

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

WHITE PLAINS AVIATION PARTNERS, LLC d/b/a
Million Air White Plains,

Docket No.

Plaintiff,

- against-

COMPLAINT

THE COUNTY OF WESTCHESTER,

Defendant.

-----X

Plaintiff White Plains Aviation Partners, LLC d/b/a Million Air White Plains (“Million Air”), by and through its undersigned counsel, as its Complaint for declaratory and other relief against defendant the County of Westchester (the “County”), respectfully alleges as follows:

NATURE OF THE ACTION

1. In this action, Million Air seeks to redress the County’s multiple breaches of its lease agreement with Million Air (the “Lease”) for premises located at Westchester County Airport (the “Airport”), as well as the County’s ensuing bad-faith course of conduct toward Million Air over the last several years. The County’s material breaches of the Lease and its subsequent bad-faith conduct have already caused Million Air’s business to suffer damages of over \$30 million, an amount which increases by approximately \$175,000 each week that the County fails to comply with its obligations under the Lease.

2. Given the County’s improper actions and damage to Million Air’s business, Million Air brings this action pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, for an expedited declaration that the County breached the Lease by unreasonably failing to

approve Million Air's proposed modifications to an existing hangar on the leased premises at the Airport; an Order from the Court directing the County to comply with the Lease and approve the requested modifications to the hangar; and an award of over \$30 million in damages.

3. Million Air's corporate parent operates state-of-the-art "fixed base operations" ("FBOs") at airports around the country and internationally. These FBOs provide a multitude of services for private aircraft, passengers, and pilots, including hangars to store aircraft, maintenance and fueling services, and a high-end lounge and terminal.

4. The Lease, which the County and Million Air entered into in 2016, authorized Million Air to operate an FBO on the leased premises at the Airport, which included a terminal building and a hangar. Million Air was further authorized to substantially expand and refurbish the terminal building, as well as construct a new 50,000 square foot hangar (the "Initial Improvements"). Million Air successfully completed the Initial Improvements, which have resulted in significant benefits to the County and its residents, including more than forty permanent jobs, hundreds of temporary construction jobs, reduced air traffic because of increased hangar space, and tax and rental revenue for the County.

5. In addition to the Initial Improvements, the Lease also contemplated additional improvements to the leased premises. The Lease provides that Million Air can make "material changes or modifications" to the plans for the leased premises, and specifically identifies construction of "additional hangars" by Million Air as an example of such contemplated and acceptable "material changes or modifications." The Lease also prohibits the County from "unreasonably" withholding, delaying, or conditioning its consent to such changes or modifications. Moreover, if the County has a reasonable basis not to consent, the Lease requires

the parties to engage in an iterative process so that Million Air can work to address the County's reasonable concerns.

6. Indeed, Million Air and the County had discussed Million Air's plans to modify the existing, out-of-date hangar (the "Existing Hangar") on the leased premises by replacing it with a state-of-the-art, eco-friendly hangar (the "Modified Hangar") before entering into the Lease. The parties understood that, once Million Air successfully completed the Initial Improvements, the Modified Hangar would be built in a second phase of construction.

7. Pursuant to the Lease, Million Air submitted plans to the County in November 2017 to construct the Modified Hangar.

8. In requesting the County's approval of the Modified Hangar, Million Air demonstrated that the Modified Hangar would create additional jobs, improve facilities at the Airport, and increase County and municipal revenues.

9. Million Air also demonstrated that the Modified Hangar would bring important environmental benefits, by significantly reducing flight traffic in Westchester. Because of limited hangar space at the Airport, many aircraft must engage in non-productive "ferry" flights to regional airports to be hangared while awaiting their passengers' return flights. The construction of the Modified Hangar would expand available hangar space and thereby decrease net flights in and out of the Airport by more than 1,000 flights per year. This decrease in flight congestion would correspondingly decrease noise – something the County has repeatedly identified as a primary concern – and carbon emissions.

10. Despite the Lease provisions authorizing the Modified Hangar, and the significant benefits to the County and its residents from that hangar, the County failed to approve Million Air's November 2017 request to build the hangar.

11. In denying Million Air's request to build the Modified Hangar, the County did not provide, and has never provided, a reasonable basis for its decision, instead offering only conclusory and wildly inconsistent reasons for denying approval. This is a plain breach of the Lease.

12. For example, the County has claimed, in conclusory fashion, that the Modified Hangar is not "required," a standard that is an improper and unreasonable basis for denial under the Lease. Similarly, the County stated that Million Air must obtain various environmental approvals prior to approval, even though the Lease provides that the County is to assist Million Air in obtaining those approvals *after* the County approves plans for material changes like the Modified Hangar.

13. Most recently, the County has contended that the Lease does not even apply to the Modified Hangar because it is not a modification of the original plans for the leased premises, but instead a "new project" that requires a new or amended lease. This position is wholly inconsistent with the County's other stated reasons for failing to approve the Modified Hangar and with the fact that the plans for the Initial Improvements depict the Existing Hangar that was to be modified. Moreover, the County's position is clearly contradicted by the terms of the Lease, which explicitly contemplate additional hangars on the leased premises.

14. Beyond the County's changing and incoherent reasons for refusing to comply with its obligations under the Lease, the County compounded its bad faith by making a series of extra-contractual demands of Million Air. According to the County, compliance with these additional demands would enable Million Air to obtain the County's approval for the Modified Hangar.

15. Million Air voluntarily complied with all of the County's additional demands in a good faith effort to work with the County, without any contractual obligation to do so. Despite Million Air's ongoing good-faith attempts to work with the County, the County has failed to approve the Modified Hangar.

16. Indeed, whenever the County has asked Million Air to take steps to move the project forward – including sending multiple drafts of an amended lease the County requested, commissioning an independent report regarding the benefits of the Modified Hangar, and submitting voluminous materials for environmental approvals from various government bodies – Million Air has always complied. But to no avail. The County has repeatedly moved the goal posts and continued to unreasonably deny approval of the plans for the Modified Hangar.

17. For example, for the first several months of 2018, the County instructed Million Air to complete construction of the Initial Improvements without a stormwater management system, on the explicit understanding between the County and Million Air that such a system would be installed for the entire site during construction of the Modified Hangar. Then, in late 2018, the County reversed course and informed Million Air that it would not allow additional construction or approve the Modified Hangar until a stormwater system was installed for the Initial Improvements alone. Worse still, the County contended that this reversal had always been its position, despite its previous statements to the contrary.

18. These actions by the County are not consistent with the good faith and fair dealing required between parties to a contract. To the contrary, the County's actions appear to have been taken in bad faith and are a breach of the Lease.

19. The County's improper failure to approve the Modified Hangar has caused tens of millions of dollars of damages to Million Air, which has turned away or lost customers who

would have purchased services or leased space at the Modified Hangar. Those lost customers would have generated approximately \$15 million in revenue for Million Air. And each week that passes without the County's approval costs Million Air approximately \$175,000 in additional lost revenue. Moreover, the County's bad-faith reversal of its instructions with respect to the stormwater system will cost Million Air upwards of an additional \$3.5 million, due to the costs of demolishing portions of the already constructed Initial Improvements necessary to install this system, and the accompanying disruption to Million Air's business. And, because of changes in market conditions and commodity prices, the projected construction cost of the Modified Hangar is now approximately \$12 million more than it was in 2018.

20. Million Air now seeks the Court's intervention to enforce its rights under the Lease to build the Modified Hangar, and to compensate it for the damages caused by the County's contractual breaches and bad-faith conduct.

THE PARTIES

21. Million Air is a Delaware limited liability company, authorized to do business in the State of New York, having a place of business at 136 Tower Road, West Harrison, New York 10604.

22. The sole member of Million Air is Million Air Two, LLC, which is a Delaware limited liability company. The sole member of Million Air Two, LLC is REW Investments, Inc., a Texas corporation with its principal place of business at 7555 Ipswich Road, Houston, Texas 77061. Accordingly, for purposes of diversity of citizenship, Million Air is a citizen of Texas.

23. Upon information and belief, the County is a municipal corporation of the State of New York, having its principal place of business at the Michaelian Office Building, 148 Martine Avenue, White Plains, New York 10601.

JURISDICTION AND VENUE

24. The Court has subject matter jurisdiction under 28 U.S.C. § 1332(a)(1) because there is complete diversity of citizenship between Million Air and the County, and because the amount in controversy with respect to Million Air’s claims exceeds the sum of \$75,000, exclusive of interest and costs.

25. This action is properly brought in this Court pursuant to 28 U.S.C. § 1391 because the County is located within this District, the events complained of herein took place within this District, and the property that is the subject of this action is situated within this District.

FACTUAL BACKGROUND

Million Air and Its Business

26. The corporate parent of Million Air owns and operates FBOs at multiple airports in North America and around the world. Million Air operates the FBO at the Airport.

27. All “Million Air”-branded FBOs are luxury service facilities for individually and corporate owned private aircraft, including those owned by light general aviation users who fly more recreationally or infrequently in comparatively smaller planes.

28. Million Air offers a multitude of services for private aircraft and their passengers and pilots, including hangars where the aircraft can be stored, a state-of-the-art terminal where passengers and pilots can work or relax, and fueling, de-icing, repairs, and maintenance services.

29. Million Air’s employees regularly provide passengers or pilots recommendations for local hotels, restaurants, shops, and other attractions.

30. Although Million Air currently operates one terminal and hangar at the Airport, it technically operates two FBOs at the Airport: a Light General Aviation (“LGA”) FBO, where

private aircraft under 50,000 pounds are serviced and based, and a Heavy General Aviation (“HGA”) FBO, which accommodates aircraft up to 120,000 pounds.

31. Some arriving aircraft are stored at Million Air’s hangar at the Airport, where the aircraft can be serviced before departing. Because Million Air’s hangar space is limited, other arriving aircraft fly out of the Airport after their passengers de-plane and are hangared at surrounding airports until they return to pick up their passengers to fly to their next destination. Such flights to and from surrounding airports – where the passengers are in fact only using the Airport – are called “repositioning” or “ferry” flights.

32. Million Air also leases office space at its terminal at the Airport to a flight school and other companies in the aviation industry, and provides charter management, aircraft management, aircraft fuels, and lubricant sales.

33. In 2020, Professional Pilot Magazine named Million Air’s parent company “Best Large FBO Chain in the Nation” for the ninth consecutive year. Consistent with that honor, Million Air provides arriving passengers with an indelibly positive first impression of the Airport and the County.

Background on the Lease

34. In October 2014, Million Air was assigned and assumed a lease that had been in place since 1999 between the County and Westair Aviation Services LLC (“Westair”), and thereby began leasing approximately 22.4 acres of land at the Airport. The leased premises included the out-of-date Existing Hangar, aircraft ramps, and a terminal.

35. Under the Westair lease, Million Air was permitted to operate only an LGA FBO.

36. After taking over the Westair lease, Million Air began negotiating the Lease with the County. Million Air wished to fully implement its business model at the Airport by operating a full-service HGA FBO that could accommodate aircraft weighing up to 120,000 pounds.

37. During its negotiations with the County, Million Air proposed to (1) construct a new, approximately 50,000 square foot hangar, (2) expand by 17,000 square feet and upgrade the existing terminal and lounge, (3) construct the Modified Hangar to replace the Existing Hangar, and (4) construct additional hangars.

38. The County recognized that such investment and improvements at the Airport would be good not only for Million Air's business, but for the County as well, and worked with Million Air toward execution of the Lease.

39. As part of this process, Million Air, with the cooperation of the County, submitted plans for the leased premises to the Westchester County Board of Legislators ("BOL") for a full-scale environmental review under the New York State Environmental Quality Review Act (SEQRA). In May 2016, the BOL issued a "Negative Declaration" under SEQRA for the project, i.e., a finding of no significant adverse environmental impacts.

40. During their lease negotiations, Million Air made clear to the County that it intended to construct the Modified Hangar on the leased premises. However, the parties agreed that the Initial Improvements specifically authorized by the Lease would only include constructing the new 50,000 square foot hangar and expanding and improving the existing terminal.

41. The primary reason the parties agreed that the Modified Hangar, and additional hangars, would not be included in the Initial Improvements was the County's concern that Million Air might not be able to complete the full project, including the Modified Hangar, in a

timely manner. According to the County, this was a problem the County had faced before, as other businesses had made promises of major investments at the Airport or elsewhere and failed to fulfill those promises.

42. The parties therefore agreed to limit the projects specifically authorized by the Lease to the Initial Improvements, with the understanding that Million Air, with the County's support, would construct the Modified Hangar (and additional hangars) at a future date. To that end, the Lease specifically provided that Million Air could make material changes or modifications to its plans for the leased premises, including by constructing additional hangars, with the County's consent, which was not to be unreasonably withheld, delayed, or conditioned.

43. After the BOL authorized the Lease, the parties executed it in May 2016. The Lease's thirty-year term began on June 1, 2016. The Lease is attached hereto as Exhibit A.

Relevant Provisions of the Lease

44. Article 6 and Schedule C of the Lease set forth the plans and specifications for the Initial Improvements (the "Plans") and Article 6 provides a mechanism for modifying them.

45. Section 6.1 states that Million Air "desires to perform and construct" the Initial Improvements (defined in the Lease as the "Proposed Improvements") – that is, the construction of the approximately 50,000 square foot hangar and the 17,000 square foot addition and upgrade to the existing terminal.

46. Section 6.2 states that the Initial Improvements "are hereby approved by the County."

47. Section 6.2 also allows for changes or modifications to the Plans for the Initial Improvements, as follows:

If . . . material changes or modifications are required to the Plans or the Proposed Improvements, Lessee . . . shall make such changes or

modifications to the Plans (the “Modified Plans”) and submit same to the County for the County’s consent and approval, **which consent and approval shall not be unreasonably withheld, delayed or conditioned.** . . . If the County shall disapprove of the Modified Plans, then such disapproval shall be in writing **specifically identifying the County’s objection and stating the reasons therefor** and, thereafter, Lessee shall have the right to further amend the Modified Plans, taking into consideration the County’s objection and the reasons therefor and re-submitting the Modified Plans to the County for its approval in accordance with this Section. (Emphasis added.)

48. Under Section 6.5 of the Lease, the County agreed that, “if requested” by Million Air, it would “assist and cooperate with [Million Air] in good faith” in obtaining “any and all approvals” required from any governmental authorities, whether in connection with the Initial Improvements or any “Modified Plans” permitted under Section 6.2.

49. In sum, Article 6 creates a procedure by which (1) Million Air submits proposed “material changes or modifications” to the Plans for the Initial Improvements (“Modified Plans”) to the County; (2) the County promptly either approves the Modified Plans or sets forth in writing the reasonable bases for its objections; (3) if the County disapproves the Modified Plans, Million Air has the opportunity to respond, thus initiating an iterative process where the County’s ultimate approval of the Modified Plans will not be unreasonably withheld, delayed, or conditioned; and (4) after approval of the Modified Plans, the County and Million Air work jointly to secure any necessary governmental approvals for the Modified Plans.

50. The Plans shown in Schedule C depict the Existing Hangar. As the Existing Hangar is a part of the Plans, a material change or modification to the Plans would include Million Air’s planned construction of the Modified Hangar and would constitute Modified Plans. And as noted above, the County was fully aware that Million Air intended to modify and improve the Existing Hangar by constructing the Modified Hangar.

51. Under the Lease, Million Air is permitted to use the leased premises to operate both an LGA FBO and an HGA FBO, each of which has a distinct rent formula.

52. For the LGA FBO, Million Air pays the County a percentage of gross revenue generated from its LGA services, with the percentage increasing over the term of the Lease. The current monthly rent for the LGA FBO is approximately \$24,000.

53. For the HGA FBO, under Section 4.2 of the Lease, the monthly rent is pegged to the acreage used by the improvements. For the first 42 months of the Lease term (i.e., through the end of 2019), during which time it was contemplated that work on the Initial Improvements would proceed and be completed, rent was \$261,360 annually, corresponding to \$1.00 per square foot over six acres. Starting in January 2020, the annual rent for the HGA FBO increased to approximately \$747,000 annually, corresponding to \$1.85 per square foot over nine acres.

54. Section 4.2 of the Lease also provides that if Million Air constructs improvements on the leased premises in addition to the Initial Improvements, subject to the County's consent and approval in accordance with Article 6 of the Lease, Million Air must pay additional rent corresponding to the additional acreage covered by such improvements.

55. Section 4.2 provides the following example of additional improvements that could be made under Article 6, thereby leading to a rent increase: "Example: Lessee **builds additional hangars** on 3 more acres. Annual rent in connection with the Fixed Base Operation is at that time \$1.95 per square foot. Annual rent in connection with the Fixed Base Operation will be calculated on 12 acres total." (Emphasis added.)

56. Section 4.2, which references the construction of "additional hangars" pursuant to Article 6, therefore clearly reflects the parties' understanding that Million Air would be able to expand upon the Initial Improvements by constructing the Modified Hangar (and other hangars).

The Success of the Initial Improvements

57. Million Air has invested more than \$50 million in constructing and completing the Initial Improvements, which have been an unmitigated success for the Airport and the County.

58. Indeed, at the May 2018 opening of Million Air's new 50,000 square foot hangar, Ben Boykin, the Chairman of the County BOL, lauded the Initial Improvements, stating that "this is really an economic engine" and further extolling the benefits of the increased hangar capacity in that it reduced air traffic: "Now, the jets don't have to come in, leave and go to Teterboro or Connecticut, then come back and pick up the individuals that have been dropped off That really cuts out two flights a day."¹

59. At the grand opening of Million Air's new terminal in February 2019, Boykin noted that the Initial Improvements would create jobs in the community, stating: "Those who run businesses will be flying in and out of here so that they can conduct business in Westchester County."²

60. The Initial Improvements also have created jobs at the Airport. With the new FBO and hangar, Million Air employs over forty permanent employees at the Airport.

61. Beginning in the summer of 2017, and in full anticipation of the County granting consent to the construction of the Modified Hangar, Million Air began negotiating leases for space in the Modified Hangar with prospective hangar tenants. Several prospective hangar

¹ See Matt Coyne, "Million Air cuts ribbon on new Westchester County Airport hangar," Rockland/Westchester Journal News (May 2, 2018), *available at* <https://www.lohud.com/story/news/transit/2018/05/02/million-air-cuts-ribbon-new-westchester-county-airport-hangar/573273002/> (last visited June 15, 2021)

² See Peter Katz, "A party, a concert and the future of Westchester County Airport," Westchester County Business Journal (Mar. 1, 2019), *available at* <https://westfaironline.com/111571/a-party-a-concert-and-the-future-of-westchester-county-airport/> (last visited June 15, 2021)

tenants signed letters of intent to rent space and made deposits. The total potential rent from these tenants exceeded \$7 million annually.

Million Air Informs the County of Its Plans to Build the Modified Hangar

62. In or about September 2017, Million Air approached the County concerning its intention to move forward with the original plan for the leased premises – namely, the replacement of the Existing Hangar, as depicted in Schedule C of the Lease, with the Modified Hangar.

63. Million Air informed the County that the Modified Hangar would be constructed with an updated and more efficient design than the Existing Hangar. Million Air also noted that the business relationships that Million Air would create and cultivate through the construction of the Modified Hangar would bring additional business, jobs, and tax revenues to the County.

64. The proposed Modified Hangar would also provide additional economic benefits to the County. Under Section 4.2 of the Lease, the County would receive significant additional rental income from Million Air for the Modified Hangar. The County would further realize a substantial increase in fuel flowage fees from aircraft hangared at the Modified Hangar, as those aircraft would refuel at the Airport rather than at surrounding airports.

65. Moreover, the proposal promised significant environmental benefits. In particular, the construction of the Modified Hangar would permit more arriving aircraft to be hangared at the Airport, rather than having to fly to nearby airports to be hangared while awaiting return flights. The Modified Hangar therefore would significantly reduce the need for such ferry flights into and out of the Airport, and would correspondingly reduce carbon emissions and noise, the latter of which the County has repeatedly stated is a paramount concern.

66. The staff of the then-Westchester County Executive, Robert Astorino, told Million Air that the County supported construction of the Modified Hangar. However, because Astorino was focused on a heated re-election campaign against challenger George Latimer, Astorino's staff asked Million Air to hold off on making a formal request regarding the Modified Hangar until after the November 2017 election.

67. Million Air complied with the County's request and refrained from pursuing the Modified Hangar during the final weeks of the campaign.

68. In the final weeks before the November 2017 election, Latimer aligned himself with a local group called Citizens for a Responsible County Airport, which publicly opposed any development at the Airport.

69. Latimer defeated Astorino in the election, with his four-year term starting on January 1, 2018. Shortly after the election, Latimer appointed the leader of that opposition group to his transition team.

Million Air's Formal Submission of its Modified Plans and the County's Initial Denials

70. By letter dated November 14, 2017, Million Air formally submitted to the County its Modified Plans for the Modified Hangar, pursuant to Section 6.2 of the Lease.

71. In this submission, Million Air enumerated some of the benefits of the Modified Hangar to the County and Airport, including a reduction in landings and takeoffs due to reduced ferry flights; a corresponding reduction in noise and pollution; the benefits of a world-class FBO facility and hangar at no increased cost to the County; the addition of high-paying jobs to the community, including mechanics and pilots; and increased revenue to the County as a result of increased rent paid by Million Air.

72. Despite the County having consistently expressed its support for the Modified Hangar, by letter dated December 12, 2017, the County’s Commissioner of the Department of Public Works (“DPW”), Vincent Kopicki, disapproved of the Modified Plans for the Modified Hangar.

