

**LEASE AGREEMENT**  
**BETWEEN**  
**RICHLAND-LEXINGTON AIRPORT DISTRICT**  
**AND**  
**- INSERT PROPOSER NAME - CORPORATION**  
**DATED AS OF JUNE 3, 2025**

**THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO**  
**SOUTH CAROLINA CODE OF LAWS SECTION 15-48-10, ET. SEQ.**

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## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (the "**Lease**") is entered into by and between the **RICHLAND-LEXINGTON AIRPORT DISTRICT**, a political subdivision of the State of South Carolina (the "**District**"), and - Insert Proposer Name - Corporation (the "**Tenant**").

### RECITALS

I. The District is the owner and operator of the Columbia Metropolitan Airport in Lexington County, South Carolina (the "**Airport**").

### AGREEMENTS

**NOW, THEREFORE**, for and in consideration of mutual promises and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, District and Tenant agree as follows:

#### SECTION 1 REPRESENTATIONS AND WARRANTIES

In order to induce the District to enter into this Lease, the Tenant makes the following representations and warranties to the District which shall be true and correct as of the Commencement Date:

- A. No Conflict. The consummation of the transactions contemplated herein will not violate any material provision of any agreement, law, regulation or any other restriction to which the Tenant is subject or by which it is bound, nor result in the acceleration of any obligation under any mortgage, lien, indenture, lease, agreement, instrument or decree by which the Tenant is bound.
- B. Authority. The Tenant is duly and legally authorized to enter into this Lease and to carry out and perform all covenants to be performed by it hereunder, and its right to execute this Lease is not limited by the existence of any other contracts or agreements.

#### SECTION 2 LEASE OF PREMISES

- A. Premises. The District hereby leases and demises to Tenant, and Tenant hereby leases and takes from the District, the buildings, improvements and facilities located at the Airport on the property description on **Exhibit A ("Premises")**, consist of 57,000 square feet of real property and two metal buildings of 33,850 square feet and 1,500 square feet; TO HAVE AND TO HOLD the Premises, together with all and singular the rights, privileges, and appurtenances thereto attaching or in anywise belonging, unto Tenant, its successors and permitted assigns, for the Term, and subject to (1) the covenants, agreements, terms, provisions, and limitations of this Lease; and (2) all rights, restrictions, encumbrances and matters of record to the extent the same are valid and enforceable.

B. Access to Premises. Subject to Tenant performing its obligations under this Lease, including payment of Rent hereunder, the District grants Tenant the non-exclusive right of reasonable ingress to and egress from the Premises (1) over Airport roadways designated for such purpose, for itself and its officers, employees, agents and invitees, and (2) over taxiways and aircraft ramps provided by District from Airport runways and landing areas for aircraft owned or operated by Tenant. Tenant's right of access is subject to such rules and regulations as the Airport District or the Federal Aviation Administration (the "FAA"), Transportation Security Administration (the "TSA"), or any other governmental, judicial or administrative entity, body or authority ("**Governmental Authority**"), may implement. Tenant shall not interfere with or impair the use of such public access roadways, taxiways, and ramps by other Airport users or tenants.

C. Existing Condition. Tenant acknowledges that it is leasing the Premises AS IS, WITH ALL FAULTS, and that the District has not made any representations, warranties, covenants, or agreements, express or implied, regarding (a) the value, nature, quality, or condition of the Premises, (b) the income to be derived from the Premises, (c) the suitability of the Premises for any activity or use which Tenant may conduct thereon, (d) the compliance of the Premises or its operation with any Applicable Law, or (e) the habitability, marketability, or fitness for a particular purpose of the Premises. For purposes of this Lease the term "**Applicable Law**" shall mean all applicable federal, state and local laws, codes, ordinances, rules, regulations, judgments, decrees, or directives of any Governmental Authority having jurisdiction over the Airport or the Premises. Tenant further acknowledges and agrees that any information which the District procures from a third party and provides to Tenant with respect to the Premises may be delivered without any independent investigation or verification of such information by the District, and District makes no representations as to the accuracy or completeness of such information.

D. Quiet Enjoyment. The District covenants that Tenant, on paying the Rent and performing and observing the covenants and agreements herein required to be performed by Tenant, shall peaceably and quietly have, hold, occupy, use, and enjoy the Premises during the Term of this Lease, and may exercise all of its rights hereunder, subject to the provisions of this Lease and Applicable Law.

### **SECTION 3** **USE OF PREMISES**

A. Authorized Uses. In addition to any rights granted elsewhere in this Lease, Tenant may occupy, use, develop, improve, maintain and operate the Premises for the sole purpose of an aircraft maintenance facility for the dry storage of aircraft owned or leased by Tenant and any Sublessee approved pursuant to Section 6, and conducting related activities as specified herein, to include aircraft maintenance of aircraft owned and operated by the Tenant, and for no other purpose whatsoever. Tenant shall maintain and present, upon request, any and all records of such services offered to third parties. In particular, but without limitation, Tenant shall not develop or use, nor permit the development or use by any Sublessee, of any hangar or other facility on the Premises for residential use. Tenants' occupancy, use, improvement, and operation of the Premises shall be at Tenant's sole cost and expense, except as otherwise

expressly provided herein. The Premises are not to be used to store non-aviation items such as cars, boats, recreational vehicles, off-road equipment, etc.

B. Prohibited Uses.

1. Nothing contained in this Section shall be construed as authorizing the Tenant to engage in any activity that is unlawful or which is contrary to, or in conflict with, any Applicable Law, and the Tenant does hereby agree to hold the District harmless from any act or failure by the Tenant in respect to this obligation.
2. The Tenant shall not conduct or permit any employee to conduct any business or commercial operation on or from the Premises not herein or otherwise authorized by the Airport District.
3. Tenant and invitees' vehicle parking is limited to areas provided therefor on the Premises, if any, or other public parking areas of the Airport. Vehicles may not be parked in any manner that obstructs the movement of aircraft or other ground vehicles on the Airport.
4. Tenant shall not store any items outside of the Facilities; all of Tenant's property shall be stored indoors.
5. Tenant shall not use or occupy, permit the Premises to be used or occupied, nor do or permit anything to be done in or on the Premises in a manner which would make void or voidable any insurance then in force with respect thereto, which would make it impossible or financially prohibitive to obtain the insurance required to be furnished by or on behalf of the District or Tenant hereunder, which would constitute a public or private nuisance, or which would violate any Applicable Laws, or Airport standards. In no event may the Premises be used or occupied for residential purposes.

**SECTION 4**  
**CERTAIN DISTRICTS RIGHTS**

A. Right of Inspection. The District may enter upon the Premises at any time in order to inspect the Premises and to determine compliance by Tenant with its obligations under this Lease and applicable Airport rules and regulations.

B. Emergencies. In the event of an emergency, as determined by the District in its sole discretion, District may temporarily deny Tenant access to the Premises, direct Tenant to remove any aircraft from the Premises, or if Tenant cannot be promptly reached, remove, or cause any aircraft to be removed, from the Premises

**SECTION 5**  
**TERM**

A. Initial Term. The initial term of this Lease (the "**Initial Term**") shall commence on \_\_\_\_\_, 20xx (the "**Commencement Date**") and extend for three (3) years until \_\_\_\_\_, 20xx.

**SECTION 6**  
**ASSIGNMENT/SUBLEASE**

A. Assignment. Tenant may not assign this Lease or any of its rights or obligations hereunder, in whole or in part, without the prior written consent of the District. Nor may Tenant's interest in this Lease be assigned or transferred involuntarily or by operation of law without the prior written consent of the District. A transfer directly or indirectly of a controlling interest in Tenant (either in one transfer or a series of transfers) shall constitute an assignment hereunder subject to the District's consent. No assignment shall relieve Tenant of its obligations to the District hereunder. Any assignment or transfer that is not expressly permitted under this Lease and has not been authorized by the District in writing shall be void. Notwithstanding the above, the District shall not unreasonable withhold consent to an assignment of this Lease by Tenant to any of the members, stockholders or partners of the Tenant, or to a new entity which has is owned by any one or more members, stockholders or partners of the Tenant.

