Set Meeting Dates and Times for 2022 and the Beginning of 2023

Issue: Set meeting dates and times for 2022 (and the beginning of 2023)

Discussion: It is necessary for the Authority to set the meeting dates and times for their Regular Meetings for calendar year 2022 (and the beginning of 2023).

January 27, 2022	9:00 a.m.
February 24, 2022	9:00 a.m.
March 24, 2022	9:00 a.m.
April 28, 2022	9:00 a.m.
May 26, 2022	9:00 a.m.
June 30, 2022	9:00 a.m.
July 28, 2022	9:00 a.m.
August 25, 2022	9:00 a.m.
November 10, 2022 (Second Thursday)	9:00 a.m.
December 14, 2022 (Second Wednesday)	9:00 a.m.
January 27, 2023	9:00 a.m.

Recommendation: Staff recommends that the Authority adopt the meeting dates and times for calendar year 2022 (and January 2023).

**Newnan-Coweta County Airport Authority**

115 Airport Road
Newnan, GA 30263

SCHEDULED

Meeting: 12/16/21 09:00 AM
Department: Airport
Category: Notification/Update
Prepared By: Fran Collins
Initiator: Calvin Walker
Sponsors:

AIRPORT AUTHORITY - INFORMATIONAL ITEM (ID # 12746)

DOC ID: 12746

Update from the Airport Manager

Update from the Airport Manager

Coweta County Airport Authority
November 30, 2021

	<u>Budget</u>	<u>Current</u>	<u>Year-To-Date</u>	<u>Balance</u>	<u>November 2020</u>
Operating Revenues:					
Cares	\$ -	\$ -		\$ -	
Appropriation	\$ 481,001	\$ -	\$ 40,083	\$ 440,918	\$ 14,541
Fuel Sales	\$ 570,000	\$ 99,170	\$ 188,400	\$ 381,600	\$ 43,120
Rent/Lease Income	\$ 315,000	\$ 23,833	\$ 74,459	\$ 240,541	\$ 124,105
Other	\$ 1,450	\$ 668	\$ 2,160	\$ (710)	\$ 460
Total Operating Revenues	\$ 1,367,451	\$ 123,670	\$ 305,102	\$ 1,062,349	\$ 182,226
Operating Expenses:					
Cost of Sales:					
Fuel	\$ 600,000	\$ 86,621	\$ 155,666	\$ 444,334	\$ 29,789
Other	\$ 1,300	\$ 51	\$ 51	\$ 1,249	\$ -
Credit Card Discounts	\$ 17,250	\$ 2,691	\$ 5,266	\$ 11,984	\$ 1,269
Salaries & Benefits	\$ 343,621	\$ 27,738	\$ 56,230	\$ 287,391	\$ 24,023
Insurance	\$ 8,500	\$ -	\$ -	\$ 8,500	\$ -
Maintenance	\$ 63,150	\$ 7,791	\$ 8,500	\$ 54,650	\$ 1,858
Utilities	\$ 35,500	\$ 3,279	\$ 5,508	\$ 29,992	\$ 2,969
Contracted Services	\$ 2,500	\$ -	\$ -	\$ 2,500	\$ 3,700
Other	\$ 16,850	\$ 429	\$ 1,424	\$ 15,426	\$ 235
Legal Fees	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ -
**Capital under \$5,000		\$ -	\$ -	\$ -	\$ -
Total Operating Expenses	\$ 1,093,671	\$ 128,600	\$ 232,645	\$ 861,026	\$ 63,843
Operating Income (Loss)		\$ (4,930)	\$ 72,457		
Net Income Before Depreciation		\$ (4,930)	\$ 72,457		

**These items do not meet the criteria for Capitalization

Attachment: December 2021 Meeting (12746 : Update from the Airport Manager)

**Newnan-Coweta County Airport Authority**

115 Airport Road
Newnan, GA 30263

SCHEDULED

Meeting: 12/16/21 09:00 AM
Department: Airport
Category: Notification/Update
Prepared By: Fran Collins
Initiator: Calvin Walker
Sponsors:

AIRPORT AUTHORITY - INFORMATIONAL ITEM (ID # 12747)

DOC ID: 12747

Update from the Airport Engineer

Update from the Airport Engineer