73. In its December 12, 2017 letter, the County explicitly stated that it was denying approval “pursuant to Section 6.2 of the Lease.” The stated bases for the County’s decision were that (1) the Modified Hangar was not “required” and (2) environmental and other regulatory approvals needed to be obtained *prior* to the County’s approval.

74. Neither of those justifications was supported by the terms of the Lease.

75. First, under Section 6.2 of the Lease, the County may not reject Modified Plans simply because it unilaterally and conclusively determines they are not “required.”

76. Instead, under Section 6.2, the County must “specifically identify[]” a reasonable “objection” to the Modified Plans and state “the reasons therefor.” This permits Million Air to exercise its right under Section 6.2 to “further amend the Modified Plans, taking into consideration the County’s objection and the reasons therefor.”

77. Second, the County’s position that Million Air had to procure all environmental and other regulatory approvals *prior* to the County’s approval is contradicted by Section 6.5 of the Lease and by commonsense industry practice.

78. Under Section 6.5, the County is required to “assist and cooperate with [Million Air] in good faith” in obtaining “any and all approvals” required from any governmental authorities in connection with any “Modified Plans” permitted under Section 6.2. The County therefore must approve Modified Plans *before* it assists Million Air in obtaining approvals from other government bodies for such plans.

79. Section 6.5 of the Lease is consistent with customary practice in land use development projects, especially where a tenant is seeking to build out or develop its leased premises. Typically, a landlord approves proposed plans under a lease, and environmental conditions are attached that must be satisfied before construction can commence. Indeed, without approved plans, there cannot be any meaningful environmental review and approval.

80. Although the County's approval of the Modified Hangar plans was unreasonably withheld, in a good-faith attempt to obtain approval, Million Air, by letter dated December 19, 2017, responded to the County by pointing out that the County was not empowered to reject Modified Plans simply based on a unilateral determination that they are not "required." Million Air nevertheless set forth several additional benefits of the Modified Hangar.

81. In its December 19, 2017 letter, even though not required under Section 6.2, Million Air also demonstrated that it had provided the County with all information requested in the County's December 12, 2017 letter concerning environmental and regulatory requirements.

82. By letter dated January 17, 2018, the County again refused to approve the Modified Hangar plans.

83. In its January 17, 2018 letter, the County changed its position. A month after initially rejecting the Modified Plans in express reliance on Section 6.2 of the Lease, the County now claimed that Section 6.2 of the Lease did not apply at all. That was because, in the County's new view, the Modified Hangar was a "new project" and not a "modification" of the Plans for the leased premises covered by Section 6.2.

84. The County's contention that the Modified Hangar was a "new project" was inconsistent with both its prior reasons for disapproving the Modified Plans for the Modified Hangar and the plain terms of Section 6.2. In addition, Section 4.2 of the Lease specifically cites

the construction of “additional hangars” as the type of “improvements” that are covered by Section 6.2.

85. In its January 17, 2018 letter, the County also restated the unreasonable objections it had articulated in its December 12, 2017 letter, namely, that the Modified Hangar was not “required,” and that Million Air had not yet obtained certain regulatory approvals.

Despite the County’s Initial Denials, the Parties Take Steps Toward Approving and Constructing the Modified Hangar, and the County Requests Approval from the FAA

86. Despite refusing to approve the Modified Hangar, in its January 17, 2018 letter, the County nevertheless provided Million Air with guidance on how it might obtain certain required regulatory approvals, “in the event that [Million Air] might later convince the County that the New Project is worth pursuing.”

87. Specifically, the County advised Million Air to complete and submit a Stormwater Pollution Prevention Plan (SWPPP) covering *both* the Initial Improvements and the Modified Hangar.

88. Similarly, the County asked Million Air to prepare an Environmental Assessment (EA) covering *both* the Initial Improvements and the Modified Hangar, which the County would in turn submit to the U.S. Federal Aviation Administration (FAA) for that agency’s approval under the National Environmental Policy Act (NEPA). Under applicable regulations, only the County, and not Million Air, was empowered to apply to the FAA for environmental approval.

89. On January 24, 2018, representatives of Million Air and the County met regarding the Modified Hangar. Representatives of the County in attendance included, among others, Kopicki (the Commissioner of DPW); Norma Drummond, the then-Deputy Commissioner of the County’s Department of Planning (who was named Commissioner of that Department in June

2018); David Kvinge, the County's Director of Environmental Planning; Joseph Nicolleti, the First Deputy Commissioner of DPW; and Anthony Ventarola and Dean Cardillo from DPW.

90. At the January 24, 2018 meeting, the County stated that it wanted to proceed toward approval of the Modified Hangar, but via an amended lease, which would require BOL approval, rather than through the mechanism for modifications set forth in Section 6.2 of the Lease. The County also requested that Million Air provide a list of "Policy Justifications" for the Modified Hangar, even though Million Air had previously provided the County with the benefits and justifications for the Modified Hangar.

91. Without waiving its rights under the Lease, which covered the Modified Plans for the Modified Hangar, and in an effort to cooperate with the County despite its unreasonable and inconsistent demands, Million Air began to prepare the requested amended lease, containing the Modified Plans for the Modified Hangar.

92. On January 29, 2018, representatives of the parties met concerning certain environmental and regulatory requirements for the Modified Hangar. Representatives of the County at this meeting included Kvinge, Nicolleti, Ventarola, and Jeffrey Dean of DPW.

93. At the January 29, 2018 meeting, the County again instructed Million Air to submit a stormwater management plan incorporating *both* the Initial Improvements and the Modified Hangar.

94. In fact, at the January 29, 2018 meeting, Million Air specifically inquired as to whether the County would prefer to have Million Air construct a stormwater system only as to the Initial Improvements, and then alter the system upon construction of the Modified Hangar; or, alternatively, create one stormwater plan for both the Initial Improvements and the Modified

Hangar. The County responded that it wanted the latter, i.e., a comprehensive stormwater system that would be put in place simultaneously with the construction of the Modified Hangar.

95. Million Air complied with the County's request and in February 2018, submitted revised stormwater plans merging the Initial Improvements and the Modified Hangar.

96. On February 14, 2018, Million Air provided the County with a draft amended lease.

97. On February 21, 2018, Million Air submitted the "Policy Justifications" requested by the County for the Modified Hangar – one of which was the significant reduction of ferry flights to and from the Airport.

98. The parties held another meeting on April 20, 2018. At this meeting, the County was again unequivocal that it supported and endorsed the Modified Hangar and that it wished for the parties to proceed with amending the Lease to explicitly incorporate the Modified Hangar.

99. The County also indicated that it needed to see additional data buttressing Million Air's contention that the Modified Hangar would result in less air traffic.

100. On May 2, 2018, Million Air's CEO, Roger Woolsey, met with Hugh Greechan, the County's new Commissioner of DPW, and shared the requested flight data, which demonstrated that the Modified Hangar would reduce air traffic by more than **1,000 flights** to and from the Airport annually.

101. On May 4, 2018, Kvinge, the County's Director of Environmental Planning, wrote to Million Air's engineer and assured him that the County would submit the stormwater plans covering both the Initial Improvements and the Modified Hangar to the FAA for NEPA approval. On July 5, 2018, Kvinge confirmed to Million Air's engineer that those plans had indeed been submitted to the FAA.

**The County Reverses Course and Again
Unreasonably Rejects the Modified Hangar**

102. By the fall of 2018, the County had still not approved the plans for the Modified Hangar, nor had it moved forward with the lease amendment it had proposed.

103. By letter dated October 18, 2018, Million Air again asked for approval of the Modified Hangar. By letter dated November 9, 2018, the County again denied approval, repeating its baseless argument that the Modified Hangar plans constituted a “new project,” rather than a modification governed by Section 6.2 of the Lease.

104. The County’s November 9, 2018 letter also falsely stated that it had “previously clearly and unequivocally stated that it [would] not be approving any new construction activity on the Million Air site at this time.”

105. Perhaps most outrageously, the County, in its November 9, 2018 letter, faulted Million Air for doing exactly what the County demanded Million Air do regarding the stormwater mitigation plan. After having expressly directed Million Air *not* to submit a stormwater mitigation plan for only the Initial Improvements and instead to submit a combined plan for the Initial Improvements *and* the Modified Hangar, the County faulted Million Air for doing exactly that, and identified Million Air’s purported “failure” to complete a stormwater mitigation plan for the Initial Improvements alone as an additional reason for its denial of the Modified Hangar plans. The County thereby unreasonably set, as an additional condition for its approval of the Modified Hangar, the completion of a stormwater system for the Initial Improvements alone.

The County Runs Afoul of the FAA and Passes the Buck to Million Air

106. As it turned out, the County had received a November 2, 2018 letter from the FAA stating that, on October 18, 2018, the FAA had learned that the County had “allowed the

construction and/or partial construction” of the Initial Improvements “prior to completion of the on-going National Environmental Policy Act (NEPA) process.”

107. In this letter, the FAA warned Greechan that the County’s approval of the Initial Improvements prior to NEPA review by the FAA was a “significant concern.”

108. The County had apparently made a significant misstep when it instructed Million Air to complete construction of the Initial Improvements without a stormwater system, in the absence of FAA environmental approval.

109. As a result, the FAA, in its November 2018 letter, “strongly advise[d]” the County to place any further construction at the Airport “on hold until completion of the NEPA process.”

110. Upon information and belief, the County’s November 9, 2018 letter reaffirming its denial of the Modified Hangar plans was motivated by the letter from the FAA – which had been triggered by the County’s own mismanagement of the NEPA approval process.

111. Upon information and belief, the FAA’s letter also caused the County to send Million Air another letter, dated November 20, 2018, in which the County disingenuously alleged that Million Air had “failed to provide stormwater mitigation and planning as required” in connection with the Initial Improvements alone. The County demanded that Million Air prepare a stormwater management plan for the Initial Improvements “in full compliance with County and State requirements.”

112. By letter dated November 26, 2018, Million Air responded to the County, reminding the County that, “since entering into the Lease, all the work undertaken or not undertaken by Million Air at the Premises, including with respect to stormwater mitigation and

planning, ha[d] been at the express direction of the County.” Such work had also been performed under the SEQRA approval Million Air received from the BOL in May 2016.

113. By letter to Million Air dated April 11, 2019, the County doubled down on its bad-faith position, stating that the only stormwater plan “received to date is based upon stormwater values that assume construction of a New Project [i.e., the Modified Hangar], which has not yet been approved or authorized under Million Air’s lease agreement.”

114. In its April 2019 letter, the County demanded that Million Air implement such a stormwater management system for the Initial Improvements alone. Million Air, having no choice, agreed to do so, and anticipates completing such a system by late summer 2021.

115. The relevant timeline demonstrates the County’s bad faith:

- January 2018: The County directs Million Air *not* to submit a stormwater management plan applicable to just the Initial Improvements but instead to prepare and submit a plan addressing the Initial Improvements and Modified Hangar together.
- February 2018: Million Air complies with the County’s direction and submits a stormwater management plan for both the Initial Improvements and Modified Hangar.
- May 2018: The County’s Director of Environmental Planning writes to Million Air’s engineer advising that the County would submit Million Air’s submitted stormwater plans to the FAA for NEPA approval.
- July 2018: The County submits Million Air’s stormwater plans to the FAA.
- November 2018: The County writes to Million Air, stating that Million Air failed to submit a stormwater management plan for only the Initial Improvements and cites this as a reason for denying approval of the Modified Hangar plans.
- April 2019: The County writes to Million Air demanding that it implement a stormwater management system for the Initial Improvements alone.

116. The implementation of a stormwater system covering only the already constructed Initial Improvements requires tearing up completed work and will entail significant business disruption and multimillion-dollar costs to Million Air. Million Air would not have incurred

these costs had the County not instructed Million Air to complete the Initial Improvements *without* such a stormwater system.

Despite Million Air's Efforts to Move Forward Cooperatively, the County Continues to Delay

117. On May 31, 2019, the parties met at the County Executive's offices. Woolsey, Million Air's CEO, attended, as did the County's Executive Director of Operations, Joan McDonald.

118. Despite the roadblocks the County had continuously and unreasonably thrown up, McDonald stated that the County hoped to work cooperatively with Million Air to complete the Modified Hangar project.

119. McDonald asked that Million Air provide additional data as to how the Modified Hangar would reduce air traffic and noise at the Airport. She added that, if Million Air could provide an independent study supporting its contentions, the County Executive would support amending the lease to explicitly permit construction of the Modified Hangar.

120. Despite having consistently and correctly taken the position that no amended lease was necessary, Million Air undertook to cooperate with the County's latest demands.

121. Accordingly, Million Air retained an independent and highly reputable aviation planning and consulting firm to study the air traffic issue. In September 2019, Million Air sent the County an independent report prepared by the consultant. This report confirmed what Million Air had already explained on multiple occasions over the last two years to the County: the Modified Hangar would greatly reduce flight congestion at the Airport because it would reduce the need for ferry flights. Specifically, the report found that the Modified Hangar would reduce *net* flights in and out of the Airport by 1,222 flights annually – with concomitant reductions in

noise and carbon emissions. This represented a reduction of about 30% of all ferry flights and 3.5% of *total* Airport flights.

122. The consultant's report also identified another significant environmental benefit of the Modified Hangar. When aircraft take off from the Airport in winter weather, they often require de-icing, which entails spraying the planes with a chemical called glycol, an effluent that enters the stormwater system and surrounding waterways.

123. Because a heated and efficiently designed Modified Hangar would permit more planes to be stored at the Airport, it would greatly reduce the need for such de-icing, thereby reducing glycol discharge and the impact on the stormwater system.

124. Despite the fact that Million Air provided the County with the requested independent data on reductions in air traffic, the County, by email dated October 25, 2019, informed Million Air that it still had not approved the plans for the Modified Hangar, that an amended lease needed to be entered into and approved by the BOL for the Modified Hangar plans to proceed, and that Million Air also had to complete a stormwater system for the Initial Improvements alone.

125. Over the course of 2020 and early 2021, the parties continued to negotiate terms of the amended lease, notwithstanding repeated delays and a lack of responsiveness from the County. Million Air also submitted plans to the County for a stormwater system limited to the Initial Improvements.

126. At times it appeared that agreement on the amended lease was near and that the BOL was set to approve it.

127. However, in or about April 2021, Boykin, Chairman of the County BOL, reiterated what the County had unreasonably stated in its November 9, 2018 letter – namely, that

Million Air's completion of the stormwater system for the Initial Improvements was a condition for BOL approval of the amended lease.

128. Such a condition is unreasonable. The delay in implementing a stormwater system for the Initial Improvements was caused by the County's instruction to Million Air to hold off on constructing a stormwater system until the Modified Hangar was built. Indeed, had the County complied with the Lease and approved the Modified Plans for the Modified Hangar when Million Air first requested such approval in late 2017, instead of unreasonably withholding approval, a stormwater system for the entire project would almost certainly have been completed by now.

129. Moreover, the completion of the stormwater system for the Initial Improvements – which Million Air has already agreed to construct – does not impact the merits of the Modified Plans for the Modified Hangar. Therefore, it is unreasonable for the County to require that the stormwater system be completed prior to approving the Modified Plans.

130. In sum, since 2017, Million Air has repeatedly sought the County's approval of the Modified Plans for the Modified Hangar. But for over three years, the County has unreasonably withheld, delayed, and conditioned its approval, in direct violation of the Lease.

The County's Disparate Treatment of Million Air

131. As the County was improperly rebuffing Million Air's attempts to proceed with the Modified Hangar, throughout 2018 and early 2019 the County countenanced and facilitated lease violations by a competitor of Million Air at the Airport, Ross Aviation.

132. Specifically, Ross Aviation was accommodating large planes with a gross take-off weight of over 50,000 pounds ("Overweight Aircraft") at the Airport, which is not permitted under Ross Aviation's lease.

133. Despite paying only a small fraction of the rent that Million Air pays for the privilege of accommodating Overweight Aircraft at its HGA FBO, and not investing the tens of millions of dollars in revamping infrastructure necessary to ensure safe accommodation of such aircraft, Ross Aviation has been permitted since late 2016 to accommodate hundreds of Overweight Aircraft at its premises at the Airport.

134. This accommodation of Ross Aviation by the County places Million Air at an unfair disadvantage, as it enables Ross Aviation to offer operators of Overweight Aircraft less expensive fuel rates.

135. For months, the County ignored Million Air's complaints concerning Ross Aviation's improper use of its premises.

136. In March 2018, the County finally sent Ross Aviation a Notice of Default regarding its lease. But this proved to be mere lip-service. After having failed to enforce its rights under its lease with Ross Aviation for over a year, the County, in a letter dated October 17, 2018, told Ross Aviation that it would be authorized to accommodate Overweight Aircraft for a single customer while the lease was renegotiated.

137. Far from according such accommodations to Million Air, the County has instead blocked Million Air at every turn with unreasonable and contractually impermissible obstacles.

138. Because Million Air's years-long campaign to cooperate with the County has failed to bear fruit, Million Air now seeks the Court's intervention to put an end to the County's unreasonable actions.

FIRST CLAIM FOR RELIEF
(Declaratory Judgment)

139. Million Air repeats and realleges all prior allegations as if fully set forth herein.

140. An actual and justiciable controversy exists between Million Air and the County concerning Million Air's rights under the Lease to have the County approve Million Air's Modified Plans to construct the Modified Hangar.

141. It is Million Air's position that the Modified Plans to construct the Modified Hangar constitute a "material change or modification" to the Plans for the Initial Improvements under Section 6.2 of the Lease, and that the County has breached the Lease by unreasonably withholding, delaying, or conditioning approval of the Modified Plans under that section.

142. It appears to be the County's current position that the Modified Plans to construct the Modified Hangar constitute a "New Project" that does not fall within the scope of Section 6.2 of the Lease or, alternatively, that if the Modified Hangar does fall thereunder, (a) it is not "required" and (b) Million Air must obtain approvals from other government bodies before the County can approve the Modified Plans.

143. For the reasons set forth above, the County's contentions are belied by the plain and unambiguous terms of, *inter alia*, Sections 6.2 and 4.2 and Schedule C of the Lease, as well as the County's representations that it intended to work with Million Air with the goal of constructing the Modified Hangar.

144. At no point has the County ever set forth a reasonable objection to the Modified Plans for the Modified Hangar, as required to deny approval under Section 6.2. Nor has the County engaged in the iterative process called for by Section 6.2 that could have allowed Million Air to address any reasonable objection(s) by the County to the Modified Plans for the Modified Hangar.

145. Accordingly, in accordance with Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201, Million Air seeks, on an expedited basis, a declaration that the County has

breached its obligations under Section 6.2 of the Lease by unreasonably withholding, delaying, or conditioning consent to and approval of Million Air's Modified Plans to construct the Modified Hangar.

146. Pursuant to 28 U.S.C. § 2202, Million Air further seeks an Order from the Court ordering the County to comply with its obligations under the Lease and approve Million Air's Modified Plans to construct the Modified Hangar.

SECOND CLAIM FOR RELIEF
(Breach of Contract)

147. Million Air repeats and realleges all prior allegations as if fully set forth herein.

148. The Lease constitutes a valid and enforceable contract.

149. Million Air has performed all of its obligations to date under the Lease.

150. Section 6.2 of the Lease prohibits the County from unreasonably withholding, delaying, or conditioning consent to and approval of Million Air's Modified Plans to construct the Modified Hangar.

151. By unreasonably withholding, delaying, and conditioning its consent to and approval of Million Air's Modified Plans to construct the Modified Hangar, the County has breached its obligations under Section 6.2 of the Lease.

152. Section 6.5 of the Lease requires the County to "assist and cooperate with [Million Air] in good faith" in obtaining "any and all approvals" required from any governmental authorities for the Initial Improvements and for any Modified Plans.

153. Through its bad-faith reversal of its position with respect to the necessity for FAA approval of a stormwater system for the Initial Improvements alone, the County has breached its obligations under Section 6.5 of the Lease.

154. The County's breaches have caused Million Air to turn away or lose customers who would have rented space in or used the Modified Hangar, thereby causing Million Air to lose at least \$15 million in revenue. And because of the continuing nature of the County's breaches, Million Air will continue to be denied revenue from tenants interested in renting or using space at the Modified Hangar until the Modified Hangar can be constructed and completed in accordance with the Lease.

155. The County's breaches of the Lease also have caused Million Air to lose additional revenue it would have derived from the Modified Hangar, including lost fuel sales.

156. The County's delay in approving the Modified Plans to construct the Modified Hangar has increased the anticipated costs of such construction by approximately \$12 million.

157. Accordingly, Million Air is entitled to damages to be determined at trial due to the County's breach of the Lease.

THIRD CLAIM FOR RELIEF (in the alternative)
(Breach of the Covenant of Good Faith and Fair Dealing)

158. Million Air repeats and realleges all prior allegations as if fully set forth herein.

159. The Lease contains an implied covenant of good faith and fair dealing obligating the parties to act in good faith and deal fairly with each other in the course of performing their respective obligations under the contract.

160. The County has advanced multiple inconsistent and bad-faith positions with respect to its obligation not to withhold its consent to and approval of Million Air's Modified Plans to construct the Modified Hangar.

161. Among these is the County's reversal of its instructions to Million Air with respect to the implementation of a stormwater management system. In 2018, the County repeatedly instructed Million Air to complete the Initial Improvements without a stormwater

management system. Instead, per the County's instructions, the stormwater system would be constructed along with the Modified Hangar. Million Air obeyed the County's instructions and completed the Initial Improvements without a stormwater management system.

162. However, in late 2018, the County reversed course and demanded that Million Air build a stormwater management system for the Initial Improvements alone. Million Air has agreed to do so, which will entail tearing up already completed construction and will cause significant disruption to Million Air's business.

