

STATE OF GEORGIA RICHMOND COUNTY

AUGUSTA REGIONAL AIRPORT PROPERTY LEASE AGREEMENT

THIS PROPERTY LEASE AGREEMENT (“Lease”), made as of the date of the last of the parties’ signatures below (hereinafter referred to as the “Effective Date”), between BROWN & GOLD AERO INVESTMENTS, LLC, a limited liability company organized and existing under the laws of the State of Georgia (hereinafter referred to as “Lessee”), and the Augusta Aviation Commission, a commission created under the laws of the State of Georgia (hereinafter referred to as “Lessor”).

WITNESSETH:

WHEREAS Lessor is a Commission created by the City of Augusta, Georgia, which is a predecessor to Augusta, Georgia (the “City”) to operate and control the Augusta Regional Airport (hereinafter “Airport”); and

WHEREAS Lessee desires a lease to certain property located at the Airport, and to obtain certain rights in connection therewith, more fully described hereinafter, for the initial purpose of constructing a facility for aircraft maintenance, repair and overhaul; and

WHEREAS Lessor deems it advantageous to itself and to the operation and development of the Airport to lease the premises described below, upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the above-mentioned property and the terms and conditions hereinafter set forth, the sufficiency of which is acknowledged by each Party, Lessor and Lessee agree as follows:

ARTICLE I

PREMISES

Lessor hereby lets and demises to Lessee for its exclusive use, subject to existing easements and right of ways, a parcel of land situated at the Airport shown as Parcel A having an area of approximately one hundred seventy-four thousand two hundred forty (174,240) square feet of unimproved land, as identified in Exhibit “A,” attached hereto (hereinafter, the “Property”). The Property shall be as shown on a more formal metes and bounds survey to be prepared prior to commencement of the construction contemplated herein (the “New Survey”). Upon receipt of the New Survey, the parties agree to execute an amendment to this Lease to revise the description of the Property to be as shown thereon (the “Commencement Amendment”). The Augusta, Georgia Commission hereby authorizes the Augusta Aviation Commission to approve the amendment to this Lease to attach the “New Survey” hereto as

Exhibit "A" and incorporate such Exhibit into this Lease. The Augusta, Georgia Commission further authorizes the Augusta Aviation Commission Chair to execute such amendment. This authorization solely applies to the amendment to this lease to attach the "New Survey" hereto as Exhibit "A" and incorporate such Exhibit herein. This authorization shall not apply to the amendment of any other section of this Lease.

ARTICLE II

REPRESENTATIONS AND UNDERTAKINGS

A. Representations by the Lessor.

Lessor makes the following representations and warranties as the basis for the undertakings on its part herein contained:

1. Creation and Authority. Lessor is a political subdivision of the State of Georgia. Lessor is the owner of the Property referenced herein below. Lessor has all requisite power and authority to lease the same to the Lessee, enter into and perform its obligations under, and to exercise its rights under this Lease.

2. Lessor warrants to Lessee, that Lessor has the right to execute this lease and to convey the rights herein granted, and Lessor will defend the said rights to Lessee, its successors and assigns, against all claims.

3. Lessor warrants and covenants as the basis for the undertakings on its part herein contained: (i) As of the Effective Date, all governmental and quasi-governmental approvals required for the making of this Lease and the exercise by Lessee of the rights granted to Lessee hereunder have been obtained; (ii) the Property is free of defects or restrictions that would materially and adversely impede the exercise of the rights granted under this Lease; and (iii) the Property currently has, and shall have throughout the Term, direct vehicular access to and from the nearest public right of way.

B. Representations by the Lessee.

Lessee makes the following representations and warranties as the basis for the undertakings on its part herein contained:

1. Organization and Power. ***Lessee is a limited liability company*** and has all requisite power and authority to enter into this Lease, perform its obligations, and exercise its rights under the same.

2. Agreements are Legal and Authorized. Lessee warrants that the consummation of the transactions herein contemplated, and the fulfillment of or the compliance with all of the provisions hereof (i) are within the power, legal right, and authority of Lessee, (ii) have been duly authorized by all necessary and appropriate action on the part of Lessee, (iii) have been duly executed and delivered on the part of Lessee, (iv) are legal, valid and binding as to Lessee, subject to bankruptcy, moratorium and other equitable principles, and (v) will not conflict with or constitute on the part of Lessee a violation of, or a breach of or a default under, any charter instrument, bylaw, indenture, mortgage, deed to secure debt, pledge, note, lease, loan, installment sale agreement, contract, or other agreement or instrument to which the Lessee is a party or by which Lessee or its properties are otherwise subject or bound which would have a material adverse impact on the Lessee's ability to perform its obligations hereunder, or any judgment, order, injunction, decree, or demand of any court or governmental agency or body having jurisdiction over the Lessee or any of its activities or properties.

ARTICLE III

LEASING CLAUSE; RENT

A. Agreement to Lease. Lessor, for and in consideration of the Public Benefit, the performance to be rendered to or for the benefit of Lessor by Lessee, and the other benefits to be received by Lessor and the members of the public residing within the borders of Lessor as result of this Lease, hereby leases and demises to Lessee, the Property, and Lessee, for and in consideration of the covenants and agreements herein contained to be kept or performed by Lessor, hereby leases from Lessor subject to and in accordance with the terms and conditions of this Lease, the Property.

B. Lease Term. This Lease shall become effective upon the Effective Date, for a period ending on the day immediately preceding the date that is thirty (30) years from the Effective Date, unless renewed as provided for below (such period, including any renewals, the "Term").

C. Term Extension Options: A Lessee's option, this Lease may be renewed by notice of renewal to Lessor, provided that no Event of Default is then outstanding or occurring, for four (4) consecutive periods of five (5) years (each, a "Term Extension Option"). Said renewal notice(s) shall be given in writing to Lessor at least one hundred eighty (180) days prior to the expiration of the then-current Term, provided however, that if Lessee fails to timely exercise a Term Extension Option, Lessee's right to

so exercise such option shall not terminate until the date that is ten (10) business days after Lessor has provided Lessee with written notice of such failure to exercise the applicable Option (and Lessee then fails to exercise the applicable Option by the end of such ten (10) business day period). Lessee will have the first right of refusal to lease the Property at the subsequent lease of the Property.

C. Rent: The Lessee shall pay Lessor annual rent (the "Rent") pursuant to the following rental schedule: (a) \$0.00 per square foot per year from the Effective Date through the date that is one year after a Certificate of Occupancy is issued for the hangar to be construction on the Property (the "CO"); (b) Twenty cents (\$0.20) per square foot per year for the following two lease years (i.e., through the date that is three years after the issuance of the CO); (c) Thirty Five cents (\$0.35) per square foot per year thereafter, beginning on the fourth anniversary of the issuance of the CO, subject to the increases specified in Article III, Section C below. The Rent shall be calculated based upon the square footage shown on the New Survey. The Lessee shall have the option to pay the Rent to the Lessor on either a monthly installment or an annual basis. The Rent shall be in advance on either the first of each month or January 1st of each year, as applicable.

C. On the date that is the fifth (5th) anniversary of the Effective Date, the Rent will increase by the amount of two and one half (2.5%) percent per year for the remainder of the Term, including all Term Extension Options.

Notwithstanding the foregoing, Lessor reserves the right to have the Property independently appraised at the end of the 15th and 25th lease year to evaluate fair market rent for the Property (excluding Lessee improvements) in keeping with FAA guidance. At Lessor's option, in lieu of the 2.5% annual increase provided above, the Rent for the 16th and 26th lease years shall be reset to the fair market rate provided in said appraisal. If the Lessee so desires, Lessee will have the right to commission its own independent appraisal at their expense. The two appraisals will be averaged to determine a new lease rate. Any increase in the lease rate shall be capped at 10% of the lease rate applicable during the preceding year of the Term. The Rent shall increase 2.5% annually between such fair market adjustments at the end of the 15th and 25th lease years.

At Lessor's option, if Lessee exercises the Term Extension Options (i.e., lease year 30, 35, 40 and 45) Rent shall increase by 2.5% per year as set forth above. Lessor shall also have the right to independently appraise the fair market rent in the same manner as the preceding paragraph to establish the Rent in the 35th year to establish the Rent for Option Period covering Years 36-40 and again at Year 45 for the Option Period covering Years 46-50. Any such fair market adjustments shall be capped at 10% increase over the prior year as prescribed in the preceding paragraph.

D. Lessee Improvements. Notwithstanding anything in Section A of Article VII or anything else in this Lease to the contrary, Lessor further agrees that Lessee may install and construct improvements on the Property in accordance with Airport guiding documents, i.e. Rules Governing Use of the Augusta Regional Airport at Bush Field adopted by Augusta, Georgia on February 7, 2012 with Ordinance No. 7318 (the "Airport Rules"), Augusta Aviation Commission Development Standards, federal, state, and local laws and ordinances. To the extent there is a conflict between the Airport Rules and the terms of this Lease, the terms of this Lease shall control. During the Term of this Lease, the Lessee shall be the owner of all such improvements on the Premises, including but not limited to vertical construction, slabs, parking lots, mechanical and electrical systems, and landscaping.

E. Permitted Sublease. Notwithstanding anything in in this Lease to the contrary, Lessor acknowledges that Lessee intends to, and hereby agrees that Lessee may, sublease the Property to Standard Aero Business Aviation Services, LLC or any of its assignees approved by the Lessee ("Sublessee") pursuant to that certain Lease Agreement between Lessee and Sublessee dated _____, 2023 (the "Sublease"), a fully-executed copy of which is attached hereto as Exhibit "B", and hereby incorporated herein by reference. Notwithstanding anything in this Lease to the contrary, Lessor further agrees that Lessee or Sublessee may install and construct the Improvements (as such term is defined in the Sublease) on the Property in accordance with Airport guiding documents (i.e. the Airport Rules, Augusta Aviation Commission Development Standards, federal, state, and local laws and ordinances). The Augusta, Georgia Commission hereby authorizes the Augusta Aviation Commission to approve the amendment to this Lease to attach the Sublease hereto as Exhibit "B" and incorporate such Exhibit into this Lease. The Augusta, Georgia Commission further authorizes the Augusta Aviation Commission Chair to execute such amendment. This authorization solely applies to the amendment to this lease to attach the Sublease hereto as Exhibit "B" and incorporate such Exhibit herein. This authorization shall not apply to the amendment of any other section of this Lease.