B. Sublease. Tenant shall submit a written request for consent by the District at least ninety (90) calendar days before the proposed commencement of sublease including a detailed statement of the proposed sub lessee's contemplated activity and a copy of the proposed sublease document. District may, at its discretion, request additional information from Tenant regarding the proposed Sublease.

**SECTION 7**  
**RENT AND FEES**

Tenant shall pay the District for the right and privilege granted under this Lease to use and occupy the Premises as follows:

A. Rent. Commencing on the Commencement Date and continuing through the end of the Term, Rent shall be paid by Tenant to District according to the following schedule:

	Area  Sq. Ft.	Sq. Ft. Rate/	Monthly Rent	Annual Rent
Hangar building & workshop	33,850 & 1,500	\$6.00 per SF	\$17,675	\$212,100

Any adjustment of Rent shall be effective, including retroactively, as of or to the first term day of the applicable Year or holdover, regardless of the date of District's notice to Tenant or of the Districts receipt.

B. Additional Rent. "**Additional Rent**" shall mean all other fees, charges or amounts payable by Tenant under this Lease.

C. Payment of Rent. One-twelfth of the applicable annual Rent shall be paid monthly in advance on the first day of each month throughout the term of this Lease without notice, demand

or set-off. Additional Rent shall be due and payable within thirty (30) days of receipt of invoice. Unless otherwise directed in writing, Tenant shall remit payment of Rent to the District as follows:

Richland-Lexington Airport District  
125 A Summer Lake Drive  
West Columbia, South Carolina 29170  
Attn: Accounting Department

D. Late Payment Finance Charges. If any payment required hereunder by Tenant is not made within fifteen (15) days of the due date, Tenant shall pay monthly finance charges on the unpaid amount at the rate which is the lesser of one and one-half (1.5) percent per month [eighteen (18) percent per annum], or the highest non-usurious rate permitted by law, from the payment due date until paid in full. If any check tendered by Tenant in payment of fees or charges under this Lease is not paid upon presentment by Tenant's bank, the District may, upon written notice to Tenant, require all future payment to be made by direct deposit, certified check, money order, or other means to ensure payment of good funds.

E. No Abatement. Except as may otherwise be agreed in writing by the Executive Director of the District or duly authorized designee or expressly provided in this Lease (including without limitation the force majeure provisions of this Lease), no event or situation during the Term of this Lease, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant from its obligations hereunder to pay Rent, or entitle Tenant to an abatement or offset of Rent; and Tenant waives any rights now or hereafter available at law or in equity to any abatement, diminution, reduction, offset, or suspension of Rent for any reason.

F. Other Fees. To the extent not directly imposed, Tenant shall pay its proportionate share of drainage fees, transportation fees, fuel flowage fees, and any other fees or charges related to its occupancy of the Airport imposed by any Governmental Authority, as reasonably allocated by Airport District, even if levied after the inception date of this Agreement.

G. Rent. All Real Property Rent, Additional Rent and any other fees, charges, or other amounts payable to the District by Tenant under this Lease shall be collectively referred to herein as "**Rent**". All calculations of Rent shall be rounded to the nearest one cent (\$0.01).

## **SECTION 8**

### **UTILITIES**

Tenant shall pay or cause to be paid all fees and charges for gas, electricity, light, heat, air conditioning, power, cable television, telephone and other communication services, water, wastewater, drainage, and all other utilities and similar services rendered or supplied to the Premises. Tenant shall establish separate utility accounts for the Premises in Tenant's name.

## **SECTION 9**

### **MAINTENANCE AND REPAIRS**

A. Tenant Maintenance and Repair.

1. Tenant shall repair all damages to the Property caused by its agents, employees, licensees or its operation thereon; shall maintain and repair all its equipment thereon. Landlord, in its discretion, shall be the sole judge of the quality of repairs. Upon written notice by Landlord to Tenant, Tenant shall be required to perform such damage repairs Landlord deems necessary. If said repairs are not undertaken by Tenant within thirty (30) days after receipt of written notice, Landlord shall have the right to enter upon the Property and perform the necessary repairs, the cost of which shall be borne by Tenant.

2. Tenant shall provide, at its sole expense, all waste collection, handling, and disposal services necessary or appropriate to keep the Premises free from trash, garbage and other refuse. Tenant shall provide, or cause to be provided, proper receptacles for trash, garbage and other refuse generated on or from operations on the Premises. Tenant shall also provide special containers to collect hazardous waste, including, without limitation, used motor oil, engine fluids, and oily rags. Hazardous waste may not be placed in regular trash receptacles.

B. Landlord Maintenance and Repairs. Landlord, at Landlord's expense, shall assume the responsibility for maintenance, upkeep and repair necessary to keep the Property and all improvements and facilities placed thereon in a safe and serviceable condition, except for the repair of those damages caused by Tenant, its employees, agents, licensees or its operation. Landlord shall maintain the plumbing and heating, ventilating and air conditioning system and equipment. Landlord shall maintain the roof and exterior walls and maintain the structural integrity of the hangar, unless such repair is caused by the negligence of Tenant. Landlord shall maintain the exterior and interior lighting (bulbs and fixtures), the ceiling tiles, electrical switches and components, doors and door hardware, floor tiles and walls.

## **SECTION 10**

### **MODIFICATIONS AND ADDITIONS**

A. Tenant's Modification and Additions. Tenant shall not modify the Premises or construct any other improvements on the Premises without the prior written consent of the District, which consent may be withheld or made subject to such conditions as the District may deem appropriate, in its sole discretion. Tenant shall construct any approved modifications or improvements at Tenant's sole expense, in compliance with all Applicable Laws and in accordance with all conditions of the District and in accordance with plans approved by the District, with only such changes as may be approved in writing by the District.

B. No Liens. Tenant shall be solely responsible for payment to all contractors and workers for all elements of maintenance, modification, or improvement of the Premises, and shall keep the Premises free and clear of all liens resulting from any work thereon, or the furnishing of labor or materials, by or on behalf of Tenant. If any such lien is filed or asserted, Tenant shall promptly cause the same to be released within thirty (30) days, or shall post a surety bond for payment of such lien claims that causes the lien to be removed as an encumbrance on the Premises or any portion thereof. Tenant may contest the correctness or validity of any such lien, but shall indemnify, defend, and hold harmless the District from any and all such lien claims.

C. Ownership of Modifications and Additions.



1. Tenant acknowledges that all of the improvements located on the Premises, will be and shall at all times remain the property of the District, subject to the Tenant's right to use and occupy them under this Lease.

2. Upon the expiration of the Term of this Lease in accordance with its terms, all subsequent improvements located on the Premises automatically shall become (to the extent not already) the property of the District, free from any liens or claims whatsoever, without any additional compensation from Airport District to Tenant or to any other Person. Tenant shall execute and deliver to the District all documents as District may reasonably require to evidence transfer of title of any improvements to the District. In addition to any other indemnities in this Lease, Tenant shall defend, indemnify and hold harmless the District from and against all costs, expenses (including reasonable attorneys' fees, expenses, and court costs), liabilities, damages, claims, suits, actions, and causes of actions whatsoever ("**Claims**"), to the extent such Claims are predicated on, or arise out of, (i) any negligence or other wrongful or tortious conduct of Tenant or any other person for whom or which Tenant is responsible, including any employees, agents or contractors of any of them, and (ii) the District status as owner of the Facilities, including Claims predicated on, or arising in whole or in part out of the Districts alleged breach of a duty owed by it as a property owner.

## **SECTION 11**

### **SIGNS AND EXTERIOR LIGHTING**

Tenant shall not place any signs or exterior lighting on the Premises without the prior written approval of the Executive Director of the District. Tenant shall submit descriptions, drawings, design dimensions, type, number and character of all proposed signs and exterior lighting to the Executive Director of the District for evaluation. Any signs and exterior lighting shall comply with all Applicable Laws.

## **SECTION 12**

### **SECURITY**

A. Compliance with Regulations. Tenant shall comply with applicable Airport security regulations and shall control the Premises so as to prevent unauthorized access to the air operations area, including but not limited to the Districts Airport Security Program ("**Airport Security Program**"). Tenant shall comply with all applicable Transportation Security Regulations including but not limited to Title 49 CFR Chapter XII. Tenant shall indemnify and hold the District harmless from and against all liability, claims, penalties, fines, cost, loss, or expense incurred by the District arising out of, or concerning, a breach by Tenant, any subtenant, or their respective employees or contractors, of Tenant's obligations under this Section.

B. Locks and Security Devices. Tenant, at Tenant's expense, shall provide, install and maintain such locks and other security devices or measures, as may be necessary or appropriate to (1) comply with applicable TSA Regulations and the Airport Security Program, and (2) protect and safeguard the Premises, any goods, equipment, or other property stored thereon, Tenant's employees and invitees. Tenant shall provide the District with a current key (or

combination) to all hangar locks on the Premises. Any locks and other security devices or measures installed and maintained by Tenant must be approved by the District.

C. Access. Tenant shall permit Landlord to install and maintain on the Premises electrical wiring and security data circuits as specified by the District to operate security devices including gates, access controls and cameras, which are part of the Air Operations Area of the Airport ("AOA"). Tenant shall supply power from an electrical panel as specified by Airport District with circuit breaker protection-

### **SECTION 13** **FINANCING**

The District may, from time to time, without the consent or joinder of Tenant, encumber its interest in the Premises with one or more mortgages or other lien instruments. Tenant shall execute and deliver to the District such subordination and attornment agreements, as the District or its lender shall reasonably require, provided, that such subordination and attornment agreement shall include the lender's commitment, in customary form, to recognize the Tenant's rights under this Lease following a foreclosure.

### **SECTION 14** **INSURANCE**

Tenant will, at its cost and expense, throughout the term of this Lease obtain and maintain in full force and effect the policies of insurance set forth in **Exhibit B** attached hereto, and incorporated herein, as the same may be amended and changed by the District from time to time. Insurance provided by Tenant shall be primary coverage for all losses.

### **SECTION 15** **INDEMNITY**

A. Indemnity. Tenant shall defend, indemnify and hold harmless the District and its employees, agents, representatives, successors and assigns (collectively, the "**Indemnified Parties**"), from and against all costs, expenses (including reasonable attorneys' fees, expenses, and court costs), liabilities, damages, claims, suits, actions, and causes of actions whatsoever ("**Indemnified Claims**"), to the extent arising directly or indirectly out of (a) any breach of this Lease by Tenant, any subtenant, and their respective agents, employees, or contractors, (collectively the "**Tenant Parties**") (b) any false representation or warranty made by the Tenant Parties hereunder, (c) any negligent act or omission, gross negligence, or willful misconduct of the Tenant Parties in connection with this Lease, the construction, development, operation or use of the Premises. Tenant is not excused or relieved of its obligations under this Section if an Indemnified Claim arises out of, or is caused by, the negligence or willful misconduct of the Tenant Parties concurrent with that of the Indemnified Parties. Tenant shall assume on behalf of the Indemnified Parties and conduct with due diligence and in good faith the defense of all Indemnified Claims against any of the Indemnified Parties. Maintenance of the insurance required under this Lease shall not affect Tenant's indemnity obligations. Tenant may contest the validity of any Indemnified Claims, in the name of the District or Tenant, as Tenant may in good faith deem appropriate, provided that the expenses thereof shall be paid by Tenant and

Tenant shall maintain adequate insurance to cover any loss (es) which might be incurred if such contest is ultimately unsuccessful. In no event may Tenant admit liability on the part of the District without the expressed prior written consent of the District.

B. Waiver of Consequential Damages. Each party hereby waives any and all rights to recover any consequential, incidental, exemplary or punitive, damages from the other party, including claims of all Tenant Parties, and other similar claims or damages.

C. Claims Against Tenant. If any claim, demand, suit, or other action is made or brought by any person, firm, corporation, or other entity against the Tenant arising out of or concerning this Lease or the Premises, the Tenant shall give written notice thereof to the Airport District within three (3) business days after being notified of such claim, demand, suit, or action. The notice shall enclose a true copy of all written claims, and if the claim is not written or the information is not discernible from the written claim, state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the person, firm, corporation, or other entity making such claim or that instituted or threatened to institute any type of action or proceeding, the basis of the claim, action, or proceeding; and the name of any person against whom such claim is being made or threatened. The notice shall be delivered either personally or by mail and shall be directly sent to the District.

## **SECTION 16**

### **ENVIRONMENTAL CONDITION OF PREMISES**

Tenant acknowledges that it has had the opportunity to inspect and conduct environmental assessments of the Premises. Tenant has accepted the Premises AS IS. Tenant shall give the District prior written notice of any planned environmental assessments, including the scope of the assessment and the specific sites or locations to be investigated. Tenant shall provide the District with a copy of all environmental assessments of the Premises or the Airport performed by Tenant or on its behalf. Unless a pre-existing Environmental Condition (as defined below) affecting the Premises has been identified and documented, it shall be presumed that the Environmental Condition arose during the Term of this Lease.

## **SECTION 17**

### **ENVIRONMENTAL COMPLIANCE**

A. Definitions. In this Section:

1. **"Environmental Laws"** shall refer to and include all Federal, State, local statutes, laws, ordinances, rules and regulations, now or hereafter in effect, and as amended from time to time, related to pollution or the protection of the environment, including those related to emissions, discharges, releases or threatened releases of or the use, handling, treatment, storage, discharge, disposal, or transportation of Hazardous Materials, Environmental Laws, specifically include but are not limited to, the National Environmental Policy Act, and as amended by the Superfund Amendments and Reauthorization Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Clean Water Act, Clean Air Act, the Safe Water Drinking Act, the Oil

Pollution Control Act of 1990, the Occupational Safety and Health Administration Hazard Communication Standards, and the Environmental Protection Agency Oil Pollution Prevention and Response Rule (40 CFR Part 112).

2. "**Hazardous Materials**" shall refer to and include all substances whose use, handling, treatment, storage, disposal, discharge, or transportation is governed, controlled, restricted, or regulated by Environmental Laws, that have been defined, designated or listed by any responsible Governmental Authority as being hazardous, toxic, radioactive, or that present an actual or potential hazard to human health or the environment if improperly used, handled, treated, stored, disposed, discharged, generated or released. Hazardous Materials specifically include asbestos and asbestos containing materials, petroleum products, solvents, and pesticides.

3. "**Environmental Claims**" shall refer to, and include all claims, demands, suits, actions, judgments, and liability for: (i) removal, remediation, assessment, transportation, testing and disposal of Hazardous Materials as directed by any Government Authority, court order, or Environmental Law; (ii) bodily injury, or death; (iii) damage to or loss of use of property of any person; (iv) injury to natural resources; (v) fines, costs, fees, assessments, taxes, demands, orders, directives or any other requirements imposed in any manner by any Governmental Authority under Environmental Laws; and (vi) costs and expenses of cleanup, remediation, assessment testing, investigation, transportation and disposal of a Hazardous Material spill, release, or discharge.

4. "**Environmental Condition**" shall mean any condition with respect to the soil, surface waters, ground waters, surface or subsurface strata, ambient air or other environmental medium on or off the Premises, whether or not yet discovered, which could or does result in any Environmental Claim to or against Tenant or the District by any third party (including any Governmental Authority), including any condition resulting from the activities, operation or business of any other property lessee, permittee, licensee, owner or operator on, off or in the vicinity of the Premises.

5. "**Owner Environmental Party**" shall mean the District and its officials, officers, agents, employees, contractors, successors, and assigns.

6. "**Tenant Environmental Party**" shall mean the Tenant and its directors, officers, agents, employees, contractors, subtenants, customers, invitees, successors, and assigns.