163. The County also has stated that the plans for the Modified Hangar will not be approved until Million Air completes the stormwater system for the Initial Improvements alone. This unreasonable condition violates the County's obligation to fairly consider the Modified Hangar plans.

164. As described more fully above, the County also has required Million Air to take multiple actions, including but not limited to preparing an amended lease, commissioning an independent report regarding the benefits of the Modified Hangar, and preparing and submitting voluminous material for environmental approvals from various government bodies, which, according to the County, would enable Million Air to obtain the County's approval of the Modified Plans to construct the Modified Hangar. Despite the fact that the Lease did not require such actions for the County's approval of the Modified Plans, Million Air performed them in a good-faith attempt to work with the County and obtain approval of the Modified Plans.

165. Upon information and belief, the County, in instructing Million Air to take such actions, did not intend to approve the Modified Plans even if Million Air completed the requested actions, which it did.

166. In the alternative, and to the extent all of these actions by the County do not constitute a breach of the stated terms of the Lease, these actions violate the implied covenant of good faith and fair dealing contained in the Lease.

167. The covenant of good faith and fair dealing contained in the Lease also obligated the County not to encourage or foster unfair competition against Million Air.

168. The County was required not to act in a manner that would have the effect of destroying Million Air's rights to receive the fruits of the Lease, to wit, the ability to enjoy the benefits of accommodating Overweight Aircraft at its HGA FBO without competition from other Airport tenants who did not negotiate for, and pay the necessary consideration for, the right to accommodate such Overweight Aircraft.

169. By permitting Ross Aviation to accommodate Overweight Aircraft at the Airport, the County breached the covenant of good faith and fair dealing in the Lease.

170. Accordingly, in the alternative, Million Air is entitled to damages to be determined at trial.

PRAYER FOR RELIEF

WHEREFORE, Million Air demands judgment against the County as follows:

- (a) a Declaration on an expedited basis that the County has breached its obligations under Section 6.2 of the Lease by unreasonably withholding, delaying, or conditioning consent to and approval of Million Air's Modified Plans to construct the Modified Hangar;
- (b) an Order directing the County to immediately approve Million Air's Modified Plans to construct the Modified Hangar;
- (c) an Order awarding Million Air damages of not less than \$30 million, the specific amount to be determined at trial;

- (d) an Order awarding Million Air pre-judgment and post-judgment interest;
- (e) an Order awarding Million Air attorney's fees and costs;
- (f) an Order granting such additional relief as the Court finds just and proper.

Dated: White Plains, New York
June 16, 2021

Respectfully submitted,

Yankwitt LLP

/s/ Russell M. Yankwitt
Russell M. Yankwitt
Ross E. Morrison
Benjamin C. Fishman
140 Grand Street, Suite 705
White Plains, New York 10601
Tel.: (914) 686-1500
Fax: (914) 487-5000
russell@yankwitt.com
ross@yankwitt.com
bfishman@yankwitt.com

Cuddy & Feder LLP

/s/ Jordan M. Brooks
Jordan M. Brooks
Brendan M. Goodhouse
445 Hamilton Avenue, 14th Floor
White Plains, New York 10601
Tel.: (914) 761-1300
Fax: (914) 761-5372
jbrooks@cuddyfeder.com
bgoodhouse@cuddyfeder.com

Counsel for Plaintiff

EXHIBIT A

LEASE

BETWEEN

THE COUNTY OF WESTCHESTER

AND

**WHITE PLAINS AVIATION PARTNERS, LLC
D/B/A MILLION AIR WHITE PLAINS**

WESTCHESTER COUNTY AIRPORT

30-YEAR TERM

June 1, 2016 – May 31, 2046

TABLE OF CONTENTS

ARTICLE 1 PREMISES..... 2

ARTICLE 2 TERM AND RIGHT OF FIRST REFUSAL..... 5

ARTICLE 3 USE OF PREMISES..... 7

ARTICLE 4 RENTAL..... 10

ARTICLE 5 ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR. 15

ARTICLE 6 PROPOSED IMPROVEMENTS..... 21

ARTICLE 7 ADDITIONAL OBLIGATIONS OF LESSEE..... 28

ARTICLE 8 INGRESS AND EGRESS 35

ARTICLE 9 INSURANCE, DAMAGE OR DESTRUCTION..... 36

ARTICLE 10 LIABILITIES AND INDEMNITIES 41

ARTICLE 11 RULES AND REGULATIONS 47

ARTICLE 12 SIGNS 47

ARTICLE 13 ASSIGNMENT AND SUBLEASE..... 48

ARTICLE 14 CONDEMNATION..... 52

ARTICLE 15 NON-DISCRIMINATION 54

ARTICLE 16 GOVERNMENTAL REQUIREMENTS 56

ARTICLE 17 RIGHTS OF ENTRY RESERVED..... 58

ARTICLE 18 ADDITIONAL RENTS AND CHARGES..... 60

ARTICLE 19 TERMINATION BY COUNTY..... 61

ARTICLE 20 TERMINATION BY LESSEE 64

ARTICLE 21 SURRENDER AND RIGHT OF RE-ENTRY 65

ARTICLE 22 LEASEHOLD MORTGAGES 66

ARTICLE 23 SERVICES TO LESSEE 69

ARTICLE 24 SURVIVAL OF THE OBLIGATIONS OF THE LESSEE 70

ARTICLE 25 USE SUBSEQUENT TO CANCELLATION OR TERMINATION..... 71

ARTICLE 26 LIMITATION OF RIGHTS AND PRIVILEGES GRANTED 72

ARTICLE 27 NOTICES..... 73

ARTICLE 28 HOLDING OVER..... 74

ARTICLE 29 INVALID PROVISIONS 75

ARTICLE 30 MISCELLANEOUS PROVISIONS..... 75

ARTICLE 31 SUBORDINATION CLAUSES 80

ARTICLE 32 ENTIRE AGREEMENT 82

ARTICLE 33 MEMORANDUM OF LEASE..... 82

LEASE AGREEMENT

THIS AGREEMENT OF LEASE, (hereinafter "Agreement" or "Lease") made and entered into this first day of June, 2016 by and between:

THE COUNTY OF WESTCHESTER, a municipal corporation of the State of New York, having its principal office at the Michaelian Office Building, 148 Martine Avenue, White Plains, New York, 10601 (hereinafter referred to as the "County" or "Landlord")

and

WHITE PLAINS AVIATION PARTNERS, LLC D/B/A MILLION AIR WHITE PLAINS, a Delaware limited liability company, authorized to do business in New York, having an office and place of business at c/o Million Air HQ, 7555 Ipswich Road, Houston, Texas 77061 (hereinafter referred to as the "Lessee" or "Tenant")

WITNESSETH:

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

WHEREAS, AFCO Avports Management, LLC ("Avports") operates the Airport as operating agent of the County, and wherever "County" is used herein it shall be construed to mean the County of Westchester acting through Avports, its operating agent unless the context requires otherwise; and

WHEREAS, the County entered into a lease agreement dated on or about July 15, 1999 (the "Original Lease") with Westair Aviation Services LLC ("Westair") wherein the County leased to Westair the Premises (as defined below); and

WHEREAS, on October 9, 2014, with the County's consent and approval, the Lessee and Westair entered into an assignment agreement (the "Assignment Agreement") wherein Westair

assigned all of its right, title and interest in and to the Original Lease to the Lessee, which assignment became effective upon the subsequent sale of Westair to Lessee; and

WHEREAS, Lessee respectfully requested that the County terminate the Original Lease and enter into a "new lease" with Lessee upon terms and conditions mutually acceptable to the County and the Lessee and, the County agreed to so enter into a "new lease"; and

WHEREAS, the County and the Lessee agree that this Lease shall constitute the "new lease" and shall set forth the terms and conditions agreed to by the County and the Lessee with respect to the Premises and, further, that this Lease shall supersede the Original Lease.

NOW, THEREFORE, in consideration of the premises and of the rents, covenants and conditions herein contained, the County does hereby grant to the Lessee the exclusive right to use and occupy the Premises for the term and subject to the conditions hereinafter set forth.

ARTICLE 1 PREMISES

1.1 The County leases to Lessee and Lessee leases from the County, for the Term (as defined below), at the rental set forth below, and subject to the provisions herein set forth, all that certain parcel of land, situated in the Town of Harrison, County of Westchester and State of New York, and more particularly described in Schedule "A" attached hereto and made a part hereof (the "Land") and a survey of the Land is also attached hereto on Schedule A, together with any improvements, including but not limited to fences (except security fences), asphalt and utility lines (the "Infrastructure"), and together with any hangars, buildings, structures, roadways, aircraft ramps, taxiway connections, utilities, curbcuts, lawns and appurtenances, improvements and fixtures existing, hereafter erected or placed thereon in accordance with the terms and provisions of this Agreement (hereinafter referred to collectively as the "Improvements"; the

Land, Infrastructure and Improvements are collectively referred to as the "Premises" or "Leased Premises"). As used in this Agreement and as the context requires, the Premises shall include the Proposed Improvements (as defined below). The County hereby leases the Premises to Lessee and, Lessee hereby rents the Premises from County, together with the right of ingress and egress at the Premises: (i) from the public landing areas at the Airport by aircraft over connecting taxiways, except when the Airport is temporarily closed to the public, which taxiways shall be used in common with others having rights of passage thereon; and (ii) from public roads within and without the Airport (provisions (i) and (ii) are collectively referred to as "Ingress and Egress").

SUBJECT, however, to the following:

1. Any state of facts an accurate survey might show.
2. All present and future ordinances, laws, regulations and orders of all boards, bureaus, commissions and bodies of any municipal, county, state or federal governments now or hereafter having or acquiring jurisdiction over the Premises and of the use and improvement thereof. To the best of the County's knowledge, no local or municipal zoning laws are applicable to the Premises.
3. The condition and state of repair of the Land as of the Commencement Date (as hereinafter defined).
4. All covenants, agreements, consents, restrictions, conditions, liens, encumbrances and easements, if any, of record, affecting the Land as of the Commencement Date.

5. The use of any Airport roadways or taxiways shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated and enforced. The County may, at any time, temporarily or permanently, close or consent to or request the closing of any such roadway or taxiway and any other way at, in or near the Premises presently or hereafter used as such, so long as a reasonable means of Ingress and Egress as provided above remains available to the Lessee. The County will use best efforts to limit closures whenever possible. The Lessee hereby releases and discharges the County, its officers, employees and agents, and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of Ingress and Egress remains available to the Lessee unless otherwise mandated by safety considerations or lawful exercise of the police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Premises or to any taxiway, streets or roadways near the Premises, provided Lessee shall not be required to make the Premises available for such access and passage. To the extent that it is within the control of the County, the County will not do or permit anything to be done to prevent the Lessee's ingress and egress to the Premises.

1.2 The Leased Premises shown on Schedule "A", attached hereto and made a part hereof, consists of approximately 22.4 acres.

1.3 The County represents and warrants to the best of its knowledge:

(A) that Utilities are available, including legal access across other properties if necessary to serve the Premises. The term "Utilities" shall mean water, electricity, telephone, sanitary sewers and storm drainage, or other utilities;

(B) the County has not received written notice and has no knowledge of any notices of violation of any legal requirement relating to the Premises that have been entered or received by the County, and there is no basis for the entering of any such notice except in respect of the payment of real estate taxes which Tenant is challenging;

(C) there are no leases, licenses, options, rights of first refusal or other agreements of any kind which have been executed or verbally made by the County whereby the Premises have been encumbered, except as provided herein; and

(D) there are no violations of law, ordinances, rules or regulations, or restrictions which would affect the Premises or any portion thereof, except as provided herein.

ARTICLE 2 TERM AND RIGHT OF FIRST REFUSAL

2.1 The term of this Lease shall be for a thirty (30) year period commencing on June 1, 2016 (the "Commencement Date") and terminating on May 31, 2046 (the "Term"), unless terminated sooner in accordance with the provisions hereof.

2.2 The term "Lease Year" as used herein means every period of twelve (12) consecutive calendar months, commencing on the Commencement Date and ending on the day prior to the anniversary of the Commencement Date.

2.3 The Original Lease is terminated and superseded by this Lease effective as of 12:01 a.m. on the Commencement Date.

2.4 By written notice given to Lessee no later than the 28th anniversary of the Commencement Date, the County shall provide Lessee with a written schedule setting forth the anticipated initial rent and the formula for subsequent annual adjustments ("Base Rent") applicable to a proposed new lease of ten (10) years commencing after the Term has expired. The anticipated Base Rent shall be based on the performance by the County of a good faith evaluation of the fair market rent for the Leased Premises as of the expiration of the Term. Such evaluation of fair market rent shall be performed using commercially reasonable standards currently being used at the Airport for determining fair market rent, using current and future tenants located at the Airport as the basis for such evaluation and taking into account all relevant factors, including but not limited to reversion of the Leased Premises to the County as of the expiration date of this Lease. The County shall provide Lessee with copies of all Airport leases that are used as the basis for the evaluation of fair market rent and the calculation of Base Rent. By written notice given to Landlord no later than 180 days after the 28th anniversary of the Commencement Date, Lessee shall notify the County of its approval or disapproval of the anticipated Base Rent. In the event Lessee disapproves of the anticipated Base Rent, the County and Lessee shall promptly and diligently negotiate in good faith to agree upon the amount of such Base Rent. Upon the successful conclusion of such negotiations, and subject to the approval of the Westchester County Board of Legislators and the Westchester County Board of Acquisition and Contract, the parties shall enter into a new lease for a term of ten (10) years commencing after expiration of the Term (a "Future Lease") for the Leased Premises which shall (i) incorporate such Base Rent, and (ii) otherwise be on terms reasonably acceptable to the County and Lessee. In the event the County and Lessee do not reach agreement on the terms and

conditions of a Future Lease by the 29th anniversary of the Commencement Date, the County may commence marketing the Leased Premises to choose a subsequent tenant.

**ARTICLE 3
USE OF PREMISES**

3.1 County represents that the Lessee may use, and the Lessee shall occupy and use, the Premises for the following purposes and for no other purpose whatsoever:

(A) (i) for the operation of a Light General Aviation Facility, including, but not limited to: servicing, repair and maintenance of aircraft; sales of aircraft; aircraft tiedown; aircraft hangar accommodation; aircraft T-hangar accommodation; pilot shop; flight school; charter; aircraft management; and aircraft fuels and lubricant sales.

Lessee agrees, throughout the Term, that it shall endeavor to maintain the Light General Aviation uses at the Premises, at their current levels as of the date hereof, unless otherwise mutually agreed, in writing, by the County and Lessee. Every five (5) years during the Term or unless Lessee requests sooner than every five (5) years, the County and Lessee shall evaluate market demand for light general aviation services and agree on adjustments as necessary. Lessee agrees that all light general aviation customers at the Premises shall be treated in a fair and equitable manner.

It is further understood and agreed that the above operations constitute a commercial operation which is subject to County Airport Rules and Regulations. The County reserves the right to require Lessee to obtain a "permit to operate," provide insurance and pay appropriate fees, if any, related to such permit if such permit and fees shall be required to be obtained and paid by all other similarly situated Lessees, licensees, users and occupants of the Airport in the same manner as Lessee. Lessee acknowledges and agrees that Lessee may not

sublease any portion of the Premises or subcontract any of the above operations except in accordance with the terms of this Agreement.

Lessee further agrees to comply with any applicable noise standards hereafter established by any governmental authority having jurisdiction over the Airport; and

(ii) for administration and operations offices, lounges, automobile parking and ancillary purposes in connection with the purposes authorized hereunder.

(iii) Lessee may establish a system for Light General Aviation customers to self-fuel their aircraft on the Premises with Avgas or equivalent fuel only.

(B) for the operation of a Full Service Heavy Aircraft General Aviation Fixed Base Operation ("Fixed Base Operation") at the Premises and the Airport, subject to the completion of the Proposed Improvements (hereinafter defined).

Upon execution of this Lease and during construction of the Proposed Improvements, Lessee shall be permitted to sell aviation fuel (including aviation gasoline and jet fuel) and aviation lubricants, and, to deliver such fuel and lubricants to and into aircraft either on or off the Premises at the Airport only, regardless of aircraft weight, all in accordance with the provisions of other agreements entered into, or to be entered into, between the County and Lessee specifically providing for the payment of fees in connection therewith.

3.2 Following the completion of the Proposed Improvements, the Lessee may use the Premises as a Fixed Base Operation and for uses and purposes incidental and related thereto, including, without limitation:

(A) for selling aviation fuel (including aviation gasoline and jet fuel) and aviation lubricants and, to deliver such fuel and lubricants to and into aircraft at the Airport (on or off the Premises), and providing deicing services on the Premises.

(B) for aircraft maintenance including repairing, overhauling and modification of aircrafts as well as engines, assemblies, accessories, aircraft radios and electronic equipment and any components thereof;

(C) for the parking, storage, servicing, repair, maintenance and management of aircraft owned, leased, managed or operated by Lessee and its subsidiaries, affiliates, sub-tenants, and/or Customers (as defined below);

(D) for administration and operation offices and lounges in connection with the purposes authorized under this Article;

(E) for entering into agreements with private owners, including, without limitation, any person, partnership, firm or corporation to which Lessee rents or sublets hangar and/or office space in the ordinary course of Lessee's business (collectively, "Customers") for storage, maintenance, servicing and repair of aircraft, aircraft assemblies, aircraft accessories, aircraft radio and electronic equipment and any component parts thereof (such renting and subletting to Customers is expressly permitted under this Lease);

(F) for the rental, lease, charter and management of aircraft;

(G) for the sale of aircraft, aircraft parts, aircraft assemblies and aircraft radio and electronic equipment and any component parts thereof;

(H) for flight instruction including ground school and flight simulation as well as pilot shop operations; and

(I) For the storage of diesel fuel for Tenant's use and not for retail sale, all in accordance with applicable laws.

3.3 The Lessee agrees, as a condition of this Lease, that it shall not base, operate, or cause to be operated at the Airport, any aircraft having a maximum gross take-off weight of 120,000 lbs. or more without the prior approval of the Airport Manager, such approval not to be unreasonably withheld.

3.4 The County reserves the right to mount radio and cellular antennas and associated equipment on the Premises to meet the operational needs of the Airport and/or emergency service communications of the County. The specific locations and scheduling of installation and maintenance shall be determined by the County and subject to Lessee's consent, not to be unreasonably delayed or withheld. Further, if third party carriers wish to sublease space and install cellular equipment on the Improvements at the Premises, the County and Lessee shall agree upon the terms and conditions of such sublease (including appropriate revenue sharing) and, upon such agreement, the County and Lessee shall memorialize same in writing. Any such agreement shall be subject to all necessary legal approvals.

3.5 Subject to the Airport Manager's consent and approval, Tenant shall have the right to host events for its Customers or invited guests and/or its business on the Premises.

ARTICLE 4 RENTAL

4.1 For use and occupancy of the Premises and privileges herein granted, the Lessee agrees to pay the County an annual rent as follows:

(A) **In connection with the Light General Aviation Facility**, Lessee shall pay as rent a percentage of year-to-date Gross Receipts for each Lease Year received by Lessee

from the operation of the Basic Business Segments (hereinafter defined) as indicated on Schedule "B" attached hereto and made a part hereof.

(i) Gross Receipts shall mean all revenues, exclusive of sales tax, collected by the Lessee from the operation of the Basic Business Segments.

(ii) For the purposes of this section, "Basic Business Segments" shall mean the individual revenue generated from the operation of light general aviation activities on the Premises, previously approved by the County, which contribute to the Gross Receipts of the business and only with respect to aircraft weighing 12,500 pounds or less. Basic Business Segments shall include the following activities:

- Aircraft Tiedown, Based and Transient
- Aircraft Hangaring, Based and Transient
- Aircraft Maintenance
- Flight School (including ground training)
- Aircraft Rental
- Aircraft Charter Operations
- Aircraft Management
- Aviation Fuel and Lubricant Sales (including but not limited to self-fueling by customers)
- Aircraft Parts Sales
- Pilot Shop Sales
- All other revenue producing activities in connection with the operation of light general aviation activities on the Premises, previously approved by the County, which contribute to the Gross Receipts of the business and only with respect to aircraft weighing 12,500 pounds or less, except for Aircraft Sales or Aircraft Parts Sales and/or Aircraft Charter utilizing aircraft that are not listed on the Lessee's or the Lessee's sublessee's FAR 135 Air Charter Certificate or aircraft not based at the Leased Premises.

This list of approved Basic Business Segments may be modified only upon the prior written approval of the Airport Manager.

(iii) Lessee shall pay a monthly Permit Fee of \$300. The Permit Fee, at the County's discretion (to be applied on an equal basis with other tenants who provide light general aviation services and activities at the Airport), may be escalated based on a market evaluation.

(iv) It is the intention of the parties hereto that the fees specified in this Article shall be net to the County during the term of this agreement; that all costs, expenses and obligations of every kind relating to the operation of the County approved Basic Business Segments, which may arise or become due during the term of this Agreement, shall be paid by Lessee, and that the County shall be indemnified by Lessee against such costs, expenses, and obligations, including but not limited to Federal, State and local taxes.

4.2 In addition to the rent payable pursuant to Section 4.1(A) hereof, from the Commencement Date and continuing for forty-two (42) months, whether or not the Proposed Improvements have been completed, the annual rent (the "annual rent") **in connection with the Fixed Base Operation** shall be at the rate of ONE (\$1.00) Dollar per square foot over an area of six (6) acres for a total of TWO HUNDRED SIXTY ONE THOUSAND THREE HUNDRED SIXTY (\$261,360.00) Dollars, payable in substantially equal monthly installments.