F. Pre-Construction Termination Right. Notwithstanding anything else herein to the contrary, the Lessee has the right to terminate this Lease upon thirty (30) days written notice to the Lessor at any point prior to commencing construction of the Lessee Improvements, in which case the Lessee shall have no further obligations to the Lessor.

ARTICLE IV

EVENTS OF DEFAULT; POSSESSION

A.

1. Events of Default by Lessee; Remedies. Upon the occurrence of an “Event of Default” under this Lease, the Parties shall have all rights and remedies available at law or in equity and those rights specified herein. The following shall be deemed an “Event of Default” of this Lease upon the occurrence thereof:

(a) The failure of Lessee to pay when due any Rent (either an annual payment or monthly installment, if applicable) payable pursuant to this Lease, if such failure remains un-remedied for a period of thirty (30) days after written notice thereof from Lessor;

(b) Lessee's default in the observation or performance of any covenant or obligation hereunder and the failure of Lessee to remedy such default for a period of thirty (30) days after receipt of written demand from Lessor to remedy the same. Said demand is not effective unless it specifically describes the default that is the subject of the demand. If Lessee commences, within the foregoing thirty (30) day period, corrective action with respect to said default and is diligently pursuing the same, the deadline by which the default must be remedied shall be extended by such period as to allow reasonably sufficient time for Lessee to correct the default, provided Lessee commences and continues with diligence to correct such default. Should Lessee need additional time to correct the default, they must provide the details in writing with a request for extension to Lessor for review and approval, which approval shall not be unreasonably withheld;

(c) The commencement by or against Lessee, as a debtor, of a proceeding under the Bankruptcy Code or any other bankruptcy, arrangement, reorganization, receivership, custodianship or similar proceeding under any federal, state or foreign law, and such proceeding is not dismissed with prejudice within sixty (60) days of such filing;

(d) Lessee makes a general assignment for the benefit of creditors or applies for, consents to, or acquiesces in the appointment of a trustee, receiver, or other custodian for Lessee or the property of Lessee or any part thereof, or in the absence of such application, consent, or acquiescence, a trustee, receiver or other custodian is appointed for Lessee or the property of Lessee or any part thereof, and such appointment is not discharged within sixty (60) days;

(e) The abandonment by Lessee of the Property (as described in Section F of Article VII), except in connection with its surrender thereof to an approved assignee, sub-lessee, mortgagee or other party properly succeeding to Lessee's interest hereunder; or

(f) The failure to fulfill any requirements or provisions that are stated to be an "Event of Default" in any Section or Sub-Section of this Lease.

Upon an Event of Default by Lessee for nonpayment of Rent, Lessor may give Lessee written notice of its intention to terminate this Lease, which termination shall be effective thirty (30) days after delivery of said notice. Provided, however, that the notice of intent to terminate shall be of no force or effect if Lessee or sublessee shall have remedied the breach prior to the termination date described therein. Upon such termination Lessee's rights, including the rights of any sublessee, to possession of the Property shall cease. Upon an Event of Default by Lessee or Sublessee pursuant to Sections 1(b), (c) ,(d), (e) or (f) (collectively, a "Non Monetary Default"), Lessor's shall notify the Lessee and Sublessee of such default, and provide the Lessee or Sublessee a period of thirty (30) days to cure, which cure period shall be extended for up to ninety (90) days in the event the Lessee or Sublessee is actively working to cure the default and the default cannot be reasonably cured within thirty (30) days. In the event that the Lessee or Sublessee fails to cure the Non-Monetary Default after notice, the Lessor's sole remedy shall be to require the Lessee to terminate the Sublease and evict the Sublessee. The Lessor shall have no right to terminate the Lessee's rights under this Lease for such a Non-Monetary Default. Any termination under this section must be expressly noticed as set forth herein, and neither notice to pay rent or to deliver up possession of the Property given pursuant to law, nor any proceeding instituted by Lessor, nor the failure by Lessee for any period of time to pay any of the rent herein reserved, shall of itself operate to terminate this Lease. Any lease of office or other space on or in any improvement constructed or placed on the Property shall provide for termination thereof in the event Lessor terminates this Lease pursuant to this section. All personal property of Lessee on the Property after termination of this Lease shall be deemed abandoned by Lessee and subject to removal by Lessor. Lessee shall save Lessor harmless and reimburse Lessor for any costs, loss or damages occasioned by the removal of personal property as authorized under this Lease.

Upon an Event of Default by Lessee as set forth above, Lessor further agrees to also give the Sublessee set forth in Article III, Section E above written notice of its intention to terminate this Lease and provide Sublessee the same right(s) to cure the default as per the terms set forth in this Lease.

2. Event of Default by Lessor; Remedies. Lessor shall be deemed in material breach of this Lease upon the occurrence of any of the following:

(a) Lessee, for a period of thirty (30) consecutive days, is unable to use the Property because of any law, rule, regulation or other action or failure to act on the part of any governmental authority having jurisdiction over the Property or the Airport, provided the inability to use the Property is not due to an act or omission of Lessee, its representatives, successors and assigns, and is within the control of Lessor; or

(b) Lessor's default in the observation or performance of any covenant or obligation hereunder and the failure of Lessor to remedy such default for a period of thirty (30) days after receipt of written demand from Lessee to remedy the same. Said demand is not effective unless it specifically describes the default that is the subject of the demand. If Lessor commences, within the foregoing thirty (30) day period, corrective action with respect to said default and is diligently pursuing the same, the deadline by which the default must be remedied shall be extended to allow reasonably sufficient time for Lessor to correct the default. If Lessor fails to commence corrective action within such thirty (30) day period, the Lessee shall have the right to take action to cure the Lessor's default, and the Lessee's shall be permitted to deduct the Lessee's expenses of such cure from the Rent due to the Lessor.

Upon material breach by Lessor as set forth above, Lessee may give Lessor written notice of its intention to terminate this Lease, which termination shall be effective thirty (30) days after delivery of said notice. Provided, however, that the notice of intent to terminate shall be of no force or effect if Lessor shall have remedied the breach prior to the termination date described therein.

In the event Lessee gives Lessor written notice of its intention to terminate this lease, Lessee shall simultaneously provide a copy of said notice to the Sublessee set forth in Article III, Section E above, per the terms set forth in the lease attached in the Exhibit "B" attached hereto. Both parties agree to, if this notice is given, to offer Sublessee the right to assume this Lease within 30 days of delivery of notice, at no cost premium, and with no additional fees.

3. Remedies Cumulative; No Implied Waiver.

All rights and remedies of Lessor and Lessee contained in this Lease, or based in law or equity shall be construed to be cumulative, and no such right or remedy shall be exclusive of any other unless so stated herein. No waiver of any default or breach of this Lease shall be implied from any acceptance by Lessor of any rent or other payments due hereunder or any omission by Lessor or Lessee to take any action on account of such default or breach if such default or breach persists or is repeated, and no

express waiver shall be effective in a manner other than as expressly specified in said waiver. The consent or approval by Lessor to or of any act by Lessee requiring Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent or approval to or of any subsequent similar acts by Lessee. No waiver by either party of the other party's default or breach of any of its obligations hereunder shall be construed to be or act as a waiver by the non-defaulting/breaching party of any subsequent default or breach by the defaulting/breaching party.

B. Notwithstanding any expiration or termination of this Lease, those covenants and obligations that are stated herein shall survive the expiration or termination of this Lease.

C. Delivery of Possession.

Lessee shall, commencing with the Effective Date of this Lease, have possession, custody, and control of the Property as it exists on such date, and the Lessee hereby accepts such possession, custody, and control "as is;" provided that, Lessor is not aware of any Recognized Environmental Conditions (RECs) with respect to the Property. "Recognized Environmental Condition" means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment.

Prior to the Effective Date, Lessee shall be entitled to conduct a phase 1 environmental site assessment (ESA) at its own expense with respect to the Property. In the event the ESA identifies any RECs, Lessee shall not disclose any of the findings to Lessor, but Lessee shall have the option to terminate this Lease based upon said findings.

D. Acceptance of Possession.

Lessee warrants that it has inspected the Property and, subject to the express representations and warranties made by Lessor in this Lease, accepts possession of the Property 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 (FAA), Transportation Security Administration (TSA), Laws of the State of Georgia, and by ordinances of Lessor, and admits its suitability and sufficiency for the uses permitted hereunder.

E. Quiet Enjoyment, Ingress and Egress.

Lessor covenants and warrants that, as long as Lessee is not in default in paying the Rent or performing any other obligations under this Lease, Lessee and/or Subleasee, shall peaceably and quietly have, hold, and occupy the Property and have the exclusive use and enjoyment thereof during the term of this Lease and any extensions thereof. Lessor specifically covenants and agrees that it shall not take any action, permit others to take any action, or omit to take any action and/or permit others to omit to take any action which interferes with Lessee and/or Sublessee peaceful possession and quiet enjoyment of the Property, and its access thereto.

F. Entry upon Property.

Lessor may enter upon the Property upon reasonable notice and may be escorted at Lessee's option, for any purpose necessary, incidental to or connected with the exercise of its governmental functions, or to inspect the Property for compliance with all applicable laws, rules, regulations and covenants hereunder or to prevent waste, loss or destruction.

ARTICLE V

CONSTRUCTION OF IMPROVEMENTS BY LESSEE

In connection with the construction of the Lessee Improvements (as defined below), Lessee agrees to comply at its own cost with the following, as applicable, which shall collectively be referred to as the "Airport Standards": (a) all applicable building codes, zoning regulations, and county, state and federal laws, ordinances and regulations governing or regulating the Property or its uses, (b) all covenants, easements and restrictions of record, (c) all governmental permits applicable or affecting the Property now and in the future, such as stormwater and other environmental permits (d) the Airport Rules; (e) The Augusta Regional Airport Minimum Operating Standards, (f) the Augusta Aviation Commission Development Standards (g) the Airport Security Plan; (h) the Airport Emergency Plan; (i) the Airport Certification Manual, and (j) any subsequently adopted Master Plan applicable to the Airport, all as the same may be enacted and amended from time to time. Prior to commencement of construction, Lessor agrees to provide Lessee with a copy of the documents referenced at items (d) – (j) above, currently in effect.

A. Lessee Development Plan

1. Within one hundred fifty (150) days from the Effective Date of this Lease, Lessee shall submit a Lessee Development Plan to the then current Executive Director of the Airport, or his/her designee (the "Executive Director"), for his/her approval as set forth herein. If Lessee fails to submit said Lessee Development Plan as so provided within this period, Lessor may, at any time prior to submission of said Lessee Development Plan to the Executive Director, terminate this Lease immediately by written notice to Lessee notwithstanding anything to the contrary herein.

2. The Lessee Development Plan must include a specific description of all improvements to be initially designed and constructed upon the Property by Lessee (the "Lessee Improvements"). The Lessee Development Plan must be sufficient in all respects to allow the Executive Director to evaluate it for compliance with the requirements of this Lease, including all Airport Standards. In addition, the Lessee Development Plan must include: (a) a time line for the design and construction of the Lessee Improvements with no less than four specific benchmark dates including a date for construction commencement, construction completion, and the dates for at least two other significant events in the construction of the Lessee Improvements (the "Benchmarks"); (b) designations and restrictions for the use of certain areas on the Property; (c) the total cost for the Lessee Improvements; and (d) any other pertinent information reasonably required for the development of the Property. Further, the Lessee Development Plan must comply with all Airport Standards.

3. Within thirty (30) days of receipt of the proposed Lessee Development Plan, the Executive Director shall review and approve or disapprove, not to be unreasonably withheld, the proposed Lessee Development Plan submitted by Lessee. The sole method of acceptance of the Lessee Development Plan by Airport is execution by the Executive Director a Letter of Acceptance of Final Design. Notwithstanding the foregoing, if the Executive Director fails to respond to any such submission by Lessee within thirty (30) days, the Lessee shall give the Executive Director an additional ten (10) day notice to respond to the Lessee Development Plan. If the Executive Director fails to respond to the proposed Lessee Development Plan within such ten (10) day period, the Lessee Development Plan shall be deemed approved and such failure shall be deemed to be a Letter of Acceptance of Final Design. The Lessee Development Plan as finally approved by the Executive Director (or by the Executive Director's failure to execute a Letter of Acceptance within the time frames specified herein) shall become the "Approved Lessee Development Plan." The Approved Lessee Development Plan may be modified by Lessee only if such modifications are approved in advance and in writing by the Executive Director, in his/her sole discretion.

4. If the Executive Director disapproves the Lessee Development Plan or any subsequently submitted modified Lessee Development Plan, the Executive Director will inform Lessee in writing of its disapproval with details as to the reasons for such disapproval and/or request for further clarification of the Lessee Development Plan elements. Lessee shall respond within forty-five (45) days with a modified Lessee Development Plan or subsequent modified Lessee Development Plan. Modified Lessee Development Plans submitted by Lessee may include revised dates as compared to previously submitted Lessee Development Plans to account for delays necessitated by resubmission. The parties agree to negotiate in good faith to resolve any conflicting issues that may arise, but if the parties cannot agree to a Lessee Development Plan, Airport or Lessee may terminate this Lease by ten (10) days written notice to the other and, in that event, no recourse or damages shall be available to either party. During such termination notice period, Lessee may choose to accept any proposed Lessee Development Plan with such changes the Executive Director previously provided in writing to Lessee. In such event the termination by Lessor shall be revoked.

5. In the event Lessee abandons construction of the improvements for more than sixty (60) days prior to fully enclosing the building and completing the site work, except due to force majeure or the act or omission of the Lessor, then Lessor may provide the Lessee with written notice of its intent to terminate this Lease. Upon Lessee's receipt of any such termination notice, Lessee may re-commence construction within sixty (60) days within receipt of such notice, in which case the Lessor shall have no right to terminate this Lease. Should Lessee not re-commence construction within such sixty (60) day cure period, Lessee shall promptly demolish all improvements on the Property and surrender possession back to Lessor. The Lessee's construction of improvements shall not be deemed "abandoned" unless and until the building(s) are not fully enclosed and weathertight and site work substantially completed within 36 months from construction commencement, with the exception of construction delays due to force majeure events (including, unavailability of materials needed to complete construction).

B. Construction by Lessee.

1. During the Term of this Lease, Lessee or Sublessee may, with the prior written approval of the Executive Director, construct, add to or alter the Lessee Improvements, subject to all terms and conditions set forth herein. Any such construction, including construction of the Lessee Improvements, must be performed in a workmanlike manner in accordance with all applicable governmental regulations and requirements and the Airport Standards, and shall not weaken or impair the structural strength of any existing

improvement or reduce the value of the Property or any improvements thereon. The approval of the Executive Director shall not be required for interior alterations or improvements, provided that such interior alterations or improvements do not require Lessee to obtain a building permit pursuant to County Ordinance for such interior alterations or improvements. Within thirty (30) days of completion of any construction during the term hereof, including the Lessee Improvements and any other improvement and any addition or any alteration to either, Lessee shall provide a complete set of as-built drawings of same to Airport along with a certification of construction costs for all permanent improvements plus, to the extent not shown in the as-built drawings, additional drawings showing the location and details of installation of all equipment, utility lines, heating, ventilating, air-condition ducts and related matters. Lessee shall keep all said drawings current by updating the same in order to reflect thereon any changes or modifications which may be made in or to the Property and shall provide such updates to the Executive Director within thirty (30) days of such change or modification.

2. Design and construction specifications and documents for the Lessee Improvements must be reviewed and approved in writing for conformance with the Lessee Development Plan by the Executive Director or his designee prior to commencement of construction. The design documents for any construction, including the Lessee Improvements, any addition, or any alteration must be prepared by appropriately licensed design professionals and must be reviewed and approved in writing for conformance with the Airport Standards and the Lessee Development Plan by the Executive Director or his designee prior to commencement of construction.

ARTICLE VI

FINANCING

Financing by Lessee. Upon the Request of Lessee, Lessor shall consent to a mortgage, deed of trust, collateral assignment of Lease, landlord estoppel certificate, or any similar loan or security document encumbering Lessee's interest in the Property or in this Lease (each, a "Lender Security Document") in favor of a lending institution to secure a loan (a "Lender"), the proceeds of which will be used entirely to pay (or refinance) the construction costs of the Lessee Improvements or other improvements on the Property and related costs. Lessor acknowledges that such Lender Security Document will contain such terms as are usual and customary for similar commercial loans, including Lender's right to receive notices under this Lease, cure any defaults by Lessee, restrict any amendments

to this Lease, and (to the extent permitted hereunder) succeed to Lessee's interest under this Lease and the Sublease. Notwithstanding the foregoing, any such Lender Security Document that requires the execution, approval, or consent of Lessor and of all related documents that require the execution, approval, or consent of Lessor shall be subject to the prior review and approval of legal counsel for Lessor, which consent and approval shall not be unreasonably withheld, conditioned or delayed. In no event shall the land comprising the Property be subject to mortgage or otherwise encumbered as security for any obligation of Lessee. During the Term of this Lease, the Lessee shall be the owner of all such improvements on the Premises, including but not limited to vertical construction, slabs, parking lots, mechanical and electrical systems, utilities, and landscaping.

Lessor agrees to use reasonable efforts to execute any Lender Security Document within fourteen (14) days of Lessee's request. Additionally, the execution and delivery of any Lender Security Document shall not be deemed to constitute an assignment or transfer of this Lease, nor shall Lessee's lender be deemed an assignee of this Lease so as to require such Lender to assume the performance of any of the terms, covenants, or conditions on the part of Lessee to be performed hereunder. Any Lender Security Document that Lessee request Lessor execute shall not create or impose any financial obligation on Lessor in conjunction with the Lessee's financing.

ARTICLE VII

OBLIGATIONS OF LESSEE

A. Utilities.

Lessee shall pay, or cause to be paid, all maintenance and monthly service for water, electricity, sewer, gas and/or other utilities used on the Property throughout the term of this Lease. It is the responsibility of Lessee to connect to the utility service(s) available to the Property, and Lessor shall grant to all utility companies such easements as may be necessary to furnish said utilities to the Property. Lessor reserves the right to connect to water and sewer utility infrastructure constructed by Lessee.

B. Maintenance and Repair.

Except as may otherwise be provided for herein, the Lessor shall not be obligated to maintain or make any improvements, repairs, or restorations upon or to the Property or to any of the improvements presently located thereon. Lessor shall not have any obligation to repair, maintain, or

restore, during the term of this Lease, any improvements placed upon the Property by Lessee, its successors and assigns.

C. Lessee shall, throughout the term of this Lease, assume the entire responsibility, cost, and expense for all repair and maintenance whatsoever on the Property, including all concrete pavement constructed by Lessor, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise, and shall keep improvements thereon in a good workmanlike manner. Additionally, Lessee, without limiting the generality hereof, shall:

1. Keep at all times, in a clean and orderly condition and appearance, the Property, all improvements thereon, and all of the Lessee's fixtures, equipment, and personal property which are located on any part of the Property;
2. Provide and maintain on the Property all lights and safety equipment as required by law;
3. Repair any damage caused by Lessee or its invitees, employees, or contractors to paving, soils, water or other parts of the Property caused by any oil, gasoline, grease, lubricants, solvents, flammable liquids, or substances having a corrosive or detrimental effect thereon, and remediate any release caused by Lessee or any of its invitees and/or contractors of any substance that has a harmful effect on human health or the environment as determined by any regulatory agency;
4. Maintain any landscaped areas on the Property;
5. Be responsible for the maintenance of all utility service lines placed on the Property and used by Lessee exclusively, including but not limited to, water lines, gas lines, electrical power and communications/IT connections, and lines for sanitary sewers and storm sewers;
6. Be solely responsible for maintaining the building on the Property, including specifically but not exclusively, the roof, structures, heating, air conditioning, plumbing, and electrical facilities located therein in good working condition and state of repair at all times during the Lease Term.
7. Be solely responsible for maintaining the paved surfaces on the Property, in accordance with FAA standards, including specifically but not exclusively, the aircraft parking ramp and taxilanes extending from the Property to any Airport movement area.

D. Limitations on Use. In connection with the exercise of its rights under this Lease, Lessee shall not:

1. Do or permit its agents, employees, contractors, directors, or officers to do anything on or about the Airport that may interfere with the effectiveness or accessibility of the drainage and sewage system, electrical system, air conditioning system, fire protection system, sprinkler system, alarm system, and fire hydrants and hoses, if any, installed or located on or within the Property of the Airport.

2. Do or permit its agents, employees, contractors, directors, or officers to do any act or thing upon the Airport that will invalidate or conflict with any fire or other casualty insurance policies covering the Airport or any part thereof.

3. Dispose of any waste material or products (whether liquid or solid) taken from or used with respect to its aircraft or equipment into the sanitary or storm sewers at the Airport unless such waste material or products are disposed of in full and complete compliance with all Federal (including the U.S. Environmental Protection Agency), State, and County laws for disposal of such waste material and products.

4. Keep or store, at any time, flammable or combustible liquids except in storage facilities especially constructed for such purposes in accordance with Federal, State, and County laws, including the Uniform Fire Code and the Uniform Building Code. For purposes of this Lease, flammable or combustible liquids shall have the same definitions as set forth in the most recent Uniform Fire Code.

5. Do or permit its agents, employees, contractors, directors, or officers to do any act or thing upon the Airport that will be in conflict with CFR Part 139 or jeopardize the Airport's operating certificate.

6. Do or permit its agents, employees, contractors, directors, or officers to do any act or thing in conflict with the Airport's TSA-approved Security Plan.

E. Reversion Clause

Upon expiration or termination of this Lease, the ownership of the building(s) and other improvements on the Property shall be determined as follows:

All improvements on the Property upon expiration or termination of this Lease (as extended) shall be come property of the Lessor. Prior to or immediately upon Lease termination, Lessor and Lessee shall execute all documents necessary to effectuate the transfer to Lessor of ownership of the improvements on the Property free and clear of all liens and encumbrances. Lessee shall be required to transfer the Property and all improvements in useable condition, normal wear and tear excepted. Should the improvements contain any building materials or components that are deemed hazardous by any governmental authority at the time of transfer, such that the Lessor would be precluded from occupying or releasing the Property without remediating such hazard, the Lessee shall be required to remediate the hazardous materials at the Lessee's expense.

F. Abandonment of the Property.

Lessee agrees not to abandon or vacate the Property during the term of this Lease and agrees to use the Property for the purpose herein stated until the expiration or earlier termination of this Lease in accordance with the terms of this Lease, provided that no abandonment or vacating shall be deemed to have occurred as long as Lessee meets its maintenance and rental payment obligations hereunder.

G. Storage and Purchase of Gasoline and Fuels.

It is understood and agreed by the Parties hereto that Lessor has reserved unto itself exclusive control of the storage and sale of all aviation fuel ("Fuel") on or about the Airport.

H. Operational Requirements and Procedures.

The following Standard Operating Procedures govern the operation of all Lessee operations at the Airport including, without limitation, restricted areas and roadways:

1. All persons shall comply with the provisions of the Airport Rules, the Rules and Regulations pertaining to Vehicle/Pedestrian Operations on the Airfield, and the Airport Security Program, which are incorporated by reference herein as if fully set forth.

2. Vehicle and Aircraft Operators shall comply with all applicable Federal, State, County laws, ordinances, orders, signals, and directives given by the Executive Director, Law Enforcement Officials, Airport Representative, and traffic control devices.

3. No person shall solicit business at the Airport outside the Property.

4. No pictures, advertisements, or solicitation flyers shall be posted on the Airport premises outside the Property.

5. Lessee shall keep all doors and gates providing access to any part of the restricted area closed and locked at all times. Lessee is responsible for the security of their leased area and for access through their leased doors and gates.

I. Pedestrian/Ground Vehicle Operations Requirements. Lessee employees operating inside the restricted area shall:

1. Comply with provisions of the Airport's Ground Vehicle/Pedestrian Operations Operating Rules and Regulations.

2. Maintain the necessary licenses for the operation of their vehicles at all times.

3. Lessee's employees that have access to the Airport Operations Area (AOA) shall obtain an Airport-issued badge ("Badge") and complete the appropriate Security and Ground Vehicle/Pedestrian Operations training classes (initial and recurrent) provided by the Airport prior to operating unescorted in the AOA, i.e., restricted area or any secured area of the Airport.

J. Vehicle Requirements. Lessee's vehicles operating within the restricted area shall be operated and equipped in the following manner:

1. Have proper registration in the State of Georgia.

2. Have an Airport-approved company sign/placard conspicuously located on each side of the vehicle, either magnetically or permanently adhered.

3. Be equipped with operating amber rotating beacon, or equivalent, mounted on top of vehicle either magnetically or permanently.

4. Be in sound mechanical condition with unobstructed forward and side vision from the driver's seat.

5. Have operable headlamps and brake lights.

6. Lessee's employees operating vehicle within Airport's restricted area shall comply with all vehicle/driver requirements as described herein and with provisions of the Airport's Ground Vehicle/Pedestrian Operations and Operating Rules and Regulations.

7. Personally Owned Vehicles (POVs) are strictly prohibited in the restricted area without prior Airport authorization.

K. Restricted Area.

1. Definitions.

- a. The Airport Operations Area (AOA) is defined as any area of an airport used or intended to be used for landing, takeoff, or surface maneuvering of aircraft. The AOA includes such paved areas or unpaved areas that are used or intended to be used for the unobstructed movement of aircraft in addition to its associated runways, taxiways, or apron.
- b. Restricted Area is defined as any area of the Airport not open to the general public. The area open to the public includes the public roads and sidewalks, the terminal lobby, restrooms, and places for public gathering, waiting, and viewing. Restricted areas include AOAs and airfield areas. Access to restricted areas is controlled. Personnel accessing restricted areas must be authorized as described below.

L. Airport Badge.

1. If Lessee's employees are permitted unescorted access in the restricted area, they are required to obtain an Airport Badge prior to operating unescorted in the AOA.

2. Lessee shall ensure that all persons performing operations in the AOA and associated with Lessee's activities shall be properly badged or escorted.

3. Lessee's badged employees are required to escort their own passengers and other unbadged personnel at all times while inside the AOA. Lessee's badged employees shall remain with unbadged personnel until personnel are escorted by aircraft pilot or another badged escort.

4. Airport Badge authorizes the bearer, unescorted access to and, transit between the footprint of their hangar/building and their aircraft only. The Badge does not authorize the individual to operate a vehicle in the AOA or access any other area of the AOA on foot.

5. To qualify for a Badge, each individual must satisfy and complete Transportation Security Administration (TSA) background investigations and badge training consistent with TSA, Department of Transportation (DOT) and Federal Aviation Administration (FAA) regulations, including but not limited to, those rules promulgated by 49 U.S.C. Part 1540, Civil Aviation Security and 49 U.S.C. Part 1552, Airport Security. This may include collection of appropriate criminal history information, contractual and business associations and practices, employment histories, and reputation in the business community. Lessee consents to such inquiries and agrees to make available to the Airport such information in its possession as lawfully required by the Airport, FAA, TSA or any other federal agency for the purpose of operating under this Lease. Such information shall be maintained by the Airport in the manner prescribed by applicable federal regulations.

6. Lessee shall pay cost(s) associated with the badging process, i.e. background checks, training, etc.

7. Lessee's failure to comply with all Badge procedures shall be considered a violation of this Lease requiring prompt correction to the satisfaction of the Airport. Lessee's failure to promptly correct any violations shall be considered an event of default, as further defined and as may be governed below.

8. Employees shall satisfactorily complete the applicable Pedestrian/Ground Vehicle Operations training class given by Airport Operations before receiving an appropriate Badge.

M. Training.

1. If Lessee's employees are permitted to access and operate unescorted in the restricted area, they are required to obtain an Airport Badge and successfully complete both the Airport's Security Training Class and the Ground Vehicle/Pedestrian Operations Training Class prior to operating unescorted in the AOA and maintain the appropriate annual recurrent training thereafter.

2. Employees must pass the written test given in the Ground Vehicle/Pedestrian Operations Training class with a grade of at least eighty (80) percent. An applicant who does not pass the written test may retake the test.

3. Lessee shall ensure that all persons accessing the AOA and associated with Lessee's activities have completed required training.

4. Lessee badged and trained employees are required to operate or to escort their own vehicles and pedestrians at all times while inside the AOA.

5. Lessee vehicle(s) operating in the AOA shall be properly configured for ramp operations in accordance with Airport Rules and Regulations prior to operating a vehicle within the AOA.

6. Lessee shall pay all costs associated with providing training.

N. Consequences of Non-Compliance.

1. Lessee's failure to comply with all access and vehicle operating procedures shall be considered a violation of this Lease requiring prompt correction to the satisfaction of the Airport. Lessee's failure to promptly correct any violations shall be considered an event of default.

2. Failure to comply with the rules and regulations of the Airport's Security Program and Ground Vehicle/Pedestrian Operations will result in the temporary or permanent revocation of the Airport issued badge and thereby all access to the restricted areas on the Airport.

O. Assignments, Subletting, or Sale.

1. Except as provided herein, Lessee may not assign this Lease or any interest herein or in the Property, or otherwise sell, transfer or sublet the Property, or permit the use of the Property by any other party other than Lessee, without Lessor's prior written consent. Notwithstanding the foregoing, Lessee may assign the Lease to a Qualified Assignee. A Qualified Assignee shall be a person or entity that meets all of the following requirements: (i) OFAC non-foreign status (as evidenced by an affidavit from assignee on the approved OFAC form), (ii) net financial assets equal to or greater than the assignor, (iii) a certificate of good standing from the Georgia Secretary of State office, and (iv) no pending litigation in the state of Georgia against assignee. Furthermore, the Qualified Assignee shall not directly

engage in any operational activities at the Airport, sales of aircraft, maintenance of aircraft, taxiing of aircraft, or similar activity without prior consent by the Lessor. The foregoing sentence shall not apply to the ongoing operations of Standard Aero as Sublessee, Lessee or any successor sublessee approved by Lessor. If Lessee sells, transfers or assigns its interest in this Lease, the Sublease or its interest in the Property subleases Lessee Improvements (each, a "Disposition"), Lessee shall provide Lessor with the following: (a.) the name of Lessee's purchaser or sublessee, (b.) a copy of the proposed assignment of the sublease with Standard Aero whereby the assignee has assumed all rights and responsibilities in the Sublease from Lessee, (c.) proof of insurance required by this Lease, and (d.) a copy of the proposed assignment of this Lease whereby assignee will assume all rights, responsibilities, and obligations of this Lease in full (including all obligations to comply with the Airport Rules). Lessor agrees to cooperate with Lessee in connection with any Disposition and use reasonable efforts to approve the assignee and execute any documents related thereto reasonably requested by Lessee within thirty (30) days of Lessee's request. Lessor agrees that its consent to any Disposition shall not be unreasonably withheld, conditioned or delayed.

Upon any expiration or termination of the Sublease with Standard Aero Business Aviation Services such that Lessee seeks to re-tenant the facility with a new subtenant, Lessee agrees that any such replacement subtenant must be an aeronautical type use, or closely related ancillary aeronautical use.

2. Upon prior written notice to Lessor, Lessee also has the right to sell or transfer Lessee Improvements to a third party during the Term of this Lease or any extension thereof. In the event of the sale of Lessee improvements, Lessee agrees that the terms and conditions of this Lease remain in effect for the remainder of the Term, including all Term Extension Options as stated in Article III above.

4. Release of Assignor's Liability. In the event Lessee (including, without limitation, any Lender, its designee, or third party who shall have acquired Lessee's interest herein pursuant to Lender Security Document) shall assign all of its right, title, and interest under this Lease in and to the Property pursuant to the applicable provisions of the Lease and such transferee shall, in a writing reasonably acceptable to Lessor, assume all duties and obligations of Lessee under the Lease and agrees to be bound by all provisions contained herein, such assigning Lessee shall be released from all rights, duties, and obligations of Lessee under the Lease, except with regard to any obligations of Lessee arising before the date of such assignment and assumption. The foregoing release shall be effective and self-operative

without the execution of any further instruments on assignment to and assumption by such assignee. Notwithstanding the foregoing, promptly following the request of any such assigning Lessee, Lessor shall execute and deliver to such Lessee a written release consistent with the terms of this paragraph.

P. Taxes and Charges. Lessee shall pay as they become due any and all taxes, fees, assessments or charges of any type levied by any governmental entity based upon, related to, or resulting from any improvements, conditions, property, activities or operations of any kind on the Property. Lessee shall have the right at its own cost and expense to contest the amount or validity of any tax, fee, assessment or charge and to bring or defend any actions involving the amount or validity thereof in its own name or, if necessary and approved by Lessor, in the name of Lessor; provided that, if unsuccessful, Lessee shall pay and discharge any such tax, fee, assessment or charge so contested, together with any penalties, fines, interest, costs and expenses, including reasonable attorneys' fees, that may result from any such action by Lessee, and provided that, pending resolution of any proceeding contesting a tax, fee, assessment or charge, Lessee shall take any actions necessary, including conditional payment of the amount in dispute, to prevent the attachment or accrual of any lien or penalty. Nothing herein shall be construed to require Lessee or Sublessee to pay taxes on the interests created by this Lease or the Sublease. To the extent that the Property, the Lessee Improvements, this Lease or the Sublease are not exempt from taxes, the Lessor shall reasonably cooperate with any efforts of the Lessee or Sublessee seeks to participate in an industrial revenue bond or other similar financing structure with the Augusta Economic Development Authority or other similar quasi-governmental authority in an effort to minimize the Lessee or Sublessee's ad valorem taxes.

ARTICLE VIII

ALTERATIONS, ADDITIONS AND CHANGES

A. Except for the Lessee Improvements, Lessee and/or Sublessee shall not, without the prior consent of Lessor, which consent shall not be unreasonably withheld or delayed, make any alterations, changes or additions, structural or otherwise, to or upon any part of the Property. All alterations, additions and improvements shall be done in a good and workman-like manner and in accordance with all applicable laws and the Airport's Development Standards without impairing the structural soundness of the building. Lessor agrees, if necessary, to join in any applications to governmental authorities for such permits as may be required to do the work contemplated in this Section. All applications and permits shall be at Lessee's sole expense. Prior to construction, Lessee shall file with the FAA a complete

and accurate FAA Form 7460-1. Use of the Property and construction of improvements thereon may not proceed or be maintained by Lessee if the FAA does not determine that the improvements proposed for the Property would not be a hazard to air navigation. If the FAA's determination of no hazard to air navigation is conditional, Lessee shall satisfy all conditions underlying the determination. All improvements, alterations or fixtures constructed or placed on the Property shall comply with local building codes and all other applicable laws, covenants and regulations. Approval by Lessor shall not constitute an opinion or warranty that any items or conditions so approved are in compliance with applicable codes, laws, covenants or regulations.

B. Lessor shall not be required to perform any repairs or any other improvements to the Property whatsoever. Lessee and/or Sublessee, at its cost and expense, shall at all times maintain the Property in as good condition as when received by Lessee, excepting only normal wear and damage resulting from fire or other casualty which is beyond the control of Lessee and does not result from negligence of the Lessee. At the expiration or termination of the terms herein described, Lessee shall surrender the Property to Lessor in as good or better condition as when received by Lessee, excepting only normal wear and the addition of any permitted improvements, including the Lessee Improvements.

ARTICLE IX USE; ACCESS; AND RESTRICTIONS

A. It is understood and agreed that Lessee and/or Sublease shall use the Property only for aircraft maintenance repair and overhaul, equipment and parts storage and associated office space, which the parties agree is an aeronautical use as defined under FAA guidelines ("Permitted Use"). Lessee and Sublessee shall only be permitted to change the use of the Property with the prior written consent of Lessor, which consent shall not be unreasonably withheld, and the Property shall thereafter continue to be subject to all rules, regulations, and laws applicable to the use of Airport property.

B. Access. Lessor hereby grants Lessee permission to construct, at Lessee's cost, a segment of paving for a drive aisle on the currently-unimproved land adjacent to the Property, to connect the Property to Doug Barnard Parkway or to the Airport roadway system, thereby providing uninterrupted, paved vehicular access between the Property and nearest public right-of-way ("Drive Path"). Lessor shall be responsible for maintaining the Drive Path in good condition and repair throughout the Term. Lessor further grants Lessee an access easement for ingress and egress to and from the Property and the Airport

roadway system, taxiways, and runways located on the Airport such that those airplanes that are serviced on the Property shall have unimpeded access to the taxiways and runways at all times.

C. Rules and Regulations.

Lessee agrees that use of the Property and that its operations in and upon the Property shall be conducted in compliance with all applicable local, state and federal laws, including but not limited to those of, or administered by, the FAA or its successor, TSA, the ordinances and Code of Augusta, Georgia, the Airport Rules. The Airport Executive Director will at all times be in full and complete charge of said Airport.

D. Lessee shall endeavor to conduct its business in such a manner as will develop and maintain the good will and active interest of the general public.

E. Lessee agrees that its operations shall be conducted in compliance with all applicable federal, state and local environmental laws, rules and regulations (collectively, "Environmental Laws"). Lessee's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required repair, cleanup or remediation of the Property necessary to comply with Environmental Laws, provided such required repair, cleanup, or remediation is required due to Lessee's failure to comply with Environmental Laws.

F. Operating Standards.

In providing any of the required and/or authorized services or activities specified in this Lease, Lessee and Sublessee shall operate for the use and benefit of the public and shall comply with the reasonable minimum operating standards or requirements, promulgated by Lessor, and as amended from time to time, applicable to each of Lessee's and Sublessee's activities on the Airport.

G. Aerial Approaches.

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against any obstructions erected by Lessee without Lessor's written approval, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft.

H. Lessor may enter upon the Property at reasonable hours, in the presence of Lessee or Sublessee, so as not to interfere with Sublessee's business, to inspect the building for the purpose of seeing that the Lessee and Sublessee are complying with all obligations set forth in this Lease.

I. Use of Landing Areas.

It is expressly understood and agreed by the Parties hereto that the use of all landing areas at Airport shall be open at all times to all persons, firms, and corporations desiring to use same, provided only that such use shall be in accordance with the rules and regulations of the United States Government, TSA, FAA, the laws of the State of Georgia, and the Airport Rules. Notwithstanding anything to the contrary in this Lease, Lessor agrees that Subleasee shall not be required to pay landing fees for aircraft being serviced by Sublessee, in accordance with Sublessee's current practices at its existing service facility at the Airport.

J. Security.

Neither Lessee or Sublessee shall bring into or operate any ground vehicle or motorized equipment within any air operations area, unless having first complied with all insurance provisions and requirements specified in this Lease, as well as the Airport Vehicle Training Program and the Airport Lessee Security Program, as defined by TSA. When operating within any air operations area, Lessee and Sublessee shall cause their vehicles and equipment to move directly to and from the entrance gate of the Property and the aircraft and shall not enter or move about any other non-movement area. Lessee and Sublessee, their officers, employees, agents, and those under its control, shall comply with security measures required of Lessee, Sublessee or the Lessor by the FAA, TSA, U. S. Department of Transportation, or contained in any Airport Master Security Plan approved by the TSA (including an Airport Lessee Security Program as outlined in 49 CFR Part 1542 respective to any Exclusive Use Space pursuant hereto). If Lessee or Sublessee, their officers, employees, agents, or those under its control shall fail or refuse to comply with said measures and such noncompliance results in a monetary penalty being assessed against Lessor and/or the Augusta Aviation Commission, then Lessee shall be responsible and shall reimburse Lessor and/or the Augusta Aviation Commission in the full amount of any such monetary penalty or other damages, including reasonable attorney fees and other costs to defend Lessor and/or the Augusta Aviation Commission against such claims.

K. Lessee and Sublessee shall be responsible for having their respective employee background checks performed through the Augusta Regional Airport. Lessee or Sublessee shall reimburse the Augusta Aviation Commission its costs, plus fifteen percent (15%) for administration expenses.

L. Lessee or Sublessee shall be responsible for safely securing all aircraft or equipment stored in or about the Property, in compliance with all applicable rules, regulations and laws of the United States of America, including the rules of the Federal Aviation Administration, the State of Georgia, the Lessor, and all local authorities having proper jurisdiction over the Property.

M. Lessee acknowledges that the Property does not have manned security, and Lessee or Sublessee shall be responsible for any damage or theft of any aircrafts, equipment, or other property located in the Property which belongs to Sublessee or its clients, unless such damage is directly due to the gross negligence of Lessor.

N. Storage by Lessee of Lessee's personal property or the personal property of any of Lessee's employees, agents, licensees, guests, or invitees, in or about the Property shall be done at Lessee's sole risk and Lessor shall not be responsible, in any way, for any damage to, or any loss of any such personal property stored in or about the Property.

O. Movement of Aircraft.

Except as otherwise stated herein, throughout the Lease term, Lessee or Sublessee shall be responsible for the movement of their Aircraft into and out of the Property, as well as all other movement of its Aircraft upon the Property (the "Aircraft Movement"), and at no time shall Lessor be under any obligation to assist Lessee in any Aircraft Movement or undertake any Aircraft Movement on Lessee's behalf.

P. Hazardous Substances.

Lessee and/or Sublessee shall be liable for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, emission, discharge or release from the Property caused by its officers, employees or agents of any Hazardous Substance (including any losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment or claims as awarded by the Court arising under the Comprehensive

Environmental Response, Compensation and Liability Act, any so-called federal, state, or local “Superfund” or “Superlien” laws, statutes, law, ordinance, code, rule, regulations, order or decree regulating, with respect to or imposing liability, including strict liability, in regard to any Hazardous Substances), arising out of negligent acts of Lessee or Sublessee. For purposes of this Lease “Hazardous Substances” shall mean and include those elements or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (EPA) and the list of toxic pollutants designated by Congress or the EPA or defined by any other federal, state or local statute, law, ordinance, code, rule, regulations, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, and hazardous, toxic or dangerous waste, substance or material as now or at any time hereunder in effect. If Lessee receives any notice of (i) the happening of any material event involving the spill, release, leak, seepage, discharge or cleanup of any Hazardous Substance on the Leased Property or in connection with Lessee’s operations thereon, or (ii) any complaint, order, citation or material notice with regard to air emissions, water discharges, or any other environmental, health or safety matter affecting Lessee (an “Environmental Complaint”), from any person or entity (including without limitation, the EPA), then Lessee shall immediately notify Lessor orally and in writing of said notice. The breach of any warranty, representation, or agreement contained in this Section shall be an Event of Default hereunder and shall entitle Lessor to exercise any and all remedies provided in this Lease, or otherwise permitted by law.

ARTICLE X

INSURANCE AND INDEMNIFICATION

A. Insurance.

1. General Information. Lessee agrees to carry and maintain, or to cause Sublessee or qualified third-party management company, to carry and maintain, in force at all times during the Term, at Lessee’s or Sublessee’s sole expense, the insurance described herein in this Article X. A below for itself or Sublessee.

2. Lessor reserves the right to amend the insurance requirements imposed by this Lease at any time, provided any such amendment is not unreasonable, which amendment shall be in accordance with the following:

- a. Lessee understands and agrees that the minimum limits of the insurance

required herein may become inadequate during the Lease Term and that, if it in any way, directly or indirectly, contingently or otherwise, affects or might affect the Airport, Lessor or the City, as determined in the sole but reasonable discretion of the Airport's Executive Director, Lessee will increase such minimum limits by reasonable amounts on written request of the Airport's Executive Director, with the concurrence of the Lessor's insurance broker/underwriter. No such amendment shall reduce the coverage amounts lower than as stated in this Lease.

- b. Within thirty (30) days of the publication by Lessor of any such modifications the foregoing insurance requirements, Lessee shall deliver to Lessor insurance certificates certifying compliance with such modified coverage(s).
- c. No written amendment of this Lease shall be required to effectuate said increases in minimum limits.

3. All insurance required hereunder shall be provided through qualified self-insurance or commercial insurance insurers rated A- VII, or better by A.M. Best. Limits provided may be satisfied by a combination of primary and excess insurance, and shall be issued by a company licensed, qualified and authorized to transact business in the State of Georgia.

4. The insurance policies for coverage listed in this section shall contain a provision that written notice of cancellation or any material change in policy by the insurer shall be delivered to the Lessor no less than thirty (30) days prior to cancellation or change.

5. Proof of Insurance. Lessee shall provide Lessor with an annual Certificate of Insurance on all required insurance within ten (10) days upon the effective date of this Lease and annually upon the effective date thereafter. Lessor reserves the right to require complete, certified copies of all required insurance policies at any time.

6. Subcontractors and Sub-lessees: Lessee shall require that any of its agents and subcontractors who perform work and/or services pursuant to the provisions of this Lease and all sub-lessees carry commercially reasonable insurance coverage commensurate with their use or access as consistent with industry standards for that use or access.

7. Lessee shall obtain and maintain continuously in effect, at all times during the term of this Lease, at Lessee's sole expense, the following insurance:

- a. Comprehensive Aircraft Liability Insurance. Comprehensive Aircraft Liability insurance, (including liability for bodily injury and property damage, passenger liability, airport premises liability, personal injury liability and contractual liability), combined single limit of liability of not less than \$5,000,000. Coverage shall include bodily injury or death to person's in or about the facility and/or property damage to the facility and/or other aircraft stored in or about the Property resulting from Lessee's preventive maintenance, routine aircraft servicing, or minor repair activities. The foregoing insurance shall be endorsed to state that it will be primary to Lessor's insurance and that the Lessee waives its right of subrogation against Augusta, Georgia, the Augusta Aviation Commission, and their officers, agents, elected and appointed officials, representatives, volunteers, and employees. The Augusta Aviation Commission and Augusta, Georgia, and their officers, agents, elected and appointed officials shall be added as additional insureds on said policies. Said policy shall contain Severability of Interest Clause and Contractual Liability coverage.
- b. General Liability Insurance. General liability insurance with a combined single limit of not less than \$5,000,000 covering Lessee's off-airport operations. The foregoing insurance shall be endorsed to state that it will be primary to Lessor's insurance and that the Lessee waives its right of subrogation against the Augusta Aviation Commission, Augusta, Georgia, and their officers, agents, elected and appointed officials, representatives, volunteers, and employees. The Augusta Aviation Commission, Augusta, Georgia and their officers, agents, elected and appointed officials shall be added as additional insureds on said policies. Said policy shall contain Severability of Interest Clause and Contractual Liability coverage at least as broad as that given in the most current CG 00 01 ISO form.
- c. Airport Liability/Hangarkeepers Liability: Lessee shall procure and maintain, during the life of this Lease, Airport Liability Insurance, including Hangarkeepers Liability, in a policy form customarily carried at the time in the United States. The Airport Liability Insurance coverage shall include limits not less than \$5,000,000 per occurrence combined single limit and the Hangarkeepers Liability coverage shall include limits of not less than \$5,000,000 per occurrence combined single

limit. A list of all exclusions not considered “standard and customary” to the form of policy customarily carried at the time in the United States shall be attached to the Certificate of Insurance or a copy of the insurance policy may be submitted.

- d. Property Insurance: Lessee shall procure and maintain during the life of this Lease, Property Insurance, in a form at least as broad as the standard Insurance Services Office special cause of loss form, and flood insurance covering all currently existing buildings as well as any new buildings constructed. These policies shall insure, and shall be sufficient to cover the replacement value of, all improvements installed on the Premises, and all fixtures, furnishings, equipment and decoration kept, furnished or installed on the Premises. The insurance policy(ies) secured pursuant to this paragraph shall provide coverage on a replacement cost basis.
- e. Builder’s Risk Insurance: Lessee shall purchase builder’s risk insurance for the full value of the improvements to be constructed pursuant to the Lessee Development Plan and shall maintain such insurance until all certificates of occupancy have been issued. For any building later constructed, Lessee shall purchase builder’s risk insurance for the full value of the building to be constructed and shall maintain such insurance until all certificates of occupancy have been issued.
- f. Workers’ Compensation Insurance. If Lessee has employees, it shall provide Workers’ Compensation insurance with statutory limits and employers liability with a limit of \$500,000 for employees and subcontractors entering the hangar or office space with limits of liability of not less than Five Hundred Thousand Dollars (\$500,000.00) for each accident/disease. Such policy (ies) shall be endorsed to state that the workers’ compensation carrier waives its right of subrogation against the Augusta Aviation Commission, Augusta, Georgia, and their officers, agents, elected and appointed officials, representatives, volunteers, and employees.
- g. Automobile Liability Insurance. Lessee shall provide Automobile Liability insurance with a combined single limit of not less than \$1,000,000 covering Lessee’s automobiles while on and off the airport premises. Policy must be

written on a Symbol 1 basis. However, if it is determined that Lessee's automobiles are to be used in restricted areas of the Airport; Lessee shall provide Automobile Liability with a combined single limit of not less than \$5,000,000. The foregoing insurance shall be endorsed to state that it will be primary to Lessor's insurance and that the carrier waives its right of subrogation against the Augusta Aviation Commission and Augusta, Georgia, and their officers, agents, elected and appointed officials, representatives, volunteers, and employees. The Augusta Aviation Commission and Augusta, Georgia, and their officers, agents, elected and appointed officials shall be added as additional insureds on said policies. Said policy shall contain Severability of Interest Clause and Contractual Liability coverage at least as broad as that given in the most current CA 00 01 ISO form.

B. Indemnity.

1. Lessee shall indemnify and hold harmless the Lessor and the City, and their members, officers, elected officials, agents, servants, employees and successors in office from any and all claims including reasonable attorney's fees and expenses of litigation incurred by Lessor and/or the City, in connection therewith, related to or arising out of any damage or injury to property or persons, occurring or allegedly occurring in, on or about the Airport's property which are in any way related to or arising out of any failure of Lessee to perform its obligations hereunder, or any negligence act of Lessee's officers, employees or agents, during the period from the date of this Lease to the end of the Lease Term, except to the extent that such claims, demands, suits, judgment, costs and expenses may be directly attributed to any act of negligence on the part of Lessor or their agents, employees, directors, officers, guests, licensees and invitees .
2. Lessee further agrees that the foregoing contract to indemnify and hold harmless applies to any claims for damage or injury to any individuals employed or retained by Lessee and hereby releases Lessor from liability in connection with any such claims.
3. Lessee shall keep, defend and hold harmless Lessor, Augusta, Georgia, the Augusta Aviation Commission and their respective agents, employees, directors, officers, guests, licensees and invitees, from and against any and all claims, demands, suits, judgments, costs and expenses asserted by any person or persons, including agents or employees of Lessee, by reason of

death or injury to persons or loss or damage to property, resulting from Lessee's operations and occupancy of the Property, or anything done or omitted by Lessee under this Lease except to the extent that such claims, demands, suits, judgment, costs and expenses may be directly attributed to any act of negligence on the part of Lessor or their agents, employees, directors, officers, guests, licensees and invitees.

4. The obligation to provide indemnification under this Agreement shall be contingent upon the Lessor providing Lessee with timely written notice of any claim for which indemnification is sought, allowing Lessee to control the defense of such claim; provided, however that the Lessee agrees not to enter into any settlement or compromise of any claim or action without the Lessor's prior written consent, which will not be unreasonably withheld. The Lessor shall cooperate with the Lessee in connection with such defense. Nothing in this Section is intended to prohibit a Party from engaging its own legal counsel, at its own expense, to investigate or defend against any claim.

ARTICLE XI

MISCELLANEOUS PROVISION

A. It is agreed between the Parties hereto that this Lease shall be binding upon and inure to the benefit of the Parties hereto, their successors and assigns.

B. Force Majeure.

Force Majeure shall mean delays caused by or resulting from an Act of God, severe weather conditions, war, insurrection, riot, civil commotion, epidemic, pandemic, declared National, State, and/or Local state of emergency, fire or other casualty, strikes, lockouts, inability to obtain labor or materials, or other causes beyond the party's reasonable control. Neither party shall have any liability whatsoever to the other party on account of any event of Force Majeure. If this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay caused by any event of Force Majeure. However, an event of Force Majeure shall not in any way affect Lessee's obligation to pay rent or other moneys due, nor shall it extend the term of this Lease.

C. Notices.

All notices, demands, and request which may or are required to be given by either Lessor or Lessee to the other shall be in writing and shall be deemed to have been properly given when sent postage pre-paid by registered or certified mail (with return receipt requested) addressed as follows:

If to Lessee:

Brown & Gold Aero Investments, LLC
3510 Wheeler Road
Augusta, Georgia 30909
Attention: A. Dennis Trotter

With copy to:

Trotter Jones, LLP
3615 Walton Way Ext.
Augusta, Georgia 30909
Attention: James B. Trotter

With an additional copy to Lessee's Lender:

With a Copy to Sublessee:

Attn: Assistant General Counsel- Business Aviation

2988 West Walnut Hill Lane
Dallas, TX 75261
Tel: (214)-956-3084
Email: jeff.adamcik@standardaero.com

With a copy to same address

Attn: General Counsel

6710 N. Scottsdale Road, Suite 250
Scottsdale, AZ 85253

If to Lessor:

Augusta Aviation Commission
Augusta Regional Airport
1501 Aviation Way
Augusta, Georgia 30906-9600
Attention: Aviation Director

With copy to:

Augusta, Georgia
ATTN: General Counsel
535 Telfair Street, Building 3000
Augusta, Georgia 30901

Either Party may change the address and name of addressee to which subsequent notices are to be sent by notice to the other given as aforesaid.

Lessor and Lessee both agree that any notice being tendered by either party regarding any right, obligation, option, default or breach of this Lease shall be simultaneously delivered to the Sublessee set forth in Article III, Section E above, per the terms set forth in the lease attached in the Exhibit "B" attached hereto.

D. Covenants Bind and Benefit Successors and Assigns.

The provisions of this Lease shall be binding upon and inure to the benefit of the Parties hereto and their respective successors, permitted assigns, and permitted sub-lessees including but not limited to Standard Aero; provided, however, that no one shall have any benefit or acquire any rights under this Lease pursuant to any conveyance, transfer, or assignment in violation of any of its provisions.

E. Governing Law and Venue.

This Lease shall be construed and enforced in accordance with the laws of the State of Georgia. The Parties hereby submit to the exclusive jurisdiction of the Superior Court of Augusta, Georgia for the purposes of all legal proceedings arising out of or relating to this Lease and the Parties irrevocably waive, to the fullest extent permitted by law, any objection which they may now or hereafter have to the venue of any such proceeding which is brought in such a court.

F. Severability.

In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

G. Time.

Time is of the essence in performance under this Lease.

H. Execution of Counterparts.

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

I. Covenants Run with Property.

The covenants, agreements, and conditions herein contained shall run with the Property hereby leased and shall be binding upon, inure to the benefit of, and be enforceable by the Parties hereto and their respective successors and assigns.

J. Relationship of the Parties.

The relationship of the Parties under this Lease shall be that of independent principals and nothing herein or in any related document or representation shall be construed to create or imply any relationship of employment, agency, partnership or any other relationship other than that of independent principals. Each of the Parties acknowledge and agree that each is engaged in a separate and independent business or activities and neither shall state, represent or imply any interest in or control over the business of the other.

K. Georgia Open Records Act.

Lessee acknowledges that this Agreement and certain documentation may be subject to the Georgia Open Records Act (OCGA §50-18-70, et seq.). Lessee shall cooperate fully in responding to such requests and shall make all records, not exempt, available for inspection and copying as required by law.

L. Venue and Jurisdiction.

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia without giving effect to any choice or conflict of law provision or rule (whether of the State of Georgia or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Georgia. Any legal suit, action or proceeding arising out of or related to this Agreement or the matters contemplated hereunder shall be instituted exclusively in the federal or state courts located in Richmond County, Georgia. Each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding and waives any objection based on improper venue or forum non conveniens. Service of process, summons, notice or other document by mail to such Party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court.

M. Entire Agreement.

This Lease contains the entire agreement of the Parties, and no representations, inducements, promises or agreements, oral or otherwise, between the Parties not embodied herein shall be of any force or effect. This Lease supersedes any prior agreements with respect thereto. This Lease shall inure to the benefit of and be binding upon the Lessor, the Lessee, and their respective successors and assigns. No failure of either Party to exercise any power given it hereunder, or to insist upon strict compliance by either Party of any obligations hereunder, and no custom or practice of the Parties at variance with the terms hereof shall constitute a waiver of either Party's right to demand exact compliance with the terms hereof.

N. Approval by the Airport Sponsor.

Upon approval of this Lease by the Airport Sponsor, the Mayor shall execute this Lease on behalf of the Augusta Regional Airport. This Agreement may only be modified by a written amendment signed by an authorized representative of each Party. Lessee acknowledges that this Lease and any changes to it by amendment, modification, change order or other similar document may have required or may require the authorization and approval of the Airport Sponsor and the Mayor. Under Georgia law, Lessee

is deemed to possess knowledge concerning Airport Sponsor's ability to assume contractual obligations and the consequences for Lessee of entering into any contract, amendment, modification, or other similar document without the authorization and approval of the Airport Sponsor and the Mayor. In the event of such unauthorized actions, Airport Sponsor and/or the Augusta Aviation Commission shall not be held liable, responsible, or obligated to perform under such unauthorized actions and shall not be in breach of contract of such unauthorized actions if it chooses not to adhere to said actions.

O. Amendment.

This Lease may not be amended at any time except by written agreement of Lessor and Lessee.

P. Eminent domain.

If the whole of the Property shall be taken or condemned under the right of eminent domain, then this Lease shall automatically terminate. If less than the whole of the Property shall be taken or condemned but the part taken or condemned constitutes, in Lessee's sole judgment, such a substantial part of the Property so that the remaining part of the Property shall be insufficient for the economic and feasible operation of Lessee's Permitted Use, then Lessee shall have the right to terminate this Lease. If this Lease is terminated pursuant to this Section, whether automatically or at Lessee's election, then (a) such termination shall be effective as of the date possession is lawfully acquired by the condemning authority, (b) from and after such effective date of termination, (i) this Lease shall be of no further force or effect and the parties hereto shall have no further obligations hereunder (except for any obligations expressly surviving such termination), and (ii) the obligation to pay Rent hereunder shall cease, and (c) notwithstanding any termination of this Lease, the awards or payment of compensation by the condemning authority on account of the taking or condemnation shall be applied as follows: Lessor shall receive that portion of the total awards or payments that are attributable to Lessor's leased fee interest in the Premises that are taken or damaged by the condemnation.

Lessee shall receive that portion of the total awards or payments that are attributable to Lessee's leasehold interest in the Premises that are taken or damaged by the condemnation. In addition to recovering compensation for the taking or damaging of Lessee's leasehold interest, Lessee shall receive all compensation awarded for the taking or damaging of the actual and constructive improvements made by Lessee to the Property, including but not limited to Lessee's interest in the Lessee Improvements. In the event that any portion of the Property is condemned by a governmental entity other than the Lessor, the Lessor shall have no obligation to pay any compensation to Lessee in addition to any awards or payments paid by the condemning authority and payable to the Lessee, as specified herein.

Lessor, Lessee and any person or entity having an interest in the awards or payments shall have the right to participate in any condemnation proceedings or agreements for the purpose of protecting its interests, and such party shall pay its own costs and expenses therein. If the parties are not permitted to proceed as separate parties, they shall jointly select counsel to present and prosecute their claim, and all costs thereof shall be paid by the parties in proportion to the amount of the award, settlement or sale proceeds that each receives.

If only a part of the Property shall be taken or condemned and the part remaining can, in the sole judgment of Lessee, be economically adapted for Lessee's Permitted Use, then this Lease shall remain in full force and effect, and Rent payments by Lessee shall be reduced during the then current Lease term and any Option Term(s) thereafter exercised as follows: Rent shall be reduced by a percentage equal to the percentage that the part(s) taken is of the whole Property to the extent that the part(s) taken result in (i) a reduction in the amount of parking, (ii) a reduction in the accessibility to Lessee's Improvements by pedestrian and/or vehicular traffic (including, without limitation, the removal of a point of access or the loss of any portion of Lessee's internal circulation drive aisles), (iii) the removal of points of access to and/or from the Property, (iv) a loss of Lessee's primary free-standing signage, if any, or (v) some other a material adverse effect on Lessee's ability to operate for business from the Property in at least a comparable economic and profitable manner as existed prior to such taking or condemnation. Notwithstanding the foregoing or anything to the contrary contained herein, if any parking on the Property is taken, or lost as a result of a taking, then, at Lessee's option, the Rent (during the then current Lease Term and any exercised Option Term(s)) shall be reduced by either: (a) the percentage that the part taken is of the whole Property as described above, or (b) the percentage that the number of parking spaces taken and/or lost as a result of the taking is to the total number of parking spaces existing on the Premises before the taking. Additionally, if part of the Property is taken and this Lease remains in force and effect, Lessor shall be entitled to all compensation awarded for the land (as vacant) taken and any improvements built and paid for by Lessor that are in the taking, and for damages, if any, to Lessor's leased fee interest; and Lessee shall be entitled to all compensation awarded for any improvements built and paid for by Lessee, including but not limited to, Lessee's Improvements, including but not limited to, Lessee's site improvements, paving, curbing, landscaping and appurtenances, and signage, that are in the taking, and for damages, if any, to Lessee's leasehold interest.

Lessor shall notify Lessee within ten (10) days of any notification from any governmental entity regarding the proposed taking or condemnation of any or all of the Property. In addition, Lessor

shall copy Lessee on any subsequent correspondence regarding same, including but not limited to, the condemning authority's offer(s) of compensation and appraisal(s) upon which such offer(s) is based.

Lessor, Lessee and any person or entity having an interest in the awards or payments shall have the right to participate in any condemnation proceedings or agreements for the purpose of protecting its interests, and such party shall pay its own costs and expenses therein. If the parties are not permitted to proceed as separate parties, they shall jointly select counsel to present and prosecute their claim, and all costs thereof shall be paid by the parties in proportion to the amount of the award, settlement or sale proceeds that each receives.

Any termination of this Lease pursuant to this Section, whether automatically or by Lessee's election hereunder, shall not be deemed to terminate this Lease for purposes of Lessee's prosecuting and receiving an award or settlement from the condemning authority as compensation for the taking or damaging of its leasehold interest in the Property, including but not limited to, the actual and constructive improvements made by Lessee to the Premises as provided for in this Section, which shall be in no way impaired. Not only should this pertain to the lease premises, but it should also include the runways, approaches, taxiways, and all access points for a plane to access the premises.

Q. Non-Discrimination.

Notwithstanding any other provision of this Lease, during the performance of this Lease, Lessee, for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration of this Lease does hereby covenant and agree, as a covenant running with the land, that:

1. Lessee at all times shall comply with Contract Provision Guidelines for Obligated Sponsors and Airport Improvement Program Projects section A5.3.3, A.6.4.1, and A6.4.2
2. Lessee will obligate its General Contractor constructing the proposed improvements on the Property to comply with Contract Provision Guidelines for Obligated Sponsors and Airport Improvement Program Projects section A5.3.2
3. Lessee's Sublease with Sublessee, shall obligate Sublessee (and its successors and assigns) to comply with Contract Provision Guidelines for Obligated Sponsors and Airport Improvement Program Projects section A5.3.3
4. Notwithstanding the foregoing, in the event Lessee, Sublessee, or Lessee's General Contractor is deemed to have violated any of the aforementioned non-discrimination laws, such failure shall be considered an Event of Default pursuant to Article IV, Section 1(b).

R. Requirements of the United States.

This Lease shall be subject and subordinate to the provisions of any existing or future agreement between Lessor and the United States, or any agency thereof, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development or operation of the Airport; provided, however, that Lessor shall cause any such agreements to include provisions protecting and preserving the rights of Lessee in and to the Property, and to compensation for the taking thereof, interference therewith and damage thereto, caused by such agreement or by actions of Lessor or the United States pursuant thereto. In the event any existing or future agreement between Lessor and the United States, or any agency thereof, results in a taking of any portion of the Property by either the United States, or agency thereof, or Lessor, the compensation for such taking shall be distributed in accordance with the Eminent Domain provisions in Article XI, Section P above.

S. Option for Additional Property.

The Lessor, for good and valuable consideration, does hereby grant the Lessee an option to lease up to an additional +/- 7.5 acres of land (all or part) lying to the South of Parcel A, and more fully described as the "Option Parcel" on Exhibit A attached hereto. The Lessee may exercise it's right to lease the Option Parcel for a period of ten (10) years commencing on the Effective Date of this Lease. In the event the Lessee exercises this option, the rental rate for the Option Parcel shall be the same rental rate in effect for this Lease at the time the option is exercised, and the Lessor and Lessee shall enter into a new lease agreement for the Option Parcel on substantially similar terms as this Lease. Rent for the Option Parcel shall be \$.10 per square foot per year and shall commence simultaneously with the commencement of Rent on the Property (one year after issuance of a Certificate of Occupancy).

T. Memorandum of Lease. Lessee may record a memorandum of lease ("Memorandum") in the form of Exhibit C attached hereto, in the Office of the Clerk of the Superior Court of Richmond County, Georgia. The Lessor and Lessee agree to deliver a fully executed and notarized original of the Memorandum to the other party upon execution of this Lease.

U. Joinder by the City. Augusta, Georgia joins in the execution of this Lease to approve its terms in accordance with Section 1-3-5 of Chapter 3, Article 1 of the Augusta-Richmond County Code.

[signatures appear on following page]

IN WITNESS THEREOF, the said Parties hereto have executed this Lease or caused this Lease to be executed the day and year first above written.

LESSEE:
BROWN & GOLD AERO INVESTMENTS, LLC

LESSOR:
AUGUSTA AVIATION COMISSION

By: _____
A. Dennis Trotter
As its Manager

By: _____
Name: _____
Its: _____

Attest: _____
Name: _____
Its: _____

Approved by the City on the ___ day of _____, 2023:

AUGUSTA, GEORGIA

By: _____
Garnett L. Johnson, Mayor

Attest: _____
Lena J. Bonner, Clerk of the Commission

Exhibit "A"

Map of the Property and Surrounding Area

Exhibit B – Sublease with Standard Aero

Exhibit C – Memorandum of Lease

(Space above for Recorder's Use)

MEMORANDUM OF LEASE

This Memorandum of Lease dated as of the _____ day of _____, _____ is made and entered into by and between BROWN & GOLD AERO INVESTMENTS, LLC, a Georgia limited liability company with an address at 3510 Wheeler Road, Augusta, Georgia 30909 ("Lessee"), and the AUGUSTA AVIATION COMMISSION, with an address at _____ ("Lessor").

WHEREAS, Lessee and Lessor are parties to that certain Augusta Regional Airport Property Lease dated _____ (the "Lease") pursuant to which Lessee is leasing the property described on Exhibit "A" attached hereto (the "Property"); and

WHEREAS, the parties desire to record this Memorandum of Lease to provide record notice of the Lease and certain of its terms.

NOW THEREFORE, in consideration of the foregoing, the parties acknowledge the existence of the Lease, and certain of its terms, as follows:

1. The term of the Lease is for a period of thirty (30) Lease Years commencing _____, _____, as described in the Lease, unless sooner terminated or extended pursuant to the terms of the Lease.
2. Lessee has four (4) successive options, each of which entitles Lessee at its election to extend the then current Term for an additional period of five (5) years per Option Term, subject to all of the provisions of the Lease.
3. The Premises may be used for the purpose of sales, service, light industrial warehousing, storage and distribution related to maintenance, repair and overhaul of aircraft engines and related parts and materials, airframe, avionics and accessory work and for related office use and any other applicable use consistent with the operation of Lessee's and Sublessee's business and in compliance with applicable law.
4. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease is not a complete summary of the Lease. Accordingly, Lessor and Lessee hereby agree that this Memorandum of Lease shall not be used in interpreting the Lease provisions and that, in the event of conflict between this Memorandum of Lease and the Lease, the Lease shall control.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of the day and year first above written.

Signed, sealed and delivered in our presence: BROWN & GOLD AERO INVESTMENTS, LLC

Unofficial Witness

By: _____
A. Dennis Trotter
As its Manager

Notary Public for _____ County,
Georgia

My commission expires: _____

[NOTARY SEAL]

(SIGNATURES CONTINUED ON FOLLOWING PAGE)

Signed, sealed and delivered in our presence:

AUGUSTA AVIATION COMMISSION

Unofficial Witness

By: _____
Name: _____
Its: _____

Notary Public for _____ County,
Georgia

Attest: _____
Name: _____
Its: _____

My commission expires: _____

[NOTARY SEAL]