B. Compliance. In its operations at the Airport, each Tenant Environmental Party shall strictly comply with all generally accepted industry environmental practices and standards, applicable Environmental Laws, and the applicable Airport Environmental Policies and Procedures, including without limitation those which are included in the Storm Water Pollution Prevention Plan and Spill Prevention Control and Countermeasure Plan ("**SWPPP**") which is incorporated by reference. Without limiting the generality of the foregoing provision, a Tenant Environmental Party shall not use or store Hazardous Materials on or at the Airport except as reasonably necessary in the ordinary course of its permitted activities at the Airport, and then only if such Hazardous Materials are properly labeled and contained, and notice of and a copy

of the current material safety data sheet is provided to the District for each such Hazardous Material. A Tenant Environmental Party shall not discharge, release, or dispose of any Hazardous Materials on the Airport or surrounding air, lands or waters, except as allowed under applicable Environmental Laws. Tenant shall promptly notify the District of any Hazardous Material spills, releases, or other discharges by a Tenant Environmental Party at the Airport and promptly abate, remediate, and remove any of the same in accordance with applicable Environmental Laws. Tenant shall provide the District with copies of all reports, complaints, claims, citations, demands, inquiries, or notices relating to the environmental condition of the Premises and Airport, or any alleged material noncompliance with Environmental laws by a Tenant Environmental Party at the Airport within ten (10) days after such documents are generated by or received by Tenant. If a Tenant Environmental Party uses, handles, treats or stores Hazardous Materials at the Airport, it shall have a contract in place with an EPA-approved waste transport or disposal company, and shall identify and retain spill response contractors to assist with spill response and facilitate waste characterization, transport and disposal. Complete records of all disposal manifests, receipts and other documentation shall be retained by the Tenant as required under applicable Environmental Laws and made available to District for review upon request. District shall have the right at any time, upon reasonable written notice to Tenant, to enter the Premises to inspect, take samples for testing, and otherwise investigate the Premises for the presence of Hazardous Materials. In the exercise of its rights under this paragraph, the District shall not unreasonably interfere with Tenant's use and occupancy of the Premises pursuant to the provisions of this Lease.

C. Responsibility. Hazardous Materials that are generated, used, handled, treated, stored, disposed, released, discharged, or transported of a Tenant Environmental Party are the responsibility of the Tenant Environmental Party and Tenant. Tenant shall be liable for and responsible to pay all Environmental Claims that arise out of or are caused in whole or in part from a Tenant Environmental Party's use, handling, treatment, storage, disposal, discharge, or transportation of Hazardous Materials on or at the Airport, the violation of any Environmental Law by a Tenant Environmental Party, or the failure of a Tenant Environmental Party to comply with the terms, conditions and covenants of this Section. To the extent the District incurs any costs or expenses (including attorney, consultant and expert witness fees) arising from a Tenant Environmental Party's use, handling, treatment, storage, discharge, disposal, or transportation of Hazardous Materials on the Airport, Tenant shall promptly reimburse the District for such reasonable costs upon demand. Tenant shall comply with all applicable reporting requirements under Environmental Laws with respect to spills, releases, or discharges of Hazardous Materials by a Tenant Environmental Party at the Airport. Except as expressly provided in this Lease, this Lease does not make Tenant responsible for Hazardous Materials that (a) exist on the Airport prior to the Commencement Date, except to the extent that a Tenant Environmental Party either disturbed or caused such pre-existing Hazardous Materials to migrate, so as to give rise to an Environmental Claim, or (b) to the extent Hazardous Materials are generated, used, handled, treated, stored, disposed, released, discharged or transported on the Airport by an Owner Environmental Party.

D. Indemnity. In addition to any other indemnities in this Lease, Tenant shall defend, indemnify and hold harmless the District from any and all Environmental Claims (including reasonable attorney's fees, litigation and investigation expenses, and court costs) to the extent

arising out of or resulting from a Tenant Environmental Party's use, handling, treatment, storage, disposal, discharge, or transportation of Hazardous Materials on the Premises or at the Airport during the term of this Lease, the violation of any Environmental Law by a Tenant Environmental Party pertaining to the Tenant Environmental Party's use or occupancy of the Premises during the term of this Lease, or the failure of a Tenant Environmental Party to comply with the terms, conditions and covenants of this Section. Tenant shall have no obligation under this Lease to indemnify the District for Environmental Claims to the extent arising from or caused by environmental conditions existing on the Premises (or property adjacent or contiguous to the Premises) prior to Tenant's occupancy of the Premises, except to the extent that a Tenant Environmental Party either disturbed or caused pre-existing hazardous materials to migrate, so as to give rise to an Environmental Claim.

E. Removal. Prior to the end of the Term or earlier termination of this Lease, Tenant shall remove or remediate in accordance with applicable Environmental Laws and the Airport Environmental Rules and Policies, all of Tenant's Hazardous Materials from the Premises, the Airport, and surrounding lands and waters. Unless instructed otherwise by the Airport District, Tenant shall also, prior to vacating the Airport, remove all Tenants' tanks, piping and other equipment which stored Hazardous Materials, or which are contaminated by Hazardous Materials. Tenant's responsibilities under this paragraph shall not extend to any Environmental Conditions existing on, in or arising from the Premises (or property adjacent or contiguous to the Premises) prior to Tenant's occupancy of the Premises except to the extent that a Tenant Environmental Party either disturbed or caused such pre-existing Hazardous Materials to migrate, so as to give rise to an Environmental Claim.

F. Compliance with Federal and State Stormwater Requirements. Tenant acknowledges that the Airport is subject to the National Pollution Discharge Elimination System Program ("NPDES") and Federal Storm water Regulations (40 CFR Part 122). In its operations at the Airport, Tenant shall comply with all applicable provisions of NPDES, Federal and State Storm water Regulations, and the SWPPP, as they may be amended from time to time, in accordance with all applicable Environmental Laws. Tenant, shall obtain, and maintain in effect, a South Carolina stormwater discharge permit in its own name for activities performed by a Tenant Environmental Party.

G. Survival. The covenants, conditions, and indemnities in this Section shall survive termination of this Lease. Tenant shall expressly include the provisions of this Section in all subleases.

H. Incorporation. Tenant shall incorporate the provisions of this Section into any agreement it enters into with a Tenant Environmental Party, including the obligation to indemnify District against any Environmental Claims caused in whole or in part by a Tenant Environmental Party on the Airport. The District shall be a third party beneficiary of such agreements, with the express right to enforce the environmental covenants of any subtenant or other Tenant Environmental Party.

## **SECTION 18**

### **AVIGATION RIGHTS**

- A. Proximity to Runway. Tenant understands and acknowledges that the Premises are located adjacent to an active airport runway, that the Premises are subject to over flights of aircraft taking off or landing at the Airport, and that the Premises are currently, and will in the future, be subject to aircraft noise levels of DNL 65dB or greater, as well as vibration, air pollution, and other effects from the flight of aircraft near or over the Premises.
- B. Airspace. The District reserves the right of flight for the passage of aircraft above the surface of the Premises, and the right of flight shall include the right to cause in the airspace over the Premises such noises as may be inherent to the operation of aircraft now known or hereafter used for navigation of or flight in the air; and that the District reserves the right to use Tenant's airspace for landing at, taking off from or operating aircraft on or over said Airport.
- C. Waiver. Tenant agrees that the District shall not be liable for any damage to the Premises arising out of the operation of aircraft in air space above the Premises or other property in the vicinity of the Premises.

## **SECTION 19**

### **RULES AND REGULATIONS**

The District may adopt, amend, and enforce reasonable rules and regulations, which Tenant agrees to observe and obey, with respect to the use of the Airport and its appurtenances, together with all facilities, improvements, equipment and services of the Airport.

## **SECTION 20**

### **DEFAULT AND REMEDIES**

- A. Default by Tenant. Each of the following shall be deemed a default by Tenant ("**Tenant Default**") hereunder and a material breach of this Lease:
1. Tenant shall fail to pay any installment of Rent, or any other sum payable by Tenant to the District under this Lease when due, and such failure shall continue for fifteen (15) days after delivery by the District to Tenant of written notice of the failure;
  2. Tenant shall fail to pay when due any Taxes, assessments, or utility charges when due, or fails to deliver to District evidence of payment thereof, and such failure shall continue for fifteen (15) days after delivery by the District to Tenant of written notice of the failure, subject to Tenant's right to contest the amount of such Taxes;
  3. Tenant shall fail to keep, perform, or observe any of the non-monetary covenants, agreements, terms, or provisions contained in this Lease that are to be kept or performed by Tenant, and Tenant shall fail to cure such failure within thirty (30) days after delivery by the District to Tenant of written notice specifying the failure; provided, however, if the failure is curable, but cannot be cured within such 30-day period, a Default shall not occur under this subsection if Tenant commences the cure of the failure during such 30-

day period and thereafter diligently and continuously pursues the cure to its completion within an additional period not to exceed ninety (90) days;

4. Tenant shall abandon, desert or vacate the Premises, and the Premises remain abandoned, deserted or vacant for a period of fifteen (15) consecutive days;

5. An involuntary petition shall be filed against Tenant under applicable Bankruptcy Law, or a receiver, liquidator or trustee of Tenant, or of all or substantially all of the property of Tenant, shall be appointed without acquiescence, and such petition or appointment shall not be discharged or stayed within sixty (60) days after the happening of such event;

6. Tenant shall make an assignment of its interest in the Premises for the benefit of creditors, shall file a voluntary petition under applicable Bankruptcy law, or seek relief under any other law for the benefit of debtors;

7. Any representation or warranty made by Tenant under this Lease shall be materially false, misleading or inaccurate as of the date made;

8. Any license, permit, approval or authorization required by any Governmental Authority required to operate or maintain the Premises is terminated, expires, or lapses, and is not reinstated within thirty (30) days;

9. Tenant tenders more than one payment of fees or charges under this Lease in any twenty-four (24) month period which is not paid upon presentment by Tenant's bank;

10. Tenant shall use all or any portion of the Premises in such a manner that the use thereof becomes a nuisance, illegal, or for purposes other than the uses permitted by this Lease; or

B. Remedies of the District. If a Tenant Default occurs, the District may at any time thereafter and without waiving any other rights hereunder or available to the District at law or in equity (District rights being cumulative), do any one or more of the following:

1. The District may terminate this Lease by giving Tenant written notice, in which event this Lease and the leasehold estate hereby created and all interest of Tenant and all parties claiming by, through, or under Tenant shall automatically terminate upon the date of such notice; and District, its agents or representatives, may, without further demand or notice, reenter and take possession of the Premises and remove all persons and property there from with or without process of law, without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of Rent or existing breaches hereof.

2. The District may terminate Tenant's right to possession of the Premises and enjoyment of the rents, issues, and profits there from without terminating this Lease or the estate created hereby, reenter and take possession of the Premises, change the locks, and remove all persons and property there from, with or without process of law, without



being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of Rent or existing breaches hereof. If the District retakes possession of the Premises as provided herein, District shall have no obligation to tender to Tenant new keys or other entry devices to any new locks installed in the Premises, and the District may lease, manage, and operate the Premises and collect the rents, issues, and profits there from for the account of Tenant, and credit to the satisfaction of Tenant's obligations hereunder the net rental thus received, after deducting there from all reasonable actual out of pocket third party costs and expenses of repossessing, leasing, managing, and operating the Premises. If the net rental so received by the District exceeds the amounts necessary to satisfy all of Tenant's obligations under this Lease, nevertheless Airport District shall retain such excess. In no event shall the District be liable for failure to so lease, manage, or operate the Premises or collect the rentals due under any subleases, and any such failure shall not reduce Tenant's liability hereunder. If the District elects to proceed under this Section, it may at any time thereafter elect to terminate this Lease.

3. The District shall have the right, but not the obligation, without judicial process and without incurring any liability therefore, to enter upon the Premises and perform any obligation that Tenant has failed to perform. Performance by the District shall not cure the Tenant default, and all costs and expenses incurred by the District in performing such obligations of Tenant (including Districts administrative and overhead costs) shall be deemed Additional Rent payable by Tenant to the District.

4. The District may exercise any other right or remedy available to the District under this Lease or at law or in equity.

C. Default by the District. The following shall be deemed a default by the District ("**District Default**") and a material breach of this Lease:

1. The District shall fail to keep, perform, or observe any of the covenants, agreements, terms, or provisions contained in this Lease that are to be kept or performed by the District, and District shall fail to cure such failure within thirty (30) days after delivery by Tenant to District of written notice specifying the failure; provided, however, if the failure is curable, but cannot be cured within such 30-day period, and the District Default shall not occur if the District commences the cure of the failure during such 30-day period and thereafter diligently and continuously pursues the cure to its completion within an additional period not to exceed ninety (90) days; or

2. Any representation or warranty made by the District under this Lease shall be materially false, misleading or inaccurate.

D. Tenant's Remedies. If the District Default occurs, Tenant may at any time thereafter do any one or more of the following:

1. Tenant may terminate this Lease by giving the District written notice thereof, in which event this Lease and the leasehold estate hereby created and all interest of Tenant and all parties claiming by, through, or under Tenant shall automatically terminate upon the date of such notice; and Tenant shall thereafter be released of all other duties,

obligations and responsibilities with respect to this Lease, except such provisions, including Tenant's indemnity obligations that shall survive termination; or

2. Tenant may exercise any other right or remedy available to Tenant under this Lease or under Applicable Law, except as expressly limited by the terms of this Lease.

## **SECTION 21**

### **SURRENDER OF PREMISES**

A. Condition of Premises. Upon the expiration of the term of this Lease, whether by expiration, termination, or otherwise, or of any renewal, or extension hereof, Tenant shall peaceably quit, deliver up, and surrender the Premises in good order, repair, and condition. Tenant shall restore the Premises and make such repairs as may be necessary to restore the same to substantially the same condition as the Premises were upon inception of this Lease, reasonable wear and tear and the District-authorized improvements accepted. Tenant shall remove all goods, equipment or personal property owned by Tenant on the Premises; subject, however, to any valid lien that the District may have thereon for unpaid Rent, fees, or charges. In no event may Tenant dismantle, remove or demolish any building or other improvements on the Premises without the prior written consent of the District.

B. Repossession and Holding Over. Upon such expiration or termination Airport District may, without further notice, enter upon, reenter, possess, and repossess itself of the Premises or portion thereof by summary proceedings, ejectment, or otherwise, and may have, hold, and enjoy the Premises or portion thereof and all rental and other income there from, free of any claim by Tenant with respect thereto. If Tenant does not surrender possession of the Premises or portion thereof, such action shall not extend the term; unless otherwise agreed in writing, Tenant shall be a tenant at sufferance, and during such time of occupancy Tenant shall pay to the District, as damages, an amount equal to one hundred fifty percent of the then current Rent for the Premises or portion thereof. The District shall not be deemed to have accepted a surrender of the Premises by Tenant, or to have extended the term, other than by execution of a written agreement specifically so stating.

## **SECTION 22**

### **CASUALTY LOSS**

A. Restoration Upon Casualty Loss. If the Premises are wholly or partially destroyed or damaged by fire, wind, storm, flood or any other similar incident ("**Casualty**"), the Airport District may at its option cause the same to be restored and reconstructed. If the Airport District elects to restore and reconstruct, the following provisions shall apply:

1. The design of all portions of the Premises to be restored and reconstructed shall meet the requirements of this Lease.
2. Restoration and reconstruction shall commence within six (6) months of the date of the Casualty, and shall be pursued thereafter with all due diligence to completion.

3. There shall be an equitable adjustment/abatement of the Real Property Rent in consideration of the portion of the Premises affected by, and the duration of the period that the Premises or portion thereof are rendered unusable on account of, a casualty.

B. No Restoration Following Partial Casualty Loss. If the District elects not to restore and reconstruct the Facilities, then either party may elect to terminate this Lease in its entirety upon thirty (30) days' written notice to the other.

## **SECTION 23**

### **CONDEMNATION**

A. Taking in Entirety. If the entire Premises are taken by any Governmental Authority by right of eminent domain, this Lease shall terminate as of the date the condemning authority takes possession.

B. Partial Taking. If less than all of the Premises is taken by any Governmental Authority by right of eminent domain and the remainder lacks adequate area, location, configuration, or improvements to carry out the purposes for which the Premises were leased, Tenant shall have the right to terminate the Lease in its entirety, by giving the District written notice within thirty (30) days after the date the condemning authority takes possession. If Tenant does not terminate the Lease, the Lease shall continue in full force and effect as to the remainder of the Premises, with an appropriate reduction in Rent.

C. Damage Award. If the condemning authority is not the District, Tenant shall be entitled to receive compensation for the fair market value of Tenant's leasehold interest so taken, and the District shall be entitled to receive compensation for the residual value of the real property taken. If the condemning authority is the District, Tenant shall be entitled to compensation for the fair market value of Tenant's leasehold interest so taken, without any compensation for the residual value of the real property taken.

D. Definition of Taking. As used in this section, a taking shall include a sale, transfer, or conveyance in avoidance or in settlement of condemnation or similar proceeding. Tenant shall have no right to voluntarily devote or dedicate any portion of the Premises to public use without District's prior written consent. A relocation of the Premises to another location on the Airport pursuant to Section 24 is not a Taking, and the rights of Tenant in the event of such relocation shall be exclusively governed by Section 24.

## **SECTION 24**

### **RIGHT TO RELOCATE PREMISES**

A. Right to Relocate. The District shall have the right at any time to relocate the Premises in whole or in part, if necessary to accommodate the overall growth or development of the Airport, as determined by the District

B. No Compensation. In the event of relocation under this Section, the District shall not be liable for any indirect, incidental, or consequential costs incurred by Tenant, including increased

maintenance or operational cost, or loss of income, rentals or profits. Tenant hereby waives any relocation payments or benefits that may be available under Applicable Law, including those provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, as amended (42 U.S.C. §4601 *et seq.*).

## **SECTION 25**

### **LAWS, AGREEMENTS AND GRANT CONDITIONS**

A. Grant Assurances. This Lease is subject to the provisions of any agreement heretofore made between the District and the United States Government relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to the District for Airport purposes, or the expenditure of federal funds for the development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the FAA's Airport Improvement Program (or its successors), or in order to impose or use passenger facilities charges under 49 U.S.C. § 40117.

B. National Emergencies. This Lease shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or nonexclusive use of the Airport by the United States during a time of war or national emergency. If any such action dispossesses the Tenant from any material portion of the Premises for a period greater than thirty days, then the Tenant shall have the right to terminate this Lease by written notice delivered to the District within sixty (60) days after the date on which the Tenant is first dispossessed from any material portion of the Premises.

C. Lighting and Electrical Interference. Tenant shall not permit or create any electrical or other interference with radio communications between the Airport and aircraft. Tenant may not install any lighting on the Premises that would make it difficult for pilots to distinguish between Airport lights and those of Tenant, impair visibility in the vicinity of the Airport, or otherwise endanger landing, taking off, or maneuvering of aircraft.

D. Airport Development. The use of a portion of Airport property for operation of the Premises is subordinate to the use of Airport property for aviation purposes. District reserves the right to develop and improve the Airport and all roadways, terminal facilities, land areas, and taxiways and any other facilities at the Airport as it may see fit. To the extent that the District may require a portion of the Premises for these purposes, Tenant's relocation from such portion shall be subject to the terms of Section 24 of this Agreement.

E. Amendment. In the event that the FAA or other Governmental Authority shall require any modifications or changes in this Lease as a condition precedent to the granting of funds for the improvement of the Airport, or to impose or use passenger facilities charges under 49 U.S.C. § 40117, or if it is necessary to modify this Lease to comply with the requirements of Applicable Law, orders and decisions of a Court, the FAA or other Governmental Authority, the District may unilaterally modify this Lease, upon advice of its legal counsel, as may reasonably be required to obtain such funds or comply with law. Nothing herein shall preclude Tenant from contesting such orders or decisions, but Tenant shall abide by the unilateral modification by the

District, until or unless rescinded, overturned, or if stayed, for the duration of the stay. In no event will Tenant be required, pursuant to this paragraph, to pay Rent greater than specified herein. If a unilateral modification by the District has a material adverse effect upon Tenant's operations under this Lease taken as a whole, and the District fails to offer alternatives that reasonably mitigate such material adverse effect, then the Tenant shall have the right to terminate this Lease by written notice delivered to the District delivered within sixty (60) days after the District notifies the Tenant of the unilateral modifications.

## **SECTION 26**

### **NON-DISCRIMINATION**

Tenant, for itself, its representatives, successors in interest, and assigns, as a part of the consideration hereof, agrees, as a covenant running with the land, that (a) no person, on the ground of race, color, or national origin, shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Premises; (b) in the construction of any improvements on, over or under the Premises and the furnishing of services thereon, no person, on the ground of race, color, or national origin, shall be excluded from participation in, denied the benefits of or otherwise subjected to discrimination; and (c) Tenant shall use the Premises in compliance with all other requirements of Title VI of the Civil Rights Act of 1964, 14 C.F.R. 152 and 49 C.F.R. Part 21, Subtitle A, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation, and as Title VI and those Parts might be amended.

49 C.F.R. Part 23, Disadvantaged Business Enterprises (DBE), and as it might be amended, and other similar regulations which might be enacted, might apply to Tenants activities hereunder, unless exempted by those regulations. Tenant shall comply with the applicable regulatory agencies in reference thereto. The requirements of these regulations include, but not limited to, compliance with DBE participation goals, the keeping of certain records of good faith compliance efforts, which would be subject to review by the various agencies, the submission of various reports and, if so directed, the contracting of specified percentages of goods and services contracts to DBEs.

49 C.F.R. Part 27, "Nondiscrimination on the basis of disability in programs or activities receiving Federal financial assistance," and as it might be amended, all applicable rules and regulations of the Department of Transportation and the Department of Justice for airport operators all applicable Air Carrier Access Act rules (14 C.F.R. Part 382, "Nondiscrimination on the basis of disability in air travel") and such other similar regulations that might be enacted, might apply to Lessee's activities hereunder, unless exempted by those regulations. Tenant shall comply with the regulatory requirements relating thereto, which compliance might include, but not be limited to, designating a coordinator pursuant to Section 504 of the Americans With Disabilities Act, participating in complaint procedures, conducting self-inspections, receiving input from organizations of persons with disabilities and participating in efforts to improve program and structural accessibility. These efforts might be subject to review by the various responsible agencies, the submission of various reports and, if so directed, the offering of specified services to support the equitable access and use of Airport and air transportation by persons with disabilities.

If a breach of any of the above nondiscrimination covenants is not cured, District may terminate this Lease after such action as the United States of America might direct to enforce the covenant has been followed and completed, including exercise or expiration of appeal rights.

## **SECTION 27** **FORCE MAJEURE**

A. Force Majeure. The failure of a party to perform its obligations hereunder shall be excused to the extent, and for the period of time, such failure is caused by the occurrence of an event of Force Majeure. For purposes of this Lease, "**Force Majeure**" means acts and events not within the reasonable control of the party claiming suspension, and which that party has been unable by the exercise of due diligence to avoid or prevent. Events of Force Majeure includes without limitation: strikes, lockouts or other industrial disputes; inability to obtain material, equipment or labor; epidemics, civil disturbances, wars, riots or insurrections; landslides, lightning, earthquakes, fires, acts of domestic or foreign terrorism, storms, floods or washouts; arrests and restraint of rulers and people; interruptions by government or court orders; present or future orders of any regulatory body having proper jurisdiction and authority; explosions; and breakage or accident to machinery. Force Majeure does not include economic or other conditions which affect a party's cost, but not its ability, to perform.

B. Notice. The party invoking Force Majeure shall give prompt, timely and adequate notice to the other party, by facsimile transmission, email or telephone confirmed promptly thereafter in writing, and shall use due diligence to remedy the event of Force Majeure, as soon as reasonably possible. Nothing contained herein shall be construed to require a party to settle a strike or other labor dispute against its will.

C. Term and Rent. No event of Force Majeure shall relieve Tenant from its monetary obligations under this Lease, including Tenant's obligations to pay Rent hereunder, nor shall the term of this Lease be extended by any event of Force Majeure.

## **SECTION 28** **NOTICES**

Any notice provided for or permitted to be given hereunder must be in writing and may be given by (a) depositing same in the United States Mail, postage prepaid, registered or certified, with return receipt requested, addressed as set forth in this Section 28; (b) hand delivering the same to the party to be notified; or (c) overnight courier of general use in the business community of West Columbia, South Carolina. Notice given in accordance herewith shall be deemed delivered and effective on the earlier of actual receipt or three calendar days next following deposit thereof in accordance with the requirements above.

Notices to District shall be sent to:

Executive Director  
Richland-Lexington Airport District  
125 A Summer Lake Drive  
West Columbia, South Carolina 29170

And notices, consents and approval to Tenant shall be addressed to:

\_\_\_\_\_  
- Insert Proposer Name - Corporation  
\_\_\_\_\_  
\_\_\_\_\_

The parties hereto may from time to time change their respective addresses for purposes of notice hereunder by giving a notice in accordance with the provisions of this Section.

**SECTION 29**  
**BOND INDENTURE AND SUBORDINATION**

A. The District expressly reserves the right to make such pledges and grant such liens and enter into covenants as it may deem necessary or desirable to secure and provide for the payment of said bonds, including the creation of reserves therefor, and including the granting of mortgages, indentures or ground leases on all or part of the Airport, including the hangar and the ground upon which it rests.

B. The District expressly reserves the right to enter into any Trust Indenture or other agreement for the issuance of bonds or financing of capital projects at the Airport, and Tenant agrees that this Lease and all rights granted to Tenant hereunder shall be subject to any such lien and provisions of the pledges, transfers, hypothecations or assignments made by the District in any such trust indenture or financing agreement. The District expressly reserves the right to make such pledges and grant such liens and enter into covenants as it may deem necessary or desirable to secure and provide for the payment of said bonds or financing, including the creation of reserves therefor, and including the granting of mortgages, indentures or ground leases on all or part of the Airport, including the hangar and the ground upon which it rests.

C. This Lease and all rights granted to Tenant hereunder shall be subordinated to any future mortgage, indenture, or ground lease given to secure or provide for payment of bonds or other financing, and all amendments thereto. This provision shall be self-operative and no other writing shall be required effect such subordination. However, upon the request of the Districts lender or bond trustee, Tenant shall execute and deliver subordination, non-disturbance and attornment agreement in a form reasonably satisfactory to said lender or bond trustee.

D. With respect to bonds on which the interest is intended to be excludable from gross income for Federal income tax purposes under the Internal Revenue Code of 1986 as amended or superseded, Tenant shall:

1. Not use, without the prior written consent of the District, any portion of the building for any purpose other than as a private, general aviation hangar, and facilities functionally related and subordinate to such airport facility that are of a character and size commensurate with the character and size of such airport facility, excluding any lodging facility or any retail business (including food and beverage facilities) in excess of a size necessary to serve Tenant's invitees, any office building (excluding office space in the Facilities for use by Tenant), any industrial park or manufacturing facility, any

health club facility, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises; and

2. Immediately cease and desist from any action with respect to the use of the Airport, to the extent such action is described in a written notice delivered by the District as an action that, pursuant to the written advice of the Districts bond counsel or the Internal Revenue Service, may adversely affect the treatment of interest on any such bond as excludable from gross income for federal income tax purposes.

### **SECTION 30**

### **ESTOPPEL CERTIFICATE**

From time to time, upon not less than twenty (20) days' prior written request by the District, Tenant shall deliver to the District an estoppel certificate.

### **SECTION 31**

### **GENERAL PROVISIONS**

A. Interpretations. In this Lease and any certificate or other document delivered pursuant hereto, unless otherwise expressly provided herein or therein or unless the context requires another meaning, the following rules of interpretation shall apply:

1. The sections, subsections and headings are used only to facilitate reference, and in no way define or limit the scope or intent of any of the provisions of the document.
2. Unless the context indicates otherwise, words importing the singular include the plural and vice versa, the masculine, feminine or neuter gender shall include all genders, and the word "or" is not exclusive.
3. The words "hereof," "herein," and "hereunder" and words of similar import when used in any agreement shall refer to such agreement as a whole and not to any particular provision of such agreement.
4. Any reference to an agreement shall include a reference to each exhibit, annex, schedule and other attachment thereto.
5. Any reference in an agreement to a Section, Clause, party, exhibit, Annex or Schedule is a reference to that Section or Clause of, or that party, Exhibit, Annex or Schedule to, such agreement unless otherwise specified.
6. Any reference to an agreement or document is to such agreement or document as amended, varied, supplemented, replaced, novated or modified from time to time in accordance with the terms of such agreement or document.
7. Any reference to any Applicable Law shall be construed so as to include such Applicable Laws as amended, modified, extended, re-enacted, re-designated or replaced from time to time.



8. A reference to a person or entity includes that person's or entity's successors and permitted assigns.

9. The term "including" shall mean "including without limitation" and any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided.

10. Accounting terms shall have the respective meanings given to them under generally accepted accounting principles in the United States, consistently applied ("GAAP").

11. References to "days" shall mean calendar days and references to a time of day shall mean the time of day in Lexington County, South Carolina.

B. Severability. The invalidity or unenforceability of any provision of this Lease shall not affect validity or enforceability of any other provision of this Lease, and the remainder shall be construed and enforced as if the invalid or unenforceable provision were never included in the Agreement. The parties agree to use their best efforts to reform the Lease to replace any such provision with a valid provision that comes as close as possible to the intent of the invalid or unenforceable provision.

C. Liability of Agents and Employees. No official, officer, agent, director, or employee of the District or the Tenant shall be charged personally or held contractually liable by or to the other party under the terms or provisions of this Lease or because of any breach thereof or because of its or their execution or attempted execution.

D. Jurisdiction and Venue. This Lease is made under and shall be governed by the laws of the State of South Carolina, without regard to conflicts of law principles. Venue of any action brought concerning this Lease shall be proper and lie exclusively in Lexington County, South Carolina.

E. Non-waiver of Rights. No waiver of default by either party of any terms, covenants, and conditions hereof to be performed, kept, and observed by the other party shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, covenants, or conditions herein contained, to be performed, kept and observed by the other party.

F. No Partnership or Agency. Nothing herein is intended or shall be construed to in any respect create or establish any relationship other than that of landlord and tenant, and nothing herein shall be construed to establish any partnership, joint enterprise, joint venture or association or make Tenant the general representative or agent of the District for any purpose.

G. Multiple Tenant Parties. In the event, the Tenant hereunder includes multiple individuals or entities; said parties shall be jointly and severally responsible of all terms, conditions and obligations under the Lease.

H. Amendment. Except as otherwise expressly provided herein, the provisions of this Lease may be amended only by a written agreement signed by the District and the Tenant.

I. No Third Party Beneficiaries. This Lease is for the sole benefit of the parties hereto and their permitted assigns and nothing herein expressed or implied shall give or be construed to give to any person or entity other than the parties hereto and their assigns any legal or equitable rights hereunder.

J. Time of the Essence. Time is of the essence in this Lease.

K. Entire Agreement.

1. This Lease, together with its exhibits and attachments, contains the entire understanding and agreement between the parties hereto with respect to the subject matter of this Lease. It is further understood and agreed by Tenant that the District and its agents have made no representations or promises with respect to this Lease, except as expressly set forth herein, and that no claim or liability or cause for termination shall be asserted by Tenant against the District, and the District shall not be liable by reason of the breach of any representations or promises not expressly stated in this Lease.

2. The parties hereto acknowledge that they have thoroughly read this Lease, including all exhibits hereto, and have sought and received whatever advice needed for them to form a full and complete understanding of all rights and obligations herein. The Lease is the result of negotiations among each party and their respective counsel. Accordingly, the Lease shall be deemed to be the product of all parties thereto, and no ambiguity shall be construed in favor of or against either party.

L. Recordation. This Lease, or any memorandum of this Lease, shall not be recorded in the real estate records of the county in which the Premises are located without the prior written consent of both the Tenant and District.

M. No Conflict. The Airport District represents and warrants that, as of the date of this Agreement, it is not aware of any conflict between the terms of this Agreement and any Bond Ordinance or FAA grant agreements.

N. Remedies, Attorney Fees, and Costs. In the event of any dispute under this Agreement, the parties agree to have the matter decided by arbitration. If the parties cannot agree on one arbitrator to decide the matter, each party shall select one arbitrator and those two arbitrators shall select a third arbitrator. In the event of a three member arbitration panel, the powers of the arbitrators shall be exercised by a majority. The prevailing party shall be entitled to an award of all reasonable out-of-pocket costs and expenses (including attorneys' and arbitrators' fees) related to the entire arbitration proceedings. Except as provided herein, all other provisions of the South Carolina Uniform Arbitration Act, as amended, shall apply.

**IN WITNESS WHEREOF**, District and Tenant have caused their respective duly authorized representatives to duly execute and deliver this Lease as of the \_\_\_\_ day of \_\_\_\_\_, 2017.

**DISTRICT:**

**RICHLAND-LEXINGTON AIRPORT  
DISTRICT**

ATTEST:

\_\_\_\_\_  
Lynne Douglas, Commission Secretary

\_\_\_\_\_  
James C. Compton, Chairman

\_\_\_\_\_  
Dan Mann, Executive Director

APPROVED AS TO  
FORM AND LEGALITY:

RECOMMENDED:

\_\_\_\_\_

\_\_\_\_\_

**TENANT:**

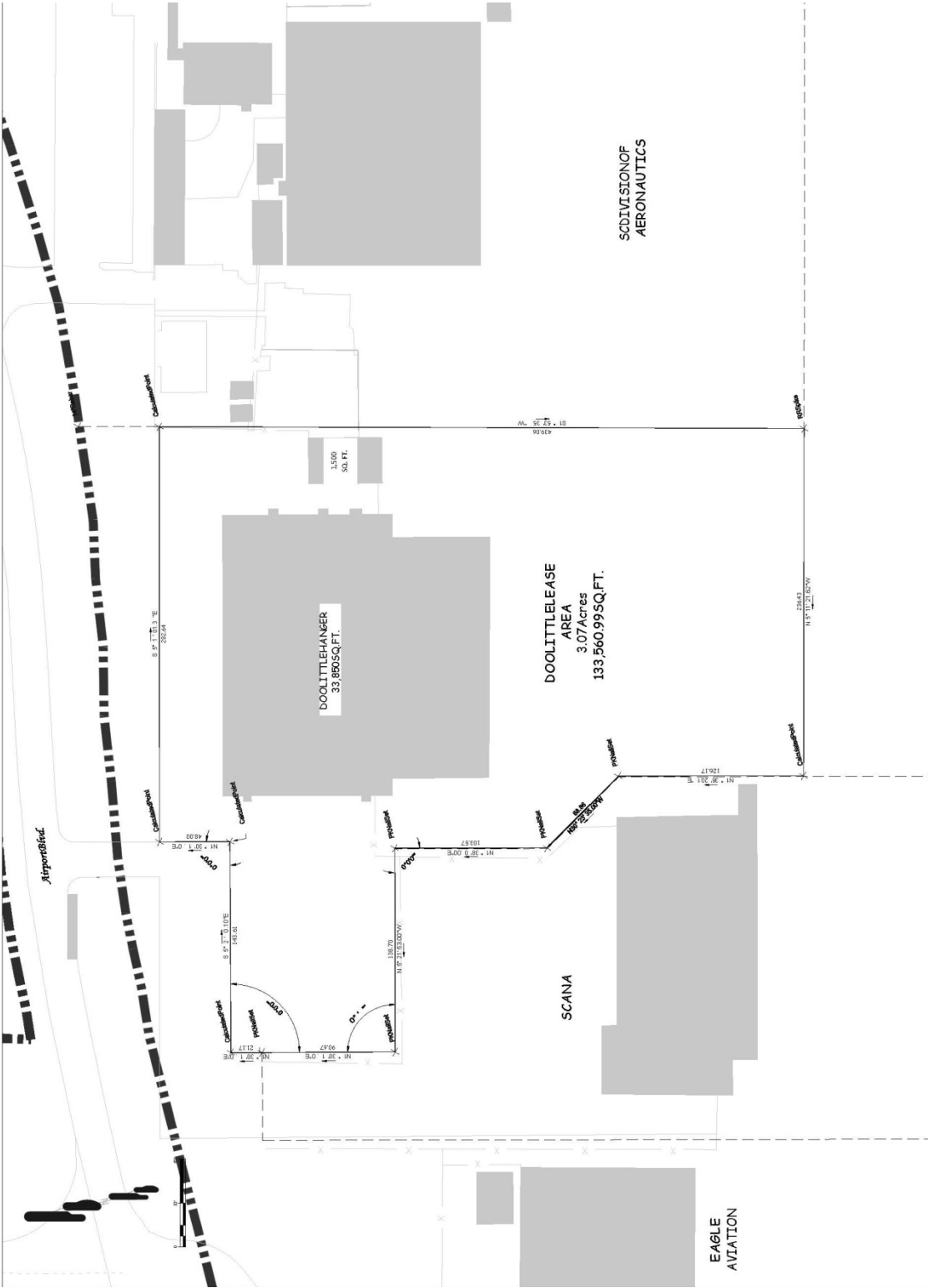
**AIR WISCONSIN AIRLINE  
CORPORATION**

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A



## EXHIBIT B

### INSURANCE REQUIREMENTS

At all times during the Term of the Lease, Tenant shall maintain the following insurance coverage ("**Required Insurance Policies**") with respect to the Premises:

- A. Property Insurance. During all terms of this Agreement, Lessee shall, at Lessee's expense, provide and maintain insurance on all buildings, structures and leasehold improvements constructed or erected on the Property against the perils covered by a standard fire insurance policy with extended coverage, vandalism and malicious mischief, and sprinkler leakage endorsements. Such insurance shall be maintained on a basis of not less than 100 percent of actual replacement value of all buildings, structures and improvements located on the Property and sufficient to meet co-insurance requirements. Lessee shall have the right to obtain a policy containing a deductible provision. At Lessee's sole discretion, Lessee may self-insure for property coverage at its customary deductible of One Million (\$1,000,000.00) Dollars per such event. Lessee shall name Lessor and its Commission as an additional insured on such policy. The proceeds of any such insurance, paid on account of casualties covered under said policy, shall be used to defray the cost of repairing, restoring or reconstructing said buildings, structures and leasehold improvements, as necessary.
- B. Liability Insurance. Lessee shall at all times during the term of this Agreement carry commercial general liability insurance covering Lessee's operations on the Property, and its officers, employees, agents, up, and licensees; insuring against liability for personal injury, bodily injury, including death in a minimum sum of Two Million Dollars (\$2,000,000) per person and a maximum of Ten Million Dollars (\$10,000,000) for any one accident or occurrence; and property damage for Five Million Dollars (\$5,000,000) for any one accident or occurrence, which policy may contain a deductible provision.
- C. Certificates of Insurance or Letters of Self-Insurance. Lessee shall provide the Lessor with a certificate of insurance evidencing the insurance required to be maintained by Lessee upon the execution of this Agreement, and upon the reasonable request from the Lessor from time to time, a certificate of insurance evidencing that such insurance is in full force and effect. Alternatively, at Lessee's sole discretion, Lessee shall when applicable provide Lessor with a Letter of Self-Insurance in satisfaction of the above requirement. Lessee shall maintain said insurance required under this Article VII with insurance underwriters authorized to do business in the State of South Carolina reasonably satisfactory to Lessor. Said policies or certificates shall contain a provision that written notice of cancellation or of any material change in said policy by the insurer shall be delivered to Lessor fifteen (15) days in advance of the effective date thereof.