Commencing in the forty-third (43rd) month after the Commencement Date (the "Escalation Date"), whether or not the Proposed Improvements have been completed subject however to Article 6, the annual rent in connection with the Fixed Base Operation shall increase to the rate of ONE AND 85/100 (\$1.85) Dollars per square foot over an area of nine (9) acres for a total of SEVEN HUNDRED TWENTY FIVE THOUSAND TWO HUNDRED SEVENTY FOUR (\$725,274.00) Dollars, payable in substantially equal monthly installments.

In the event Lessee, subject to the County's consent and approval as specified in Article 6 hereof, constructs Fixed Based Operation improvements in addition to the Proposed Improvements specified in Schedule "C" attached hereto, Lessee shall also pay the then-current annual rent rate for the additional acreage required for such improvements. {Example: Lessee builds additional hangars on 3 more acres. Annual rent in connection with the Fixed Base Operation is at that time \$1.95 per square foot. Annual rent in connection with the Fixed Base Operation will be calculated on 12 acres total}.

The annual rent shall be increased (the "Annual Rent Increase") effective as of the anniversary of the Escalation Date and on each succeeding anniversary thereafter by the greater of (a) the increase between the then current Consumer Price Index and the Consumer Price Index for the previous June (for purposes of this Agreement, the Consumer Price Index shall mean the Consumer Price Index - All Urban Consumers New York - Northern New Jersey - Long Island, NY - NJ-CT-PA. All Items Not Seasonally Adjusted (1982-1984 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor, or any successor index thereto, appropriately adjusted) or (b) three percent (3%). If, at any time, the Annual Rent Increase is five (5%) percent or greater, Tenant shall have the right to request that the County perform a good faith evaluation of the market rent for the Premises (a copy of which shall be provided to Tenant), using the standards currently in place at the Airport for determining market rent and using other lessees then-located at the Airport as the basis for such evaluation. Should the County determine that Lessee is paying in excess of market rent according to any such evaluation, then the Annual Rent Increase which prompted Lessee's requests for an evaluation shall not be effective and Lessee shall not be subject to any increase in its annual rent until such time as Lessee's annual rent no longer exceeds market rent. In no event shall the annual rent be

decreased. Lessee shall have the right to dispute the County's determination of market rent in connection with any such evaluation (with Lessee having the right to perform an appraisal of the market rent for the Premises for comparison purposes), and in such case, the County and Lessee shall negotiate in good faith to resolve their difference with respect to the market rent.

During the Term, the County will perform a good faith evaluation of the market rent (a copy of which shall be provided to Tenant) as of the fifth anniversary of the Commencement Date and every five years thereafter using the standards currently in place at the Airport for determining market rent, using other lessees then-located at the Airport as the basis for such evaluation, and Lessee's rent shall be adjusted accordingly. Should the County determine that Lessee is paying in excess of market rent according to any such evaluation, then effective as of the date of such evaluation, Lessee will not be subject to any increase in its annual rent until such time as Lessee's rent no longer exceeds market value. Lessee shall have the right to dispute the County's determination of market rent in connection with any such evaluation (with Lessee having the right to perform an appraisal of the market rent for the Premises for comparison purposes), and in such case, the County and Lessee shall negotiate in good faith to resolve their difference with respect to the market rent.

4.3 The monthly rent installment shall be paid on the first day of each month in advance at the office of the Airport Manager or at such office as may be directed in writing by the County.

4.4 In addition to the rent hereinabove described, Lessee shall pay the County a one-time payment of the equivalent of two (2) months' rent in advance as security for the faithful performance hereunder by Lessee. Such funds shall be held in an interest bearing account. Assuming the Lessee has faithfully performed all of its obligations under this Lease, the

deposited funds and interest earned, less any custodial costs, shall be returned to the Lessee within thirty (30) days after the earlier of the expiration of this Lease or an assignment of this Lease made in compliance with Article 13. In lieu of posting a cash security deposit, Lessee may effect such deposit by delivering to the County a letter of credit in such amount, in which case, assuming the Lessee has faithfully performed all of its obligations under this Lease, such letter of credit will be terminated at the earlier of the expiration of the Lease or an assignment of this Lease made in compliance with Article 13.

4.5 In addition to the rent hereinabove described, Lessee shall pay all Real Estate Taxes pursuant to Section 16.2(A) below.

**ARTICLE 5
ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR**

5.1 Lessee warrants it has inspected the Premises and accepts possession of the Premises and the improvements thereon "as is" in their present condition. Additionally, subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration and by existing ordinances of the County, Lessee admits the suitability and sufficiency of the Premises for the uses permitted under Section 3.1(A) of this Agreement. Except as may otherwise be provided for herein, the County shall not be required to maintain nor to make any improvements, repairs or restorations upon or to the Premises or to any of the improvements presently located thereon. County shall never have any obligation to repair, maintain or restore, during the term of this Lease, any improvements placed upon the Premises by Lessee, its successors and assigns during the term of this Lease.

5.2 Lessee acknowledges that the Premises are not presently suitable for a Fixed-Base Operation. As part of, and not in lieu of, its obligations as hereinafter set forth in this Article 5

the Lessee shall undertake and complete the Proposed Improvements in and upon the Premises as specified in Article 6 of this Agreement.

5.3 The Lessee shall be responsible for performing all structural and non-structural repairs and maintenance to the Premises. Structural repairs shall be defined as all repairs (which, for purposes of this subsection shall include "replacements" where appropriate) necessary to ensure the structural integrity of the Premises, the foundation, roof, walls, floor, ceiling and/or supporting beams of any improvement thereto and/or to comply with laws, insurance requirements, and changes to life safety and security systems to the extent that Lessee is mandated to so comply ("Structural Repairs").

(A) Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:

(i) Keep at all times, in a clean and orderly condition and appearance customary for a fixed based operator, the Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Premises.

(ii) Provide and maintain on the Premises all obstruction lights and similar devices, and safety equipment required by law except for that equipment for which the County is responsible pursuant to this Lease.

(iii) Repair any damage caused by Lessee to paving or other surface of the Premises caused by any oil, gasoline, grease, lubricants or other flammable liquids and substances having a corrosive or detrimental effect thereon.

(iv) Take measures to prevent erosion on the Premises, including but not limited to, the planting and replanting of grass with respect to all portions of the Premises not paved or built upon and currently covered by grass, and in particular shall plant, maintain and replant any areas of the Premises currently landscaped.

(v) Be responsible for the maintenance and repair of all utility services lines and equipment placed on the Premises and used by Lessee exclusively including, but not limited to, water lines, gas lines, electrical power, heating system and telephone conduits and lines, sanitary sewers and storm sewers except for that for which the County is responsible under the obligations of Article 23.

(B) Lessee will be responsible for maintenance and repair of all fire protection systems serving the Premises.

(C) The County will maintain and repair the Taxiway Safety Area and Perimeter Road, including the taxiway lights and signs.

5.4 In the event Lessee fails (a) to commence to maintain, clean, repair, replace, rebuild or repaint within a period of thirty (30) days after written notice from the County to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance; or (b) to commence to maintain, clean, repair, replace, rebuild or repaint within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only; or (c) to diligently

continue the completion of any repairs, replacement, rebuilding, painting or repainting as required under this Agreement; then, the County may, at its option, and in addition to any remedies otherwise available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of the Premises, and repair, replace, rebuild or paint all or any part of the Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the County by Lessee on demand. Provided, however, if in the reasonable opinion of the County, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the County or other Lessees at the Airport, and the County so states same in its written notice to Lessee, the County may at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to the County the cost and expense of such performance on demand. Furthermore, should the County, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result thereof except for claims for damages arising from the County's negligence or willful misconduct. The foregoing shall in no way affect or alter the primary obligations of Lessee as set forth in this Agreement, and shall not impose or be construed to impose upon the County any obligations to maintain the Premises, unless specifically stated otherwise herein.

5.5 Following the completion of the Proposed Improvements, plans and specifications for all major repairs, construction, alterations, modifications, additions or replacements (hereinafter referred to as "improvements") undertaken by the Lessee shall be submitted to and receive the written approval of the County, and no such work shall be commenced until such

written approvals are obtained from the County which approval shall not be unreasonably withheld, conditioned or delayed. County shall advise Lessee within forty (40) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, of its approval or disapproval of the proposed work, and in the event it disapproves, stating its reasons therefor. In the event that the County does not so advise Lessee in writing within said forty (40) day period, the County shall be deemed to have approved the plans and specifications submitted by Lessee.

5.6 If Lessee makes any improvements without County approval, then, upon written notice to do so, Lessee shall remove the same and restore and repair the Premises to substantially the same condition as prior to said improvement being made to the County's reasonable satisfaction. If Lessee fails to comply with such written notice within thirty (30) days or to commence to comply and pursue diligently to completion, County may effect the removal or change and Lessee shall pay the cost thereof to County.

5.7 Lessee expressly agrees in the making of all improvements that, except with the written consent of County (not to be unreasonably withheld, conditioned or delayed), it will neither give nor grant, nor purport to give or grant any lien upon the Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Premises and improvements thereon, unless Lessee discharges any such lien within 30 days after written notice of filing thereof. Notice is hereby given by County to all persons that no lien attaches to any of such improvements beyond such thirty (30) day period.

5.8 Part of the consideration for the County to enter into this Lease is that Lessee remains the tenant of the Premises for the entire Term. If Lessee or the beneficial owners of

Lessee sell or assign fifty-one (51%) percent or more, in the aggregate, of their interest in this Lease, prior to June 1, 2031, the complete and unencumbered title to all improvements located on the Premises as of the Commencement Date (including any improvements to such improvements), including but not limited to hangars, T-hangars, and all appurtenant structures, shall immediately vest in the County free and clear of all claims on the part of Lessee or any third party successor to Lessee on account of any repair or improvement work done or to be done under the terms hereof by Lessee or any third party successor to Lessee. This vesting of title in the County at the time specified is a part of the consideration for this Lease. The County shall not be liable to Lessee or Lessee's contractors or sublessees for the value of any improvements constructed or located on the Premises.

5.9 From and after commencement of construction of the Proposed Improvements and until termination or expiration of this Agreement, title to the Proposed Improvements shall remain in the Lessee, subject to the County's reversionary interest as specified in Section 5.8. Lessee alone shall be entitled to claim depreciation therefor. Upon the termination or expiration of this Agreement, notwithstanding Lessee's right of first refusal to enter into a new lease pursuant to Section 2.4, all the Proposed Improvements shall become the property of the County, without payment by the County, and shall be surrendered in good order, repair and condition, reasonable wear and tear excepted, free of all liens and encumbrances.

5.10 Lessee agrees that, in making all improvements, it shall procure all required approvals and/or permits (including without limitation any environmental approvals required under the State Environmental Quality Review Act and the National Environmental Policy Act, as amended) and shall, during and after the making thereof, comply with all applicable laws,

ordinances, regulations and orders of all departments, boards, bureaus, officials and authorities having jurisdiction of the same.

ARTICLE 6
PROPOSED IMPROVEMENTS

6.1 Lessee, at its own expense, has directed the preparation of certain plans and specifications (collectively, the "Plans"), which Plans are set forth on Schedule "C" annexed hereto and made a part hereof, in connection with the proposed work and improvements (collectively, the "Proposed Improvements") which Lessee desires to perform and construct in respect of the Premises. The Plans shall have sufficient detail to show the design, character and appearance of the Proposed Improvements.

6.2 The Plans and the Proposed Improvements set forth on Schedule "C" are hereby approved by the County. If, after the date hereof, and from time to time, material changes or modifications are required to the Plans or the Proposed Improvements, Lessee, at its sole cost and expense, shall make such changes or modifications to the Plans (the "Modified Plans") and submit same to the County for the County's consent and approval, which consent and approval shall not be unreasonably withheld, delayed or conditioned. The County shall notify Lessee, in writing of its approval or disapproval of the Modified Plans within thirty (30) days after the same shall have been submitted by Lessee to the County Commissioner of Public Works and Transportation. If the County fails to notify Lessee of its approval or disapproval within such time, the Modified Plans shall be conclusively deemed approved by the County and Lessee shall have the right to proceed and construct the Proposed Improvements in accordance with the Modified Plans. If the County shall disapprove of the Modified Plans, then such disapproval shall be in writing specifically identifying the County's objection and stating the reasons therefor and, thereafter, Lessee shall have the right to further amend the Modified Plans, taking into

consideration the County's objection and the reasons therefor and re-submitting the Modified Plans to the County for its approval in accordance with this Section.

6.3 Except as set forth in the Plans or any Modified Plans, the Proposed Improvements shall be complete, free standing buildings erected wholly within the boundary lines of the Premises. Upon the request of County, Lessee will furnish to the County an "as built" survey of the Premises, prepared by a licensed surveyor, showing the location of the Proposed Improvements in relation to the perimeter of the Premises.

6.4 Lessee shall erect the Proposed Improvements with reasonable diligence, subject to the terms and provisions hereof, subject to Lessee obtaining the Approvals (as defined below) and subject to Force Majeure (as defined hereafter) in a good, proper and workmanlike manner in accordance with the Plans and any Modified Plans. Construction days and work hours shall be approved by the Airport Manager.

6.5 County agrees, if requested by Lessee, to assist and cooperate with Lessee in good faith in the obtainment of the Approvals. "Approvals" mean any and all approvals, permissions, certificates, variances and the like that may be required from any and all federal, state, county and/or local governmental or quasi-governmental authorities, agencies, bureaus, boards, commissions and bodies having jurisdiction over the Premises and/or the use thereof (individually, a "Governmental Authority" and, collectively, "Governmental Authorities") so as to allow Lessee to construct the Proposed Improvements in accordance with the Plans and any Modified Plans (including, without limitation, any building permits) and to occupy the Proposed Improvements. An Approval shall not be deemed to have been obtained until and unless: (i) all required written documentation for the Approvals shall have been duly filed by Lessee with the appropriate Governmental Authority; (ii) all periods to appeal or legally challenge the issuance

of the Approvals have expired without any appeals or legal challenges having been made or, if made, such appeals have resulted in a final determination in favor of the issuance of same; and (iii) the Approvals shall be subject only to such conditions or restrictions, developer's agreements, bonds and escrows that are acceptable to Lessee, in its reasonable discretion and Lessee shall have satisfied any conditions within its control.

6.6 No construction of the Proposed Improvements shall be commenced unless Lessee, its contractors and/or subcontractors shall first have delivered the following to the County, without expense to the County:

(A) Certificates of insurance evidencing comprehensive general liability insurance naming the County and its agents as additional insureds, from a company or companies licensed to do business in the State of New York carrying a Best Financial rating of A or better in the combined single limit of at least Ten Million (\$10,000,000) Dollars for each occurrence and for property damage of not less than Five Million (\$5,000,000) Dollars written to protect the County as its interest may appear. In addition, Lessee, its contractors and subcontractors shall procure Worker's Compensation insurance, including employer's liability with minimum limits of One Million (\$1,000,000) Dollars, and certificates in proper statutory form showing that all insurance required under the Worker's Compensation Law has been secured.

(B) Certificates of insurance evidencing owner's protective liability and property damage insurance policy in the name of the County and Lessee as their interests may appear for a minimum limit of liability of Five Million (\$5,000,000) Dollars for any one accident , providing first dollar coverage without deductible, provided, however, Lessee may, subject to

the approval of County's Director of Risk Management, provide coverage to the County from the first dollar to the amount of the deductible, not exceeding One Million (\$1,000,000) Dollars.

(C) A Performance Bond and Labor and Material Payment Bond in the form of ALA Document A311 (or another form reasonably satisfactory to County) obtained by Lessee (which it may require of and obtain from its contractor, construction manager or subcontractor), having as surety, a surety company authorized to do business in New York and of recognized responsibility, each in an amount equal to the estimated cost of construction of the Proposed Improvements ("Estimated Cost of the Proposed Improvements") as estimated by Lessee's architect or general contractor and approved as to amount by any engineer of the County, in their respective reasonable judgments. Such bond shall be conditioned, without exception or proviso, upon the erection and completion of the Proposed Improvements in accordance with the terms of this Agreement and, substantially, in accordance with the Plans and/or Modified Plans, subject only to Force Majeure as herein defined, in compliance with all applicable legal requirements, free and clear of all liens except Leasehold Mortgages; and shall also be conditioned for the payment of the entire cost thereof.

(D) The policies referred to in paragraphs (A) and (B) shall provide for thirty (30) days written notice to the County prior to the cancellation or termination of such policies.

6.7 Subject to Force Majeure and obtaining the Approvals, construction of the Proposed Improvements shall proceed with diligence and continuity until the completion thereof, in accordance with all of the provisions hereof, and shall be completed in all respects no later than forty-two (42) months after the Commencement Date (the "Completion Date"), in accordance with the construction milestones specified in Schedule "E". If by reason of (a) the County's failure to make good faith efforts to: (1) review, (2) comment, or (3) approve the plans

and specifications for the Proposed Improvements in the time frame set forth on Schedule E, or (b) the County's failure to make good faith efforts to: (1) act promptly when any consent or approval may be requested by Tenant, or (2) grant any other approval, consent or action required for Tenant to complete the Proposed Improvements and to occupy same (each, a "Delay Condition"), Tenant is delayed in substantially completing the Proposed Improvements by the Completion Date, then the Escalation Date shall be delayed by one day for each day, or part of a day, during which a Delay Condition existed. If Tenant believes that a Delay Condition occurred, Tenant shall provide written notice to the County within thirty (30) days after the occurrence of such Delay Condition stating the Delay Condition and, if Tenant fails to provide such thirty (30) days written notice to the County then it shall be and deemed to be that no Delay Condition occurred. The term "substantially completing" or any derivations thereof as used in this Section means that Tenant has the ability to use, occupy and operate its business at the hangars and the fixed base operation building (as same are shown on the Plans).

6.8 On completion of the Proposed Improvements, Lessee shall deliver to the County:

(a) a certification from its supervising architect certifying: (i) that regular and periodic inspections have been made of the Proposed Improvements; and (ii) that the Proposed Improvements have been completed in accordance with the Plans and/or any Modified Plans and the New York State Building Code; and (b) two (2) complete sets of as-built drawings and an electronic file in a County approved format.

6.9 During construction of the Proposed Improvements, the County may from time to time, and at reasonable times and upon reasonable prior notice, inspect the Proposed Improvements provided that conduct of such inspection shall not interfere with the construction of the Proposed Improvements. In the event that, during construction of the Proposed

Improvements, the County or its architects or engineers shall reasonably determine that the Proposed Improvements are not being constructed substantially in accordance with the Plans and/or any Modified Plans and that such deviation from the Plans and/or any Modified Plans will materially lessen the value of the Proposed Improvements or substantially weaken or impair the structural strength thereof, County shall give prompt written notice to Lessee, specifying in detail the particular deficiency, omission, or other respect in which the County claims construction deviates in any material respect from the Plans and/or any Modified Plans and, as a consequence, materially lessens the value of the Proposed Improvements or substantially weakens or impairs the structural integrity thereof. Within thirty (30) days after receipt of the County's notice, Lessee shall (i) if Lessee disagrees with County's notice, provide a written response to County's notice stating the reasons why Lessee disagrees with County's notice and within ten (10) days after receipt by County of such Lessee's notice, if necessary, the County and the Lessee shall schedule a meeting to discuss and agree on how best to proceed with the Proposed Improvements or (ii) remedy the condition as set forth in County's notice provided, however, if such condition requires in excess of thirty (30) days to remedy, Lessee shall have a reasonable period of time in excess of such thirty (30) days to remedy the condition as long as Lessee has commenced any work required to remedy the condition within such thirty (30) day period and is diligently performing such work to completion. Should such inspection determine that the Proposed Improvements are not being constructed substantially in accordance with the Plans and/or any Modified Plans and that such deviation from the Plans and/or any Modified Plans will materially lessen the value of such Proposed Improvements or substantially weaken or impair the structural strength thereof, Lessee shall pay to the County the reasonable cost incurred in performing the inspection.

6.10 Any material changes in the Proposed Improvements made by Lessee after completion of construction may not be made, at any time, without the prior approval of the County, which approval shall not be unreasonably withheld, delayed or conditioned.

6.11 In the event this Agreement shall be terminated by reason of the default of Lessee as provided in this Agreement, prior to the completion of the Proposed Improvements in accordance with the terms and provisions of this Agreement, then and in such event all Plans, Modified Plans, reports, estimates and models which shall have been prepared or made in connection with the Proposed Improvements and which shall be in the possession of and owned by the Lessee shall become the property of the County if not required to be delivered to any Leasehold Mortgagee under the terms of a Leasehold Mortgage. In such event, Lessee shall deliver the same to the County, subject only to the rights of any Leasehold Mortgage.

6.12 The obligation of the Lessee, subject to Force Majeure and applicable provisions of this Agreement as well as Lessee obtaining the Approvals, to complete construction of any Proposed Improvements with reasonable diligence as provided in this Article shall be deemed a material obligation on the Lessee's part to be performed under this Agreement. Lessee acknowledges that the County would not have made this Agreement without the Lessee's agreement to construct the Proposed Improvements.

6.13 For purposes of this Agreement, the date of completion of the Proposed Improvements shall be deemed to be the date on which Lessee's architect certifies that the Proposed Improvements have been completed in accordance with the Plans and/or any Modified Plans and the New York State Building Code, as required by Section 6.8 of this Agreement.

6.14 No T-Hangar currently on the Premises may be removed or relocated without County's approval which approval shall not be unreasonably withheld, delayed or conditioned except as such removal or relocation shall be part of the Plans.

**ARTICLE 7
ADDITIONAL OBLIGATIONS OF LESSEE**

7.1 Lessee shall conduct its operations hereunder in a manner customary for a fixed base operator, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.

7.2 Further, Lessee shall take reasonable measures:

(A) To minimize vibrations tending to damage any equipment, structure, building or portion of building.

(B) Not to produce on the Airport through the operation of machinery or equipment any electrical, electronic or other disturbance that interferes with the operation by the County or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport or on aircraft using the Airport, or with ground transportation communications.

7.3 Lessee shall be responsible for the conduct and demeanor of its officers, agents and employees and, upon objection from County concerning the conduct and demeanor of any such person or any invitee, Lessee shall immediately take all lawful steps necessary to attempt to remedy or remove the cause of the objection. If the County shall so request, the Lessee agrees to supply and require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the Airport Manager.

7.4 Lessee's occupancy shall comply with all health and safety laws and regulations and any other federal, state or municipal laws, ordinances, rules, regulations and requirements, applicable to the Premises and its operations at the Airport hereunder.

7.5 Lessee shall comply with all reasonable written instructions of the County in disposing of its trash and refuse at Lessee's expense, and shall use a system of refuse disposal reasonably approved by the County. Lessee shall be responsible for removal from the Airport, or otherwise disposing of in a manner reasonably approved by the County, all garbage, debris and other waste materials (whether solid or liquid) arising out of its occupancy of the Premises or out of its operations. Lessee shall dispose of its sewage through the County's system. Lessee shall provide and use suitable covered metal or other rigidly and sturdily constructed receptacles, suitably screened from public view, for all garbage, trash and other refuse created on or arising in connection with the activities conducted on the Premises. Piling of boxes, cartons, barrels or other similar items, in an unsafe manner, on or about the Premises is forbidden. The manner of handling and disposing of trash, garbage and other refuse and the frequency of removal thereof from the Airport premises shall at all times be subject to the rules, regulations and approval of County. Lessee shall use reasonable care when effecting removal of all such waste to prevent littering the Airport premises.

7.6 Lessee shall commit no unreasonable nuisance on the Premises, and shall not do, or permit to be done, anything which may result in the creation, commission or maintenance of any such unreasonable nuisance on the Premises.

7.7 Intentionally omitted.

7.8 Lessee shall be responsible for fully adhering to all airport security regulations mandated by the Transportation Security Regulations, Airport Security program and any other

security rules as requested by the Airport Manager or his/her designee. These rules include, but are not limited to, the following:

(A) Airport Tenant Security Program ("ATSP") must be developed by the Lessee within ninety (90) days of the Commencement Date. Lessee shall coordinate the efforts with the Airport Security Coordinator to ensure that all the security mandates and measures are included in the ATSP.

(B) Hangar Security Coordinator –Lessee shall designate a person who shall be responsible for the implementation and enforcement of all security measures on the Premises.

7.9 Lessee shall not overload any floor structure, structural member or paved area on the Premises, or paved area elsewhere on the Airport, and shall repair at Lessee's expense any floor, structure, structural member, or any paved area damaged by any such overloading without limiting Lessee's obligations pursuant to Article 5 above.

7.10 Lessee shall not do, nor permit to be done, any act or thing upon the Premises:

(A) which will invalidate or conflict with any fire insurance policies or regulations and N.F.P.A. Standard No. 409 for operation of aircraft and other provisions as applicable to the Premises or any part thereof, or other contiguous premises at the Airport; nor,

(B) which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by this Agreement.

7.11 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Premises. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories. The term "working

supply" as used in this Section 7.11 shall mean the amount generated and/or utilized, or potentially required, by Lessee during any normal work day.

7.12 Intentionally omitted.

7.13 Except for the accommodation of its employees, guests, Customers and aircraft servicing and as otherwise ancillary or permitted in connection with Lessee's use of the Premises under this Lease, the Lessee shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to the general public.

7.14 Except for services permitted under Article 3 hereof to be performed by Lessee, its agents, employees or representatives or Lessee's subcontractors, Lessee shall provide prompt written notice to the County of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Premises for commercial purposes without a valid permit from the County.

7.15 It is the intent of the parties hereto that noise, including but not limited to noise caused by aircraft engine operation shall be held to a minimum. To this end the Lessee will use reasonable efforts to ensure that the Customers conduct their operations in such a manner as to minimize the noise produced by aircraft engines and component parts thereof, with respect to aircraft owned, leased, managed or operated by such Customers, or any other noise by such methods as are practicable, considering the extent and type of the operations of such Customer. In addition, Lessee will use reasonable efforts to ensure that each Customer employs, with respect to aircraft owned, leased, managed or operated by such Customer, the maximum amount of noise arresting and noise reducing devices that are available and economically practicable

considering the extent of the operations of such Customer but in no event less than those devices required by applicable federal, state or local law enacted subsequent to the date hereof. Lessee shall use reasonable efforts to ensure that the Customers, in their use of the Premises, take all reasonable care, caution to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Premises. In the event County determines that the Lessee has not curbed the prop or jet blast interference as required under this Lease, the Lessee hereby covenants and agrees to erect and maintain at its own expense (but subject to the provisions of Article 5 of this Lease), or at the expense of the Customers, such reasonable structure or structures as may be commercially practicable to reduce prop or jet blast interference, subject, however, to the prior written approval of County as to type, manner and method of construction, which approval shall not be unreasonably withheld, conditioned or delayed.

7.16 Lessee acknowledges its obligation to comply with all applicable published noise abatement procedures in effect for the Airport and agrees to use reasonable efforts to ensure that the Customers actively participate in the Airport's overall noise abatement program as developed by the Airport Noise Abatement Office, including compliance with recommended arrival and departure tracks and profiles, local traffic procedures, use of reverse thrust nighttime operations and maintenance run-ups.

7.17 Lessee agrees that all aircraft "maintenance run-up operations" at the Airport shall be conducted in approved locations specified by the Airport Manager. Advance notification of, and approval for maintenance run-ups must be obtained from the Airport Manager and coordinated with the Control Tower.

7.18 In addition, the Lessee shall undertake the following program to promote and educate its Customers with regard to Voluntary Restraint From Flying ("VRFF") occurrences:

(A) Policies related to the VRFF program will be distributed to all aircraft authorized users once a year with a cover letter expressing the need to understand the concerns of the local community and the Customer's responsibility to respect the VRFF program at all times.

(B) Lessee shall use reasonable efforts to cause any Customer with sufficient aircraft activity to establish and assign a VRFF program monitor to coordinate with the County's Environmental Office to ensure compliance with the VRFF program.

(C) Lessee shall use reasonable efforts to cause any Customer with sufficient aircraft activity to annually review its VRFF occurrences for the preceding year and implement a program to reduce the number of annual or monthly occurrences as a commitment to the local community.

(D) Lessee shall use reasonable efforts to cause any Customer with sufficient aircraft activity to make every reasonable attempt to reduce the number of VRFF occurrences related to the departure of an aircraft within the first half-hour or last half-hour of the VRFF period.

7.19 Lessee shall, in its own name, register all existing or future petroleum tanks located on the Premises with the Westchester County Department of Health and any other agency having jurisdiction over such tanks.

7.20 Lessee, at its own expense, shall construct or modify a deicing collection system capable of supporting large corporate aircraft, the design of which shall be subject to the County's approval which approval shall not be withheld if such deicing system is currently in

use by any other tenant at the Airport or is used in the Aviation industry. Lessee shall be responsible, at its own expense, for removing and properly disposing of all spent deicing fluid captured within the containment system.

7.21 In addition to complying with all applicable federal, state and local laws, rules and regulations as may be required elsewhere in this Agreement, Lessee shall comply with the following:

(A) Building Maintenance

(i) Petroleum Bulk Storage code for Underground and Above-Ground Storage Tanks

(ii) Boiler Operation Procedures

(iii) Recycling Laws

(iv) SARA Tier II Reporting

(v) County Pesticide Reduction Law

(vi) Airport Environmental Management System

(B) Aircraft Operation

(i) Airport Deicing Rules

(ii) Noise Abatement Programs and Procedures

(iii) Airport-Wide Spill Procedures

**ARTICLE 8
INGRESS AND EGRESS**

8.1 The Lessee shall have the right to ingress and egress between the Premises and the public landing areas at the Airport by means of connecting taxiways and roads, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.

8.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. The County agrees that such rules and regulations shall be promulgated and enforced in a non-discriminatory manner. County may, at any time, temporarily or permanently, close or consent to or request the closing of any such roadway or taxiway and any other way at, in or near the Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee and its Customers and so long as such closure does not materially hinder or obstruct Lessee's and its invitees, guests, employees, and/or customers access to and from the Premises. The Lessee hereby releases and discharges the County, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, so long as a reasonable means of access to and from the Premises remains available to the Lessee and its Customers whether within the Premises or outside the Premises at the Airport, unless otherwise mandated by safety considerations or lawful exercise of the County's police power.

ARTICLE 9
INSURANCE, DAMAGE OR DESTRUCTION

9.1 At all times Tenant shall cause the improvements which are or may hereafter be erected on the Land to be insured for the mutual benefit of Landlord and Tenant against:

(A) loss or damage by fire, and "special form" coverage as shall be customary for premises similarly situated in Westchester County from time to time in amounts sufficient to prevent Landlord or Tenant from becoming a co-insurer within the terms of the applicable policies and in no event, less than one hundred per cent (100%) of the then replacement cost (as hereinafter defined) of the improvements on the Land reserving the right to increase such coverage as and when the replacement value increases. The term "replacement cost" means the actual replacement cost of the such improvements (excluding foundation, footing and excavation costs) and said "replacement cost" shall be determined at the request of Landlord and paid by Tenant by an architect, appraiser or one of the insurers, reasonably and mutually acceptable to Landlord and Tenant, but such determination shall not be required to be made more frequently than once every three (3) years. No omission on the part of Landlord to request any such determination shall relieve Tenant of its obligations hereunder;

(B) loss or damage by explosion of steam boiler, air conditioning equipment, pressure vessels or similar apparatus, now or hereafter installed in any improvements on the Land in such limits with respect to any one accident in adequate amounts as determined by Tenant, but not less than shall be customarily obtained for premises similarly situated in Westchester County; and

(C) such other hazards and in such amounts as Landlord may reasonably require and as at the time are commonly insured against with respect to buildings similar in

character, general location, and use and occupancy, and in amounts customarily carried with respect thereto for premises similarly situated in Westchester County, due regard being, or to be given, to the height and type of building, its construction, use and occupancy.

9.2 Upon commencement of the Term, Tenant shall also maintain the following insurance naming the Landlord as an additional insured:

(A) rental value insurance policy covering loss of rental due to the occurrence of any of the hazards described in Section 9.1(A) and (B) in an amount sufficient to prevent Tenant from becoming co-insurer within the terms of the policy or policies in question, but in any event, at least equal to the aggregate requirements for the period of twelve (12) months following the occurrence of the insured casualty for the fixed or basic rent due under this Lease;

(B) commercial general liability insurance against claims for bodily injury, death or property damage occurring upon, in or about the Premises, with such limits as may from time to time be customary for similarly situated premises in Westchester County, but as of the date hereof shall be at least a per occurrence limit of Ten Million (\$10,000,000) Dollars and Five Million (\$5,000,000) Dollars for property damage;

(C) Automobile liability insurance providing for a minimum combined single limit per occurrence of \$5,000,000 and providing coverages for owned, non-owned and hired vehicles;

(D) Airport liability insurance providing for a combined single limit of liability per occurrence of \$10,000,000 to include the following coverages: premises and operations, contractual liability broad form and products liability;

(E) Workers' Compensation, employer's liability in the statutory form not less than \$1,000,000; and

(F) Hangar-keepers liability providing for minimum limits of \$10,000,000.

9.3 All insurance provided for under this Agreement shall be effected under valid enforceable policies issued by insurers licensed to do business in the State of New York carrying a Best financial rating of A or better. If the insurance company providing such coverage shall become financially incapable of performing under the terms of said policy, Tenant shall promptly obtain a new policy and submit it as previously required. Certificates of such insurance shall be delivered to Landlord. At least thirty (30) days after the expiration date of any policy, a certificate evidencing the renewal policy for such insurance shall be delivered by Tenant to the holder of the expiring original policy, and certificates thereof shall be delivered as aforesaid, together with satisfactory evidence of payment of the premium on such policy. Landlord may, after ten (10) days written notice to Tenant and upon Tenant's failure to deliver the said certificate to Landlord, procure and/or pay for the same, and the amounts so paid by Landlord shall become due and payable forthwith by Tenant as additional fees or rental; it being hereby expressly covenanted and agreed that payment by Landlord of any such premium shall not be deemed to waive or release the default by Tenant in payment thereof, or the right of Landlord to take such action as may be permissible hereunder, in the case of such default. To the extent obtainable, all such casualty policies shall contain agreements by the insurers that (i) such policies shall not be cancelled except upon thirty (30) days prior written notice (if available from the insurer without additional cost, but in no event less than ten (10) days) to each named insured and loss payee, (ii) the coverage afforded thereby shall not be affected by the performance of any

work in or about the Premises and (iii) no act or omission of Landlord, Tenant or sublessees shall affect or limit the obligation of such insurer to pay the amount of any loss sustained.

The insurance policies required under this Agreement to be furnished by Tenant to Landlord may, at the election of Tenant, be furnished and/or paid for by any subtenant or other person having an insurable interest in the Premises, and Landlord shall accept such policies as though they had been supplied and paid for by Tenant provided such policies shall comply otherwise with the requirements of this Agreement. Except with respect to insurance required by Section 9.2(B), neither party shall take out separate insurance. Notwithstanding anything to the contrary contained in this Agreement, Tenant shall have the sole right to adjust or otherwise settle any claim for insurance proceeds under any insurance policy maintained pursuant hereto.

9.4 Tenant shall not violate, or permit to be violated, any of the conditions of any of the said policies; and Tenant shall perform and satisfy, or cause to be satisfied, the requirements of the companies writing such policies and any reasonable request of the Landlord to increase the coverage provided under same, which request shall not be made more than once every three (3) years.

9.5 Each party hereto hereby releases the other, and its authorized representatives and agents, from any claims for damage or loss to any person, the Premises or the Airport that are caused by, or result from, risks insured under any insurance policies carried by either party hereto and in force at the time any such damage occurs. Each party hereto shall cause each insurance policy obtained by it to provide, to the extent available, that the insurer waives all right or recovery by way of subrogation against the other party in connection with any damage and/or liability covered by said insurance.

9.6 Tenant covenants that in case of damage to or destruction of the Premises by fire or any other casualty, similar or dissimilar, insured or uninsured, it will promptly, at its sole cost and expense, but subject to the terms and conditions of this Agreement restore, repair, replace or rebuild the Premises so damaged or destroyed as nearly as possible to the condition, quality and class it was in immediately prior to such damage or destruction, or with such changes or alterations as Tenant shall elect to make in conformity with the provisions of this Agreement. Such restoration, repairs, replacement or rebuilding shall be commenced promptly and prosecuted with reasonable diligence, subject to Force Majeure.

9.7 Except to the extent damage is due to the sole negligence or misconduct of Landlord, if the insurance proceeds, if any, recovered in respect of any insured damage or destruction, less any cost of recovery, shall be insufficient to pay the entire cost of such restoration, repairs, replacement or re-building, Tenant covenants to pay the deficiency.

9.8 The fees and additional rent due from Tenant to Landlord during the period from the date of the casualty until the completion of the restoration, repairs, replacement or rebuilding, shall be abated, but only to the extent of the net amount actually received by Landlord under the rental value insurance referred to hereinabove for application to the fees and additional rent becoming due and payable during said period.

9.9 Except as provided in herein, Tenant's obligation to make payment of the fees, and all other charges on the part of Tenant to be paid and to perform all other covenants and agreements on the part of Tenant to be performed shall not be affected by any such damage to or destruction of the improvements on the Premises unless Tenant is unable to perform its obligations hereunder due to such casualty.

ARTICLE 10
LIABILITIES AND INDEMNITIES

10.1 Lessee agrees to protect, defend, indemnify and hold harmless the County (its officers, agents, servants and employees) from and against any and all costs, liabilities, damages and expenses (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, whether false, fraudulent or frivolous, by any person, firm or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including County's personnel and property, directly arising from, or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors or sublessees in respect of this Lease or Lessee's use and occupancy of the Premises or the Airport. In any case in which such indemnification would violate Section 5 322.1 of the New York General Obligations Law, or any other applicable legal prohibitions, the foregoing provisions concerning indemnification shall not be construed to indemnify the County, its officers, employees or agents for their negligence or willful misconduct. Provided, however, that upon the filing with the County by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the County harmless, the County shall notify Lessee in writing of such claim (and to the extent any delay or failure in providing such notice prejudices Lessee, Lessee shall not have any obligation under this Section 10.1 to the extent so prejudiced) and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of the County. It is specifically agreed, however, that the County at its own cost and expense may participate in the legal defense of any such claim. Any final judgment rendered against the County for any cause for which Lessee is liable hereunder shall be conclusive against Lessee as to liability and amount upon the expiration of the time for appeal.

10.2 In addition to Lessee's undertaking, as stated in this Article, and as a means of further protecting the County, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect public liability and automobile liability insurance coverage as set forth in Schedule "D", attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's Lessees and Sublessees, to carry insurance coverage customary for their operations, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insureds.

10.3 The County reserves the right to reasonably increase the minimum liability insurance requirements set forth in Schedule "D" when, in the County's reasonable opinion, the risks attendant to Lessee's operations hereunder have materially increased.

10.4 Except for the amount, if any, of damage caused by or resulting from the negligence or willful misconduct of Lessee, its officers, directors, employees, agents and contractors, County shall protect, defend, indemnify and hold harmless Lessee, its principals, officers, directors, employees, agents and contractors from and against any and all liability, damage, claims, demands, costs, judgments, or fees (including, without limitation, reasonable attorneys' fees) directly arising from, or resulting from, any negligence or willful misconduct of County, its agents, servants, employees, contractors or other third parties under the direction or control of County.

10.5 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in any way connected with this Agreement. The Lessee agrees to save and hold the County, its officers, employees, agents and representatives free and harmless of and from any loss,

liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright by Lessee, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.

10.6 The parties represent and warrant to one another that no broker has been retained on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. Each party shall indemnify and save harmless the other of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the respective other party.

10.7 **ENVIRONMENTAL INDEMNIFICATION:**

(A) Except as set forth in that certain Phase I Environmental Site Assessment for the Premises, dated February 2014, a copy of which has been delivered to the County, the Lessee represents and warrants and guarantees to the County as follows:

(i) the Lessee has no knowledge of, and has not received any notice of any condition at, on, under or related to the Premises or ground or surface waters associated therewith or migrating or threatening to migrate to or from the Premises which may have a material effect on the value of the Premises or subject the owner thereof to potential liabilities in accordance with the Environmental Requirements (as defined below); and

(ii) the Lessee has no knowledge of, has and has not received any notice of any condition at, on, under, or related to the Premises (or ground or surface

waters associated therewith) or migrating or threatening to migrate to or from the Premises presently or potentially posing a significant hazard to human health or the environment; such conditions being defined as "Hazardous Materials" below; and

(B) Definitions. For the purposes of this Agreement and this Section 10.7, the following definitions will apply:

(i) "Hazardous Materials" will mean any substance:

(a) the presence of which requires investigation or remediation under any federal, state, or local statute, regulation, ordinance, order, action, policy or common law; or

(b) which is or becomes defined as a hazardous waste, hazardous substance, pollutant or contaminant under any federal, state or local statute, regulation, rule, or ordinance or amendments thereto including, without limitation, the United States Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 USC §9601 (14) 42 USC §9602, and any "hazardous waste" as defined in or listed under the United States Solid Waste Disposal Act, as amended, 42 USC §6901(5), 42 USC §6921; or

(c) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous, and is or becomes regulated by any governmental authority, agency, department, commission, board or instrumentality of the United States, the State of New York or any political subdivision thereof; or

(d) the presence of which, on the Premises, causes or threatens to cause a nuisance on the Premises or to nearby properties, or poses or threatens to pose a hazard to the health and safety of persons on, about or nearby the Premises; or

(e) the presence of which on nearby properties would constitute a trespass by the owner of the Premises; or

(f) which contains, without limitation, gasoline, diesel fuel, or other petroleum hydrocarbons; or

(g) which contains, without limitation, polychlorinated biphenyls (PCBs), asbestos, or urea formaldehyde foam insulation.

(ii) "Environmental Requirements" will mean all applicable present and future statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, concessions, franchises, and similar items, of all government agencies, departments, commissions, boards, bureaus, or instrumentalities of the United States, the State of New York and the political subdivisions thereof; and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment.

(C) The Lessee hereby acknowledges and agrees that it will defend and indemnify the County for any Environmental Damages (as defined below), arising out of or in any way connected with the Lessee's use of the Premises. Environmental Damages will mean all claims, damages, losses, penalties, fines, liabilities (including strict liability), encumbrances, liens, costs and expenses of investigation and defense of any, whether or not such claim is ultimately defeated, and any good faith settlement or judgment, of whatever kind or nature,

contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, including without limitation reasonable attorneys' fees and disbursements and consultants' fees, any of which are incurred as the result of the existence of "Hazardous Materials" at, on, under or related to the Premises (or ground or surface water associated therewith) or migrating or threatening to migrate to or from the Premises, or the existence of a violation of Environmental Requirements pertaining to the Premises, regardless of when the existence of such Hazardous Materials or the violation of Environmental Requirements arose, including without limitation:

(i) damages for personal injury, death or injury to property or natural resources occurring on or off the Premises, foreseeable or unforeseeable, including without limitation, lost profits, consequential damages, the cost of demolition or rebuilding of any improvements of real property, interest and penalties;

(ii) fees incurred for the service of attorneys, consultants, contractors, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such Hazardous Materials violation of Environmental Requirements including, but not limited to, the preparation of any feasibility studies or reports or the performance of any cleanup, remediation, removal, response, abatement, containment, closure, restoration or monitoring work required by any federal, state or local governmental agency or political subdivision, or reasonably necessary to make the full use of the Premises or any other related property or otherwise expended in connection with such conditions;

(iii) liability to any third person or governmental agency to indemnify such person or agency for the costs expended in connection with the items referenced in subsection (ii) herein; and

(iv) diminution in the value of the Premises and damages for loss of business from restriction on the use of the Premises or any part thereof.

All of the provisions of this Section 10.7 shall survive the expiration or other termination of this Agreement.

ARTICLE 11 RULES AND REGULATIONS

11.1 From time to time County may adopt and enforce rules and regulations with respect to the occupancy and use of the Airport. The County agrees that such rules and regulations shall be promulgated and enforced in a non-discriminatory manner. Lessee agrees to observe and obey any and all rules and regulations and all Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. County reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws. Lessee hereby acknowledges receipt of a current copy of such County rules and regulations (the "Rules and Regulations").

ARTICLE 12 SIGNS

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

ARTICLE 13
ASSIGNMENT AND SUBLEASE

13.1 Except as provided in this Article 13, Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of the County, which consent shall not be unreasonably withheld, delayed or conditioned. In no event, however, shall any delay or failure of any governmental or legislative body (including the Westchester County Board of Acquisition and Contract and the Westchester County Board of Legislators) to consent or approve any action be deemed to be unreasonable.

(A) Tenant may, without requiring Landlord's consent or approval, assign the Lease or sublet all or a portion of the Premises to a wholly-owned subsidiary of Tenant, or an entity controlled by or under common control with Tenant. Further, notwithstanding anything contained in this Section to the contrary the members of Lessee shall have the right to: (i) transfer ownership interests in Lessee to immediate family member (i.e., parents, spouse, siblings and/or children) or one or more trusts for their respective benefits for estate planning purposes or among themselves, provided that Roger Woolsey at all times remains a "controlling person" (defined below) with respect to Lessee; or (ii) transfer ownership interests to third parties or entities provided that Roger Woolsey at all times remains a "controlling person" with respect to Lessee. For purposes hereof, "controlling person" means a person who possesses the power to direct Lessee's policies and its day to day operations.

(B) Lessee agrees to provide the County with written notice of any proposed assignment or transfer, and whatever information the County shall reasonably request concerning the identity, background, financial responsibility and other qualifications of the entity or entities involved in any such proposed transfer or assignment. Lessee acknowledges that the County

cannot and will not act upon any request for approval of any such proposed transfer or assignment unless and until complete and accurate information is supplied regarding the parties thereto. Lessee further agrees to furnish, at such times as the County may request, a complete statement sworn and subscribed by the president or other executive officer of Lessee, setting forth the names of all members of the Lessee and the extent of their respective holdings and the names and extent of beneficial interest of any other parties owning ten (10%) percent or more of Lessee's membership interests, or in lieu thereof, Lessee shall furnish a copy of a proxy statement or such other documents as may be required by the Securities and Exchange Commission and by the organizational documents of the Lessee in connection with the proposed transfer of beneficial interest.

(C) Lessee acknowledges that its assurance of full and faithful performance of these provisions (Article 13) is a special inducement for the County to enter into this Agreement. An assignment or transfer in violation of this Article 13 shall constitute a material default hereunder and without limiting any other right or remedy to which the County may be entitled, either at law or hereunder, the County shall be entitled to terminate this Agreement in accordance with Article 19 hereof.

(D) Notwithstanding the foregoing or anything contained in this Agreement to the contrary, Tenant may, upon notice to Landlord but without requiring Landlord's consent and/or approval: assign, sublet, mortgage or convey this Lease in connection with, and to consummate, any bond financing or other publicly sponsored financial benefit available to Tenant including Industrial Development Agency or similar public benefit financing and/or incentives (such as, for example, an Industrial Development Agency "straight lease" transaction or Industrial Development Agency bond financing); provided copies of all instruments relating to

such assignment or subleasing are delivered to the County within thirty (30) days of the effective date of any such transaction.

13.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder in contravention of this Lease shall entitle the County at its option to forthwith cancel this Lease.

13.3 Any assignment of this Lease approved by the County shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Lease, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to, the payment of all sums due or to become due by Lessee under the terms hereof. In the event the County approves an assignment of this Lease, assignee shall be required to pay the County two (2) months' rent as security for the faithful performance hereunder by assignee. In lieu of posting a cash security deposit, such assignee may effect such deposit by delivering to the County a letter of credit in such amount. Effective upon such assignment to such assignee, Lessee will be released from all of its obligations under this Lease arising from and after such assignment.

13.4 Intentionally omitted.

13.5 No consent by the County to subleasing by Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the County set forth or arising from this lease and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.

13.6 No consent by the County to subleasing by the Lessee to a person, corporation or partnership conducting any business for profit derived from activities at the Airport shall be

granted by the County without a duly executed Permit Agreement between the County and the sublessee.

13.7 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this Agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Article or if the Leased Premises are occupied by anyone other than the Lessee, in violation of the foregoing provisions of this Article 13, County may collect from any assignee, sublessee or anyone who claims a right to this Agreement or who occupies the Leased Premises any charges or fees payable by it and may apply the net amount collected to the rents herein reserved and no such collection shall be deemed a waiver by County of the agreements contained in this Article 13 nor of acceptance by County of any assignee, claimant or occupant, nor as a release of the Lessee by County from the further performance by the Lessee of the agreements contained herein.

13.8 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the County (such consent not to be unreasonably withheld, delayed or conditioned), sublet a portion or portions of the Leased Premises. In selecting subtenants for such space, Lessee shall give first priority to a person, partnership, firm or corporation ("Proposed Sublessee"), engaged in a business that is, in the reasonable opinion of the County, compatible with authorized Airport business. In the event that the rental reserved in the sublease exceeds the rental or the pro rata rental, as the case may be, reserved to the County hereunder, Lessee shall pay to the County monthly, as additional rental, at the same time as the monthly installments of rental hereunder, an amount equal to fifty (50%) percent of the excess of the rental reserved in the sublease over the rental reserved to the County hereunder applicable to such subleased space. Each such sublease shall contain a covenant requiring the sublessee to

obtain and maintain in full force and effect for the sublease term, a permit from the County to conduct business at the Airport and shall provide that breach of such covenant shall constitute a material default of the sublease which, if not promptly cured, shall cause a termination of such sublease. In no event shall the Lessee sublet all or any portion of the Leased Premises to another fixed base operator or a parent corporation or other affiliated entity of such fixed base operator that is already located at the Airport. Notwithstanding the foregoing, Lessee may permit its Customers to use any portion of the Premises without any need for the County's consent and shall not constitute a sublease for purposes of this section.

13.9 Notwithstanding anything in Article 13 to the contrary, in no event shall Lessee sell, convey, transfer, mortgage, pledge or assign this Agreement to another fixed base operator or a parent corporation or other affiliated entity of such fixed base operator that is already located at the Airport unless the County approves and consents to same.

ARTICLE 14 CONDEMNATION

14.1 If, at any time during the Term, there shall be a total taking or a constructive total taking (as herein defined) of the Premises in condemnation proceedings or by any right of eminent domain or by agreement between Landlord and Lessee and those authorized to exercise such rights (any such matters being hereinafter referred to as a "taking"), this Agreement shall terminate and expire on the date of such taking and the fees or additional rent, and other charges payable by Tenant hereunder shall be apportioned and paid to the date of such taking. A voluntary sale by Landlord to any party having the power to effect a taking, either under a threat or exercise of that power, or while proceedings are pending or changes in rules and regulations regarding use and ingress and egress to Premises by Landlord, shall be deemed a taking, if the Premises can no longer be used by Tenant for the purposes set forth herein. For the purposes of

this Article the term "constructive total taking" shall mean a taking of such scope that the untaken portion of the Premises cannot in the reasonable judgment of Tenant, be developed, constructed, repaired, used, or reconstructed for the purposes set forth herein in accordance with applicable laws, rules and regulations, taking into consideration the nature of the untaken portion and the amount of the award available for development, construction, repair or reconstruction. For purposes of this Article, the "date of taking" shall be deemed to be the earlier of (i) the date on which actual possession of the whole or substantially all of the Premises, or a part thereof, as the case may be, is acquired by any lawful power of authority pursuant to the provisions of applicable federal or state law or (ii) the date on which title to the Premises or the aforesaid portion thereof shall have vested in any lawful power of authority by condemnation pursuant to the provisions of applicable federal or state law. In the event that the Premises or any part thereof shall be condemned and taken by authority of eminent domain for any purpose during the term of this Lease, it is understood and agreed that for purposes of this section title to the Land remains fully vested in the County free and clear of any liens or encumbrances and title to the Premises including the Improvements (except for the Land) remains fully vested in Lessee. Lessee and the County, as applicable and in accordance with applicable law, may appear in any such condemnation proceeding and present its claims for damages as a result of such taking.

14.2 If there is no total taking or a constructive total taking but, in the Lessee's judgment, the remaining portion of the Premises is insufficient for Lessee's operations authorized hereunder, Lessee may terminate this Agreement and all of its rights and unaccrued obligations hereunder effective as of the date it is dispossessed of the condemned portion, by giving County written notice of such termination. If Lessee does not terminate this Agreement as aforesaid, then Lessee and the County shall agree on rent for the remaining portion of the Premises.

ARTICLE 15
NON-DISCRIMINATION

15.1 The Lessee, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a United States government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

15.2 The Lessee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (a) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Premises; (b) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (c) that the Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

15.3 In this connection, the County reserves the right to take whatever action it might be entitled by applicable law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing more than thirty (30) days after written notice by County to cease and desist, will constitute a material breach of this Agreement and will entitle the County, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.

15.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Premises providing service to the public and shall include thereon a provision granting the County a right to take such action as the United States may direct to enforce such covenant.

15.5 The Lessee shall indemnify and hold harmless the County from any claims and demands of third persons including the United States of America resulting from the Lessee's non-compliance with any of the provisions of this Article 15 and the Lessee shall reimburse County for any loss or expense incurred by reason of such non-compliance.

15.6 The Lessee further assures that it will comply with 14 CFR Part 152, Subpart E, on affirmative action programs to insure that no person shall on the grounds of race, creed, color, national origin, or sex, be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this Subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action programs

as required and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

**ARTICLE 16
GOVERNMENTAL REQUIREMENTS**

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

16.2 The Lessee shall pay, as additional rent, all taxes, license, certification, permit and examination fees and excise which may be assessed, levied, exacted or imposed on the Premises or operation hereunder or on the gross receipts or income to Lessee therefrom, and shall make all applications, reports and returns required in connection therewith. Nothing in this Lease shall require Lessee to pay any franchise, corporate, estate, inheritance, succession, capital, levy, transfer, federal income, or revenue tax of the County. At the County's request, Lessee shall provide information sufficient for the County to evaluate Lessee's compliance with its obligations under this Agreement.

(A) Without limiting the generality of Section 16.2 above, the Lessee shall pay to the appropriate tax collection agency when due and payable, without deduction or set-off, all real estate taxes, general and special assessments, water rents, rates and charges, sewer rents and all other governmental impositions and charges of every kind and nature, if any, extraordinary and ordinary and any taxes in lieu of the foregoing (hereinafter collectively referred to as "Real Estate Taxes") levied, imposed or assessed by any local taxing authority during the Lease Term of or any part thereof upon the land, buildings and other improvements constituting the Premises. Real Estate Taxes shall include any new tax of a nature not presently in effect but which may be

hereafter levied, assessed or imposed upon the County or the Premises, if such tax shall be based on or arise out of the use or operation of the Premises or the County's ownership of the Premises.

16.3 Lessee shall have the right, at its own cost and expense, to institute an action which the County as owner of the Premises could institute pursuant to Article 7 of the Real Property Tax Law or otherwise to obtain judicial review of the Assessment of the Premises or otherwise contest in good faith the validity of any Real Estate Taxes. If any Real Estate Taxes as may be assessed against the Premises are reduced as a result of such action, the Lessee shall be entitled to the full benefit thereof, including any refund payable to Lessee resulting therefrom. Except with respect to that portion of the Premises used for Light General Aviation, Lessee hereby waives any right otherwise available to it to seek a judicial determination with respect to the non-exempt taxable status of the Premises.

16.4 In addition to compliance by the Lessee with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term hereunder which as a matter of law are applicable to the operation, use or maintenance by the Lessee of the Premises or the operations of the Lessee under this Agreement, the Lessee agrees that it shall conduct all its operations under this Agreement and shall operate, use and maintain the Premises in such manner that there will be at all times a minimum of air pollution or any other type of pollution and a minimum of noise emanating from arising out of or resulting from the operation, use or maintenance of the Premises by the Lessee and from the operations of the Lessee under this Agreement.

(A) County hereby reserves the right from time to time and at any time during the term of the Agreement to require the Lessee, and the Lessee agrees, to design and construct at its sole cost and expense, subject to the provisions of Article 5 of this Lease, such reasonable

structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objective as set forth in the first sentence of Article 16.4. All locations, the manner, type and method of construction and the size of any of the foregoing shall comply with applicable laws and regulations.

ARTICLE 17
RIGHTS OF ENTRY RESERVED

17.1 The County, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times, upon reasonable notice to Lessee except in cases of emergency, to enter upon the Premises for any and all purposes, provided, such action by the County, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Premises.

17.2 Without limiting the generality of the foregoing, the County, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Premises at all reasonable times, upon reasonable notice to Lessee except in cases of emergency, to make such repairs, replacements or alterations thereto, as may, in the opinion of the County, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Premises such systems or parts thereof and in connection with such maintenance use the Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, the County shall not unreasonably interfere with the actual use and occupancy of the Premises by the Lessee and, further, after such work has been completed by the County, the Premises shall be in substantially the same condition

existing prior to the commencement of such work. It is specifically understood and agreed that the reservation of the aforesaid right by the County shall not impose or be construed to impose upon the County any obligation to repair, replace or alter any utility service lines now or hereafter located on the Premises for the purpose of providing utility services only to the Premises.

17.3 In the event that any personal property of Lessee shall obstruct the access of the County, its officers, employees, agents or contractors, or the utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system, Lessee shall move such property, as directed by the County or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from County or said utility company to do so, except for airplanes (including helicopters), the County or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result therefrom, except for claims for damages arising from the County's sole negligence or willful misconduct.

17.4 Exercise of any or all of the foregoing rights, by the County, or others under right of the County, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement or rental nor any claim or demand for damages consequential or otherwise.

ARTICLE 18
ADDITIONAL RENTS AND CHARGES

18.1 In the event Lessee fails within thirty (30) days (or, in the case of Section 5.4(b), ninety (90) days) after receipt of written notice from County to perform or commence to perform any obligation required herein to be performed by Lessee, County may enter the Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to the County upon demand such charge in addition to any other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform such obligation endangers the safety of the public or employees or property of the County, or other Lessees of the Airport, and County so states in its written notice to Lessee, the County may perform such obligation of Lessee at any time after the giving of such written notice, and charge to Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.

18.2 If the County elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, after written notice from the County to the Lessee and an opportunity for Lessee to cure, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the County as the result of such failure, neglect or refusal of Lessee, including interest, not to exceed ten percent (10%) per annum, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same

shall be and become additional rent recoverable by the County in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

18.3 Lessee shall pay, as additional rent, its proportionate share of any federal, state or locally mandated security measures that are related to the Lessee's operation. Such additional rent shall be fairly allocated among all Airport Lessees based on an equitable formula to be reasonably determined by the County.

ARTICLE 19 TERMINATION BY COUNTY

19.1 In the event that the Lessee shall default in the payment of rental, additional rental or any other material charges required by this Agreement to be paid to the County, and such default shall continue for a period of thirty (30) business days after written notice from the County, the County may terminate this Agreement and all rights and privileges granted hereby to the Lessee in and to the Premises on five (5) business days prior written notice to Lessee. If Lessee shall fail to cure its default by payment of the delinquent amount in full within such five (5) business day period, this Agreement and all rights and privileges granted hereby in and to the Premises shall terminate.

(A) At any time following a default in the payment of rental, additional rental or any other charges by Lessee which has been cured pursuant to Section 19.1 above, the County may demand and Lessee shall deliver to the County within ten (10) business days after demand a balance sheet of Lessee, dated as of a date within 120 days prior to the date of such demand, which presents fairly Lessee's financial condition. If Lessee shall fail to deliver such balance sheet in accordance with this Section 19.1(A), Lessee shall conclusively be deemed in material default of this Section 19.1(A).

19.2 This Agreement together with all rights and privileges granted in and to the Premises shall terminate automatically upon the happening of any one or more of the following events:

(A) If Lessee shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors; or the Lessee shall commence any case, proceeding or action seeking to have an order for relief entered on its behalf as debtor or to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property; or the Lessee shall take any corporate action to authorize, or in contemplation of, any of the actions set forth in this Section 19.2(A).

(B) If the Lessee hereunder shall be adjudicated insolvent or bankrupt in an involuntary proceeding, or if a receiver, trustee, custodian or other similar official is appointed in such proceeding or if any case, proceeding or action is commenced seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or of its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors and said adjudication or appointment of a receiver or trustee remains unvacated or not stayed by appeal for a period of one hundred twenty (120) days.

(C) If Lessee shall abandon the conduct of its authorized Airport business at the Airport. In this regard, suspension of operations for a period of one hundred twenty (120) days will be considered abandonment in the absence of a satisfactory explanation, which is accepted in writing by the County.

19.3 Upon the default by Lessee in the performance of any material covenant or conditions required to be performed by Lessee (other than default which can be cured by payment of money pursuant to Section 19.1 above), and the failure of Lessee to remedy such default, after notice thereof in writing from County to Lessee, and expiration of thirty (30) days or other applicable cure period, the County shall have the right to cancel this Agreement for such cause; provided that if such default by its nature or under the circumstances is not susceptible of cure within such period, same shall be extended provided Lessee commences and diligently prosecutes such cure.

19.4 Upon the default by Lessee, and the giving of written notice by the County to cancel this Agreement as provided for herein, said written notice of cancellation shall become final in accordance with its terms; provided, however, that should the County determine after the cure period specified herein that Lessee is diligently remedying such default to completion, and so advise Lessee in writing, said written notice of cancellation shall be held in abeyance. If, however, the County determines that such default is no longer being diligently remedied to conclusion, the County shall so advise Lessee in writing, and said written notice of cancellation shall no longer be held in abeyance for any reason and shall become final without further notice to Lessee. The determination of the County in this regard shall in all events be conclusive and binding upon Lessee.

19.5 Upon the cancellation or termination of this Agreement pursuant to this Lease, all rights of Lessee, Lessees and any other persons in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Premises. Upon said cancellation or termination of this Agreement pursuant to this Lease, the Premises, except for such personal property which may be removed from said Premises as

provided elsewhere herein, shall be free and clear of all encumbrances and all claims of Lessee, its Lessees, creditors, trustees, assigns and all others and the County shall have immediate right of possession to the Premises.

19.6 Failure of the County to take any authorized action upon default by Lessee of any of the terms covenants or conditions required to be performed, kept and observed by Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of rentals by the County from Lessee, or performance by County under the terms hereof, for any period or periods after a default by Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by Lessee shall not be deemed a waiver or estoppel of any right on the part of the County to cancel this Agreement for any subsequent failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

**ARTICLE 20
TERMINATION BY LESSEE**

20.1 In addition to any other right of cancellation herein given to Lessee, or any other rights to which it may be entitled by law, equity or otherwise, as long as Lessee is not in default in payment to County of any amounts due County under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving the County thirty (30) days' advance written notice upon or after the happening of the following events:

(A) Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Premises, or any part thereof necessary to

Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or

(B) The assumption by the United States government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as substantially to restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days or one hundred fifty (150) days in the aggregate in a consecutive twelve (12) month period.

(C) If the County fails to perform any material obligation of the County within thirty (30) days after receipt of written notice from Lessee stating the obligation which the County has failed to perform and demanding performance, then Lessee, in addition to all other remedies at law or in equity, shall have the right to abatement of rent under Article 4 of this Lease for the period of time of the occurrence of the failure of such material obligation.

ARTICLE 21 SURRENDER AND RIGHT OF RE-ENTRY

21.1 Upon the cancellation or termination of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Premises to the County in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the County. Lessee shall have no obligation to remove or

restore any alterations or improvements. Upon such cancellation or termination, the County may re-enter and repossess the Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at County's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to the County current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or material obligations due the County, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Premises, provided a) the removal thereof does not impair, limit or destroy the utility of said Premises or building for the purpose for which they were constructed or improved, and b) Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required.

ARTICLE 22 LEASEHOLD MORTGAGES

22.1 Notwithstanding anything to the contrary set forth herein, Tenant shall have the right, without requiring Landlord's consent or approval, to assign, mortgage, pledge or otherwise encumber the leasehold estate created by this Agreement (collectively, a "Leasehold Mortgage") to an Institutional Investor (as defined below) (a "Leasehold Mortgagee") and give as collateral to the Leasehold Mortgagee such Leasehold Mortgage which Leasehold Mortgage shall include, among other things, an assignment of, and security interest in all of Tenant's rights hereunder, including, without limitation, (i) Tenant's interest in the Premises, this Agreement as well as all personal property, equipment, machinery, fixtures and furnishings located in, on or about the Premises, (ii) the rents, income, receipts, revenues, issues and profits issuing to the Tenant from the Premises, and (iii) any subleases affecting all or any part of the Premises. The term

"Institutional Investor" as used in this Agreement means a bona fide third party mortgage lender or trustee under any bond indenture of trust, including, without limitation, any lender or insurance company, who offers credit enhancement or support for any bond or other security instrument which may be issued to finance all or any portion of the costs of the Proposed Improvements or any lender, or equity investor, who finances all or any portion of the costs of the Proposed Improvements or the acquisition of the Original Lease from Westair.

22.2 A duplicate original or certified or photostatic copy of such Leasehold Mortgage shall be delivered to Landlord within thirty (30) days after the execution and delivery thereof. Following receipt of such notice by Landlord, the provisions of this Article shall apply in respect to such Leasehold Mortgage. In the event of any assignment of the Leasehold Mortgage or in the event of a change of address of the Leasehold Mortgagee or of an assignee of such Leasehold Mortgagee, notice of the new name and address shall be provided to Landlord upon receipt of same by Tenant; provided, that the provisions of this Article as to such mortgagee or assignee shall not be binding on Landlord, unless and until such notice shall have been given and such copy delivered to the Landlord.

22.3 If Tenant shall execute and deliver a Leasehold Mortgage, and if Tenant or the holder of such Leasehold Mortgage shall have notified Landlord in writing of the making thereof and of the name and address of such Leasehold Mortgagee, then:

(A) without the prior written consent of such Leasehold Mortgagee, this Agreement may not be modified, amended, canceled, surrendered or terminated, except for Tenant's default after the applicable cure periods granted the Tenant and Leasehold Mortgagee have expired;

(B) Landlord shall serve upon such Leasehold Mortgagee a copy of each notice of default and each notice of termination given to Tenant under this Agreement, at the same time and in the same manner as such notice is served upon Tenant. No such notice to Tenant shall be effective unless a copy thereof is thus served upon the Leasehold Mortgagee;

(C) the Leasehold Mortgagee shall have the same period of time after the service of such notice upon it within which to remedy or cause to be remedied the default which is the basis of the notice as that which is provided for the payment or other remedy by Tenant of the matter in default, and Landlord shall accept performance by such Leasehold Mortgagee within the time specified herein as timely performance by Tenant; and

(D) in the case of default by Tenant under this Agreement, Landlord shall take no action to effect a termination of this Agreement, by service of a notice or otherwise, without first giving to such Leasehold Mortgagee, a reasonable time within which to either: (a) obtain possession of the Premises and to remedy such default, in the case of a default which is susceptible of being cured when such Leasehold Mortgagee has obtained possession of the Premises, or (b) institute, and with reasonable diligence, complete foreclosure proceedings or otherwise acquire Tenant's leasehold estate under this Agreement in the case of a default which is not susceptible of being cured when such Leasehold Mortgagee has obtained possession of the Premises.

22.4 Nothing herein contained shall be deemed to require the Leasehold Mortgagee to continue with any foreclosure or other proceedings or, in the event the Leasehold Mortgagee shall otherwise acquire possession of the Premises, to continue such possession if the default in respect of which Landlord shall have given the notice provided for in this Section shall be remedied.

22.5 The Leasehold Mortgagee shall not have any liability with respect to this Agreement unless and until such Leasehold Mortgagee shall become the Tenant hereunder.

22.6 The Leasehold Mortgagee shall have no rights greater than the rights of Tenant and shall honor the terms of all subleases and licenses should it become the Tenant hereunder.

22.7 Should the Leasehold Mortgagee become the Tenant hereunder, it shall operate, or subject to Landlord's approval, which approval shall not be unreasonably withheld, delayed or conditioned, appoint a third party to operate the Premises in accordance with the uses and purposes which Tenant intended to operate the Premises as set forth under this Agreement, within a reasonable time of succeeding to the rights and duties of Tenant. In no event, however, shall any delay or failure of any governmental or legislative body (including the Westchester County Board of Acquisition and Contract and the Westchester County Board of Legislators) to consent or approve any action be deemed to be unreasonable.

22.8 This Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate in all respects to all Leasehold Mortgages and building loan agreements, which may now or hereafter affect the Premises and to each and every advance made or hereafter to be made under such Leasehold Mortgage and building loan agreements, and to all renewals, modifications, replacements and extensions of the Leasehold Mortgages and building loan agreements. This Section shall be self-operative and no further instrument of subordination shall be required.

ARTICLE 23 SERVICES TO LESSEE

23.1 County covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the

County may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The County further agrees to use its best efforts to maintain the runways and taxiways in good repair including the removal of snow. County agrees to keep in good repair hard-surfaced public roads for access to the Premises. County also agrees to maintain its water and sanitary sewer and storm facilities in areas designated for utilities or easements adjacent to or under the Premises.

23.2 Lessee will contract with and obtain all required permits from the appropriate County Departments for any utility services provided by County, paying any required connection fees, including those to be paid by owners and all such services will be provided at rates and on terms and conditions established by the County for similar users in the County.

23.3 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Premises and shall pay for all water, gas, electricity, sanitary sewer service, other utilities, heating oil, telephone, burglary and fire protection services furnished to the Premises.

ARTICLE 24 SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

24.1 In the event that this Lease shall have been terminated in accordance with a written notice of termination as provided in Article 19 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, retaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency (excluding consequential damages) shall become due and payable to County to the same extent, at the same time or times, and in the same manner

as if no termination, re-entry, regaining or resumption of possession had taken place. County may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount for the entire unexpired term of this Agreement.

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

(A) The amount of the total of all installments of rents, less the installments thereof paid or payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month.

(B) An amount equal to all reasonable expenses incurred by County in connection with regaining possession, acquiring a new lease for the Premises, legal expenses (including but not limited to attorney's fees), putting the Premises in good order and repair and brokerage fees.

ARTICLE 25
USE SUBSEQUENT TO CANCELLATION OR TERMINATION

25.1 The County, upon termination or cancellation pursuant to Article 19 hereof, may occupy the Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Premises and use the same. Such use may be of only part of the Premises or of the entire Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining,

and on terms and conditions the same as or different from those set forth in this Agreement. The County shall use best efforts to relet the Premises.

25.2 County shall also, upon said termination or cancellation, or upon said re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Premises, including changes which alter its character and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

25.3 In the event either of use by others or of any actual use and occupancy by County, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupant in connection with the use of the said Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the Premises as County may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by County in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Premises, nor shall such use and occupancy constitute a waiver of any rights of County hereunder. County will use its best efforts to minimize damages to Lessee under this Article 25.

ARTICLE 26
LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

26.1 Except for the exclusive right of Lessee to possession of the Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges

with respect to the use of the Premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

ARTICLE 27
NOTICES

27.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be in writing and either sent by registered or certified mail postage pre-paid, or sent by hand or overnight courier, or sent by e-mail (with a copy of the notice, consent or approval sent by overnight courier), to the respective addresses set forth below or to such other addresses as the respective parties hereto may designate in writing. Notice shall be effective on the date of receipt.

To the County:

Commissioner
Department of Public Works and Transportation
148 Martine Avenue, Room 500
White Plains, New York 10601

And to:

Airport Manager
Westchester County Airport
240 Airport Road
White Plains, New York 10604

And to:

County Attorney
Michaelian Office Building, Room 600
148 Martine Avenue
White Plains, New York 10601

To Lessee:

White Plains Aviation Partners LLC
Hangar "M"
Westchester County Airport
White Plains, New York
Attention: General Manager

And to:

White Plains Aviation Partners LLC
7555 Ipswich Road
Houston, Texas 77061
Attention: CEO Office - Contracts Administration

With a copy to:

Cuddy & Feder LLP
445 Hamilton Avenue, 14th Floor
White Plains, New York 10601
Attention: Joseph P. Carlucci, Esq. and Eon S. Nichols, Esq.

And to:

Leasehold Mortgagee pursuant to the provisions of Article 22.

ARTICLE 28 HOLDING OVER

28.1 No holding over by Lessee after the termination of this Lease shall operate to extend or renew this Lease for any further term whatsoever but Lessee will by such holding over become the Lessee at will of County and after written notice by County to vacate such premises, continued occupancy thereof by Lessee shall constitute Lessee a trespasser.

28.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the County shall make Lessee liable to the County for damages equal to one and one-half times the rent which was in effect at the termination of the lease. The foregoing damages shall not be payable for a holding over period

during which the parties are actively engaged in good faith negotiations to extend or renew this Lease or enter into a new lease beyond the termination of this Lease.

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

ARTICLE 29 INVALID PROVISIONS

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

ARTICLE 30 MISCELLANEOUS PROVISIONS

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

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

30.3 Force Majeure. Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of

God, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified.

During any such period that Lessee is prevented from performing any of its obligations hereunder due to Force Majeure, the rentals provided herein shall be proportionally abated during the period from the date of such interruption until the date that the interruption ceases. The proportional amount of reduction of rentals will be reasonably determined by the County.

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

30.5 Quiet Enjoyment. Provided that no event of default of Lessee beyond any notice, cure or grace period has occurred and is continuing, the County covenants and agrees that Lessee shall lawfully and quietly hold, occupy and enjoy the Premises during the Term of this Agreement, without hindrance or molestation by or from anyone claiming by, through or under the County.

30.6 Limited Use. Lessee shall not use, or permit the use of, the Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.

30.7 Choice of Law. This Agreement shall be construed in accordance with the Laws of the State of New York.

30.8 Benefit. This Agreement is made for the sole and exclusive benefit of the County and Lessee, their successors and assigns, and is not made for the benefit of any third party.

30.9 Ambiguity. In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

30.10 Binding Effect. All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.

30.11 Effectiveness. This Agreement shall not become effective until same has been fully and properly executed and delivered by both parties hereto.

30.12 Title. The titles of the several articles of this Agreement are inserted herein for convenience only and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction hereof.

30.13 No Partnership. Nothing herein contained shall create or be construed as creating a co-partnership between the County and the Lessee or to constitute the Lessee an agent of the County. The County and the Lessee each expressly disclaim the existence of such a relationship between them.

30.14 Living Wage Law.

(A) This Agreement is subject to the Westchester County Living Wage Incentive as set forth in Article III of Chapter 233 of the Laws of Westchester County ("Article III"). Article III requires that all Covered Employers shall provide payment of the Living Wage Incentive as set forth in §233.402 of the Laws of Westchester County.

(B) Pursuant to the provisions of Article III, the County shall have the authority, under the appropriate circumstances, to terminate this Agreement and seek other remedies as set forth therein, for violations of this Article.

(C) The Lessee agrees to uphold the Worker Retention Policy for Certain Covered Employees as set forth in §233.403, where such provision is applicable.

(D) The Lessee agrees to require any subcontractor or other employer that will provide Home Care Services or Building Services in connection with this Agreement, to pay the Living Wage Incentive Rate and comply with all other requirements of Article III, including the Worker Retention Policy for Certain Covered Employees, where such provision is applicable.

A copy of Article III has been provided to the Lessee.

30.15 Environmental Management System. In addition to the Lessee's compliance with all federal, state and local laws, rules and regulations, the Lessee shall cooperate with the Airport's Environmental Management System ("AEMS") established under the ISO 14001 standard. Lessee's cooperation shall include but not be limited to the following:

(A) Lessee shall complete questionnaires provided by the County detailing the types of activities conducted in the Premises;

(B) Lessee shall post the Airport's Environmental Policy Statement prominently throughout the Premises;

(C) Lessee shall appoint an environmental liaison who shall complete an AEMS training course;

(D) Lessee shall train its employees through the use of an AEMS training guide;

(E) Lessee shall require that all of its employees working on the Premises participate in the AEMS; and

(F) Lessee shall require that any sublessees adhere to the requirements of this Section 30.15.

30.16 County and Airport Manager Determinations and Consents. Notwithstanding anything to the contrary herein and for the avoidance of doubt, all calculations, determinations and similar actions by the County, the Airport, the Airport Manager or any of their employees, agents or other representatives in connection with this Lease shall be reasonable, and all consents or other approvals required by the County, the Airport or the Airport Manager hereunder shall not be unreasonably withheld, conditioned or delayed.

30.17 Lessee's Remedies. In addition to the rights and remedies of Tenant set forth herein, for any breach of the foregoing covenants contained in this Agreement, Tenant may exercise all rights and remedies available to Tenant against Landlord, at law or in equity, including, without limitation, the right to sue Landlord for a breach of the covenant of quiet enjoyment as set forth in this Agreement.

30.18 Estoppel Certificate. The County and Lessee each agree at any time and from time to time upon not less than ten (10) days' prior notice by the other party, to execute, acknowledge and deliver to such other party or any other party specified by such other party a statement in writing certifying the following: (i) that this Agreement is unmodified and in full force and effect (or if there have been modifications, that the same, as modified, is in full force and effect and stating the modifications); (ii) the date to which each obligation constituting fees and additional rent has been paid; (iii) whether or not to the best knowledge of the certifying party, there are any continuing defaults or events which with the giving of notice or the passage

of time or both would constitute a default or event of default hereunder; and (iv) and any other information reasonably requested by such other party. Such statement shall be binding upon the certifying party and may be relied upon by the other party and any person to whom such certificate is delivered. Under no circumstances shall either party be required to execute and deliver to, or on account of, the other party more than three (3) estoppel certificates in any given Lease Year, except with respect to subtenants of the Lessee with whom the County shall have entered into non-disturbance agreements.

30.19 Non-Discrimination by County. Tenant shall be subject to the same rules and regulations, rates, fees, rentals and other charges as are uniformly applicable to all other fixed-base operators making the same or similar uses of the Airport and its facilities, subject to, subordinate to, and consistent with the County's obligations set forth in (a) its covenants to the FAA in its grant agreements, commonly referred to as its "grant assurances," including, without limitation, grant assurance 22, governing economic nondiscrimination, and (b) applicable Federal Statutes and Federal Aviation Regulations.

ARTICLE 31 SUBORDINATION CLAUSES

31.1 This Agreement is subject and subordinate to the following:

(A) County reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Premises as contemplated under this Lease.

(B) County reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent

Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the County, would limit the usefulness of the Airport or constitute a hazard to aircraft.

(C) This Agreement is and shall be subordinate to the provisions of existing and future agreements between County and the United States relative to the operation or maintenance of the Airport the execution of which has been or may be required as a condition precedent to the obtaining or expenditure of federal funds for the benefit of the Airport.

(D) During the time of war or national emergency, County shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be determined by the County in proportion to the degree of interference with Lessee's use of the Premises.

(E) Except to the extent required for the performance of any obligation of Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Premises other than those rights which are subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

(F) The parties hereto covenant and agree that during the term hereof, this Agreement may be unilaterally modified by the County upon the advice of the County Attorney in order to conform to judicial decisions or Federal Trade Commission rulings whether or not such decisions or rulings are issued in proceedings brought by or against the parties hereto or

either of them. This Section 31.1(F) shall not preclude the County or the Lessee from contesting any such decisions or rulings but the Lessee shall abide by the unilateral modifications imposed by the County pending the outcome of such appeal or objection provided, however, that if any such modification would have a material adverse effect upon Lessee's operations at the Airport hereunder and if within sixty (60) days following the effective date of such modification, the parties shall not have negotiated an equitable adjustment to the rental payable to the County hereunder on account of such material adverse effect then the Lessee shall have the right at any time thereafter upon 60 days prior written notice to the County to terminate this lease agreement. This provision has been included in the agreement in furtherance of the County's obligation under applicable antitrust laws and decisions, in particular, *Community Communications Company, Inc. v. City of Boulder*, 455 U.S. 40, 102 S. Ct. 835 (1982).

**ARTICLE 32
ENTIRE AGREEMENT**

32.1 This Agreement, consisting of Articles 1 to 33, inclusive, and Schedules A, B, C, D and E, constitutes the entire agreement of the parties hereto and supercedes all prior leases and agreements with respect to the Premises. This Agreement may not be changed, modified, discharged or extended except by mutual written agreement of the County and the Lessee. The parties agree that no representations or warranties shall be binding upon the County or the Lessee unless expressed in writing in this Agreement of Lease.

**ARTICLE 33
MEMORANDUM OF LEASE**

33.1 No later than fifteen (15) calendar days after the request of either party, Landlord and Tenant shall execute a Memorandum of Lease in recordable form which Memorandum of Lease shall set forth the parties to this Lease, the Commencement Date and expiration date, any

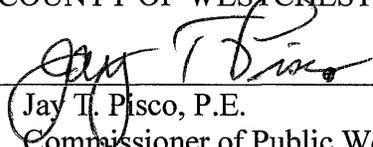
renewal options and such other terms as Landlord and Tenant shall agree. Tenant shall pay the cost and expense of recording the Memorandum of Lease.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

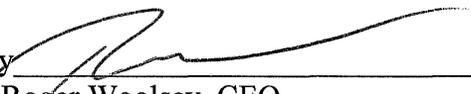
[SIGNATURE PAGE TO LEASE AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

THE COUNTY OF WESTCHESTER

By 
Jay T. Pisco, P.E.
Commissioner of Public Works and
Transportation

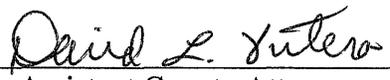
WHITE PLAINS AVIATION PARTNERS, LLC
D/B/A MILLION AIR WHITE PLAINS

By 
Roger Woolsey, CEO
REW Investments, Inc. Managing Member

Authorized by the Board of Legislators of the County of Westchester pursuant to Local Law
~~8908~~ No. 8908 2016 on the 16th day of May, 2016.

Authorized by the Board of Acquisition and Contract of the County of Westchester on the 26th
day of May, 2016.

Approved as to form and
manner of execution


Sr. Assistant County Attorney
The County of Westchester
Vutera/DTR/98875/Million Air lease 1-20-16 redlined

ACKNOWLEDGMENT

STATE OF TEXAS)
 ss.:
COUNTY OF HARRIS)

On the *23rd* day of *May* in the year 2016 before me, the undersigned, a Notary Public in and for said State, personally appeared *ROGER WOOLSEY*, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument; and, acknowledged if operating under any trade name, that the certificate required by the New York State General Business Law Section 130 has been filed as required therein.



[Handwritten Signature]

Signature and Office of individual
taking acknowledgement

SCHEDULE "A"
LEGAL DESCRIPTION OF THE PREMISES

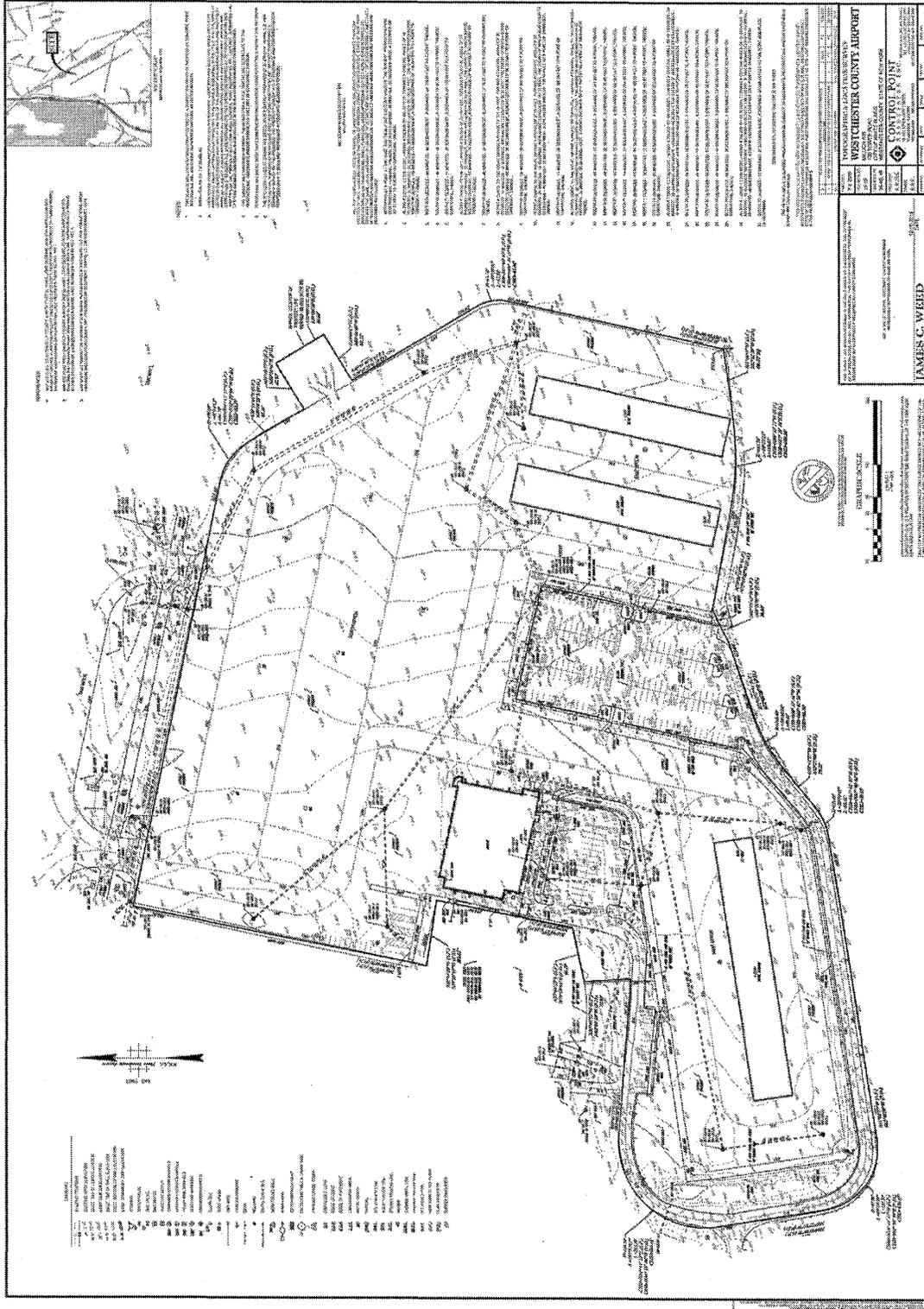
ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND WITH THE BUILDINGS AND IMPROVEMENTS THEREON ERECTED SITUATE, LYING AND BEING IN THE TOWN OF HARRISON, COUNTY OF WESTCHESTER, STATE OF NEW YORK BEING KNOWN AS 136 TOWER ROAD, WHITE PLAINS AND BEING APPROXIMATELY 22.4 ACRES BEING INTENDED TO DESCRIBE THE SAME LANDS AS SHOWN ON EXHIBIT "A" IN THAT CERTAIN AGREEMENT OF LEASE BETWEEN THE COUNTY OF WESTCHESTER AND WESTAIR AVIATION SERVICES, LLC DATED 7/1/94 BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

1. BEGINNING AT A POINT AT THE MOST SOUTHERLY AND EASTERLY LINES OF THE SUBJECT PREMISES HEREIN DESCRIBED AND RUNNING, THENCE; SOUTH 81 DEGREES - 48 MINUTES - 07 SECONDS WEST, A DISTANCE OF 101.51 FEET TO A POINT OF CURVATURE, THENCE;
2. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 463.24 FEET, TURNING A CENTRAL ANGLE OF 18 DEGREES - 33 MINUTES - 23 SECONDS, WITH AN ARC LENGTH OF 150.03 FEET, THE CHORD OF WHICH BEARS NORTH 88 DEGREES - 55 MINUTES - 11 SECONDS WEST, A CHORD DISTANCE OF 149.38 FEET TO A POINT OF TANGENCY, THENCE;
3. NORTH 79 DEGREES - 38 MINUTES - 33 SECONDS WEST, A DISTANCE OF 158.91 FEET TO A POINT, THENCE;
4. SOUTH 62 DEGREES - 46 MINUTES - 42 SECONDS WEST, A DISTANCE OF 56.60 FEET TO A POINT, THENCE;
5. SOUTH 71 DEGREES - 11 MINUTES - 57 SECONDS WEST, A DISTANCE OF 122.68 FEET TO A POINT OF CURVATURE, THENCE;
6. ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 248.90 FEET, TURNING A CENTRAL ANGLE OF 20 DEGREES - 29 MINUTES - 23 SECONDS, WITH AN ARC LENGTH OF 89.01 FEET, THE CHORD OF WHICH BEARS SOUTH 60 DEGREES - 57 MINUTES - 16 SECONDS WEST, A CHORD DISTANCE OF 88.54 FEET TO A POINT OF TANGENCY; THENCE;
7. SOUTH 50 DEGREES - 42 MINUTES - 37 SECONDS WEST, A DISTANCE OF 79.21 FEET TO A POINT OF CURVATURE, THENCE;
8. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 111.10 FEET, TURNING A CENTRAL ANGLE OF 30 DEGREES - 19 MINUTES - 45 SECONDS, WITH AN ARC LENGTH OF 58.81 FEET, THE CHORD OF WHICH BEARS SOUTH 65 DEGREES - 52 MINUTES - 30 SECONDS WEST, A CHORD DISTANCE OF 58.13 FEET TO A POINT OF TANGENCY, THENCE;
9. SOUTH 81 DEGREES - 02 MINUTES - 27 SECONDS WEST, A DISTANCE OF 469.99 FEET TO A POINT OF CURVATURE, THENCE;
10. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 97.00 FEET, TURNING A CENTRAL ANGLE OF 89 DEGREES - 24 MINUTES - 39 SECONDS, WITH AN ARC LENGTH OF 151.37 FEET, THE CHORD OF WHICH BEARS NORTH 54 DEGREES - 15 MINUTES - 13 SECONDS WEST, A CHORD DISTANCE OF 136.47 FEET TO A POINT OF TANGENCY, THENCE;
11. NORTH 09 DEGREES - 11 MINUTES - 38 SECONDS WEST, A DISTANCE OF 166.34 FEET TO A POINT OF CURVATURE, THENCE;
12. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 134.10 FEET, TURNING A CENTRAL ANGLE OF 103 DEGREES - 52 MINUTES - 02 SECONDS, WITH AN ARC LENGTH OF 243.10 FEET, THE CHORD OF WHICH BEARS NORTH 42 DEGREES - 44 MINUTES - 23 SECONDS EAST, A CHORD DISTANCE OF 211.15 FEET TO A POINT OF TANGENCY, THENCE;
13. SOUTH 85 DEGREES - 41 MINUTES - 13 SECONDS EAST, A DISTANCE OF 241.83 FEET TO A POINT, THENCE;

14. NORTH 03 DEGREES - 48 MINUTES - 53 SECONDS WEST, A DISTANCE OF 72.95 FEET TO A POINT, THENCE;
15. NORTH 77 DEGREES - 44 MINUTES - 22 SECONDS EAST, A DISTANCE OF 86.19 FEET TO A POINT, THENCE;
16. NORTH 11 DEGREES - 14 MINUTES - 27 SECONDS EAST, A DISTANCE OF 214.99 FEET TO A POINT, THENCE;
17. NORTH 81 DEGREES - 14 MINUTES - 08 SECONDS WEST, A DISTANCE OF 103.22 FEET TO A POINT, THENCE;
18. NORTH 11 DEGREES - 16 MINUTES - 17 SECONDS EAST, A DISTANCE OF 462.81 FEET TO A POINT, THENCE;
19. SOUTH 78 DEGREES - 30 MINUTES - 53 SECONDS EAST, A DISTANCE OF 673.48 FEET TO A POINT OF CURVATURE, THENCE;
20. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 100.00 FEET, TURNING A CENTRAL ANGLE OF 48 DEGREES - 34 MINUTES - 52 SECONDS, WITH AN ARC LENGTH OF 84.79 FEET, THE CHORD OF WHICH BEARS SOUTH 54 DEGREES - 13 MINUTES - 27 SECONDS EAST, A CHORD DISTANCE OF 82.27 FEET TO A POINT OF TANGENCY, THENCE;
21. SOUTH 30 DEGREES - 54 MINUTES - 48 SECONDS EAST, A DISTANCE OF 95.31 FEET TO A POINT, THENCE;
22. NORTH 58 DEGREES - 40 MINUTES - 17 SECONDS EAST, A DISTANCE OF 82.93 FEET TO A POINT, THENCE;
23. SOUTH 31 DEGREES - 09 MINUTES - 53 SECONDS EAST, A DISTANCE OF 86.61 FEET TO A POINT, THENCE;
24. SOUTH 58 DEGREES - 40 MINUTES - 17 SECONDS WEST, A DISTANCE OF 83.32 FEET TO A POINT, THENCE;
25. SOUTH 30 DEGREES - 54 MINUTES - 48 SECONDS EAST, A DISTANCE OF 226.82 FEET TO A POINT OF CURVATURE, THENCE;
26. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 63.70 FEET, TURNING A CENTRAL ANGLE OF 39 DEGREES - 30 MINUTES - 16 SECONDS, WITH AN ARC LENGTH OF 43.92 FEET, THE CHORD OF WHICH BEARS SOUTH 11 DEGREES - 09 MINUTES - 40 SECONDS EAST, A CHORD DISTANCE OF 43.06 FEET TO A POINT OF TANGENCY, THENCE;
27. SOUTH 12 DEGREES - 12 MINUTES - 27 SECONDS WEST, A DISTANCE OF 346.49 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 975,735 SQUARE FEET OR 22.400 ACRES

THIS DESCRIPTION IS WRITTEN WITH REFERENCE TO A MAP ENTITLED "TOPOGRAPHIC & LOCATION SURVEY, WESTCHESTER COUNTY AIRPORT, MILLION AIR, 136 TOWER ROAD, CITY OF WHITE PLAINS, WESTCHESTER COUNTY, STATE OF NEW YORK" PREPARED BY CONTROL POINT ASSOCIATES, INC. DATED JULY 10, 2015, LAST REVISED DECEMBER 9, 2015 AS REVISION NUMBER 2 WHICH IS SET FORTH BELOW.

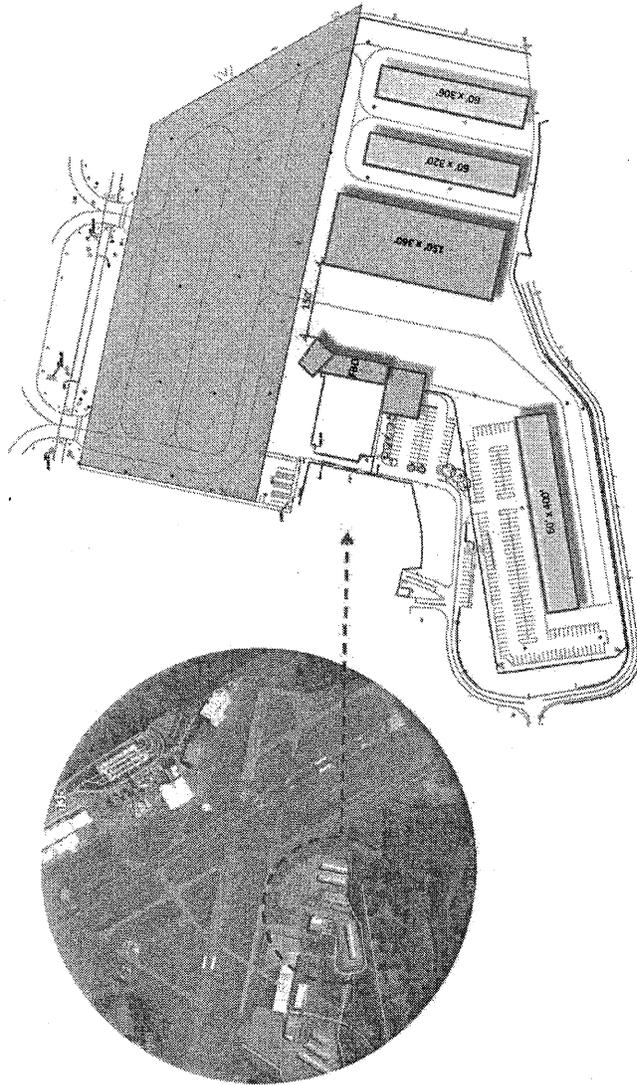


SCHEDULE "B"**LIGHT GENERAL AVIATION
CALCULATION OF RENT FROM GROSS RECEIPTS****Gross Receipts fee structure and percent due to County**

Years 1-5	%	Years 6-15	%	Years 16-25	%	Years 26-30	%
\$0 - \$16,999,999	0.75%	\$0 - \$21,999,999	1.00%	\$0 - \$26,999,999	1.25%	\$0 - \$31,999,999	1.50%
\$17,000,000 - \$20,999,999	6.00%	\$22,000,000 - \$26,999,999	7.00%	\$27,000,000 - \$32,999,999	8.00%	\$32,000,000 - \$37,999,999	8.00%
>\$21,000,000	8.00%	>\$27,000,000	8.00%	>\$33,000,000	8.00%	>\$38,000,000	8.00%

SCHEDULE "C"

PLANS FOR PROPOSED IMPROVEMENTS

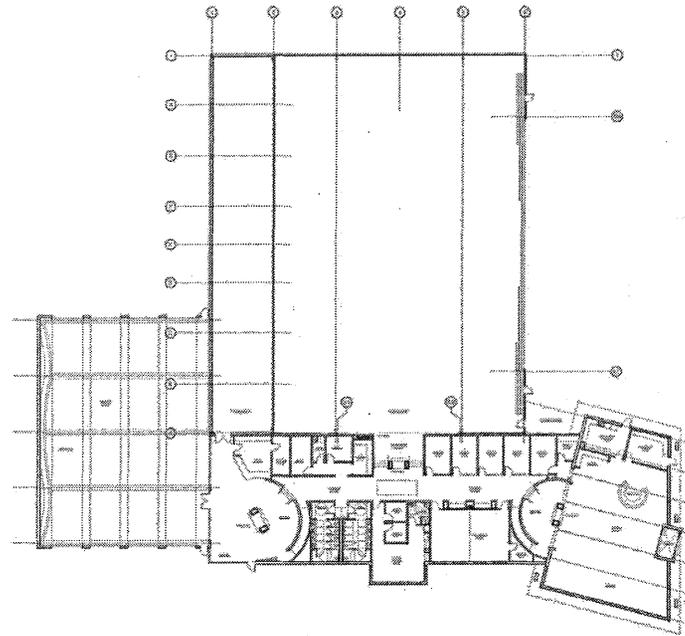


Proposed Improvements
Not To Scale

HETKAMP SWIFT
ARCHITECTS
ARCHITECTS

White Plains HPN
12-21-2015

Jacob White
CONSULTING ENGINEERS



2

White Plains HPN
12-21-2015

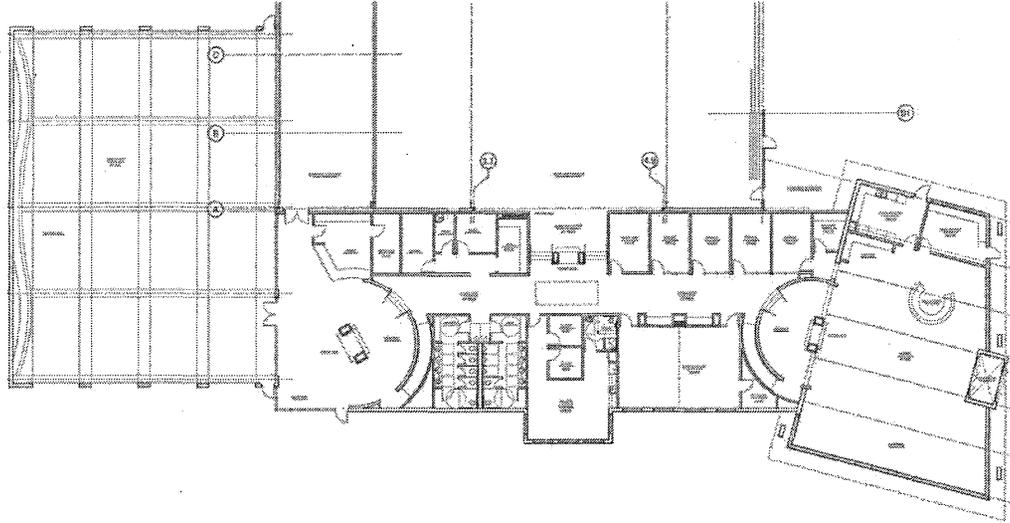
Overall Layout

Proposed Improvements
Not to Scale

Jacob White
CONSTRUCTION CONSULTANTS

HETKAMP SWIFT
ARCHITECTS
ARCHITECTS • INTERIORS • PLANNING

C&E: 2996979.1



Schematic Layout

HPN SF: 10,500
Drop Off SF: 6,200

White Plains HPN
12-21-2015

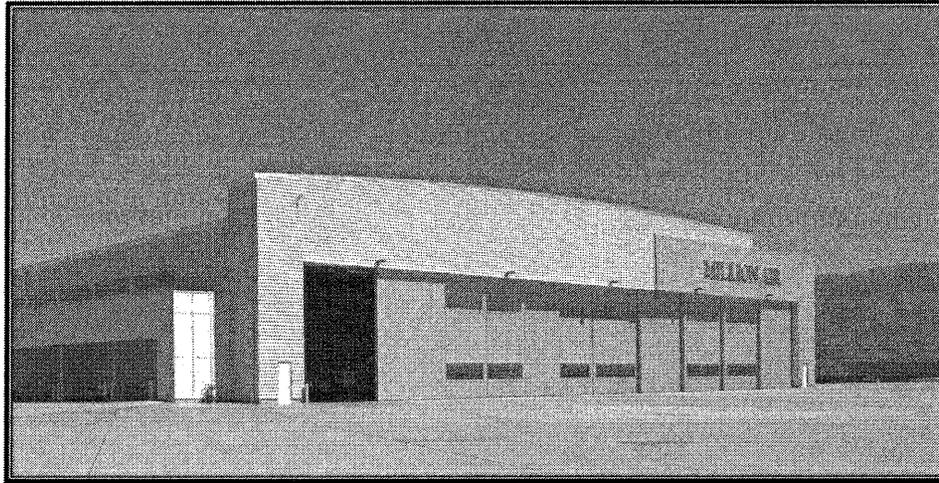
Proposed Improvements
1/16" = 1'-0"

Jacob White
CONSTRUCTION COMPANY

HEITKAMP SWIFT
ARCHITECTS
ARCHITECTS

3

C&E: 2996979.1



Hangar

4

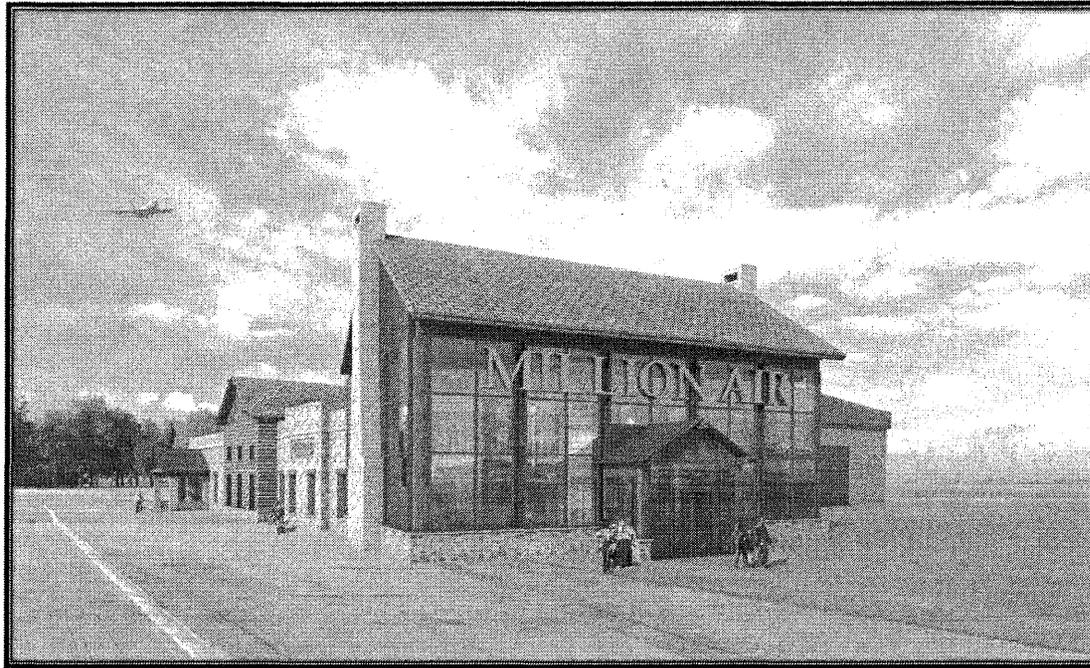
White Plains HPN
12-21-2015

Proposed Improvements

Jacob White
CONSTRUCTION COMPANY

HEITKAMP SWIFT
ARCHITECTS
ARCHITECTS • INTERIORS • PLANNING

C&E: 2996979.1



Exterior Perspective

White Plains HPN
12-21-2015

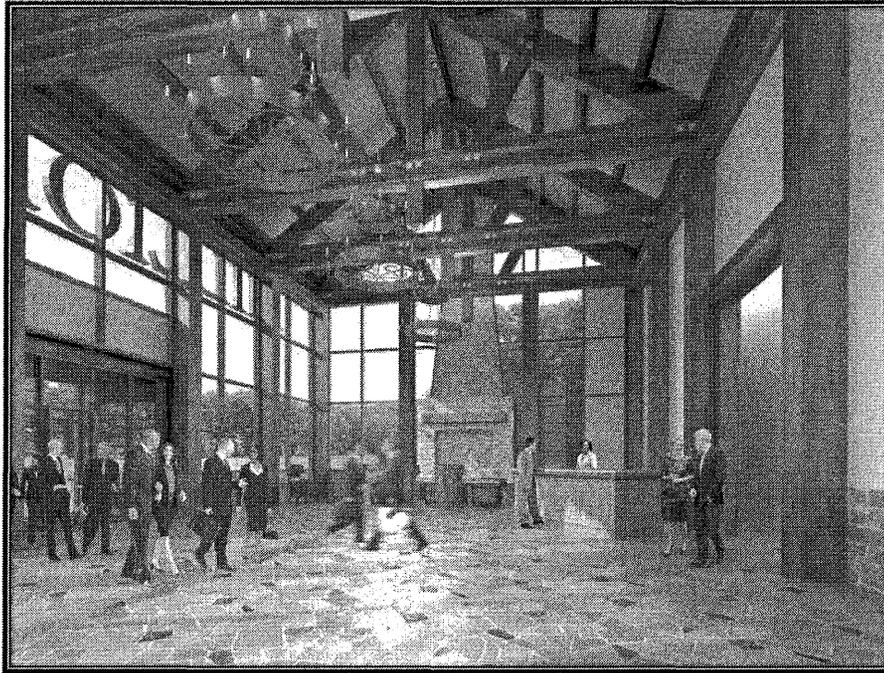
Proposed Improvements

Jacob White
CONSTRUCTION COMPANY

HEITKAMP SWIFT
ARCHITECTS
Architecture • Interiors • Planning

5

C&E: 2996979.1



Interior Perspective

White Plains HPN
12-21-2015

Proposed Improvements

Jacob White
CONSTRUCTION COMPANY

HEIKAMP SWIFT
ARCHITECTS
Sustainable • Innovative • Precise

SCHEDULE "D"**MINIMUM INSURANCE REQUIREMENTS FOR CORPORATE OPERATORS
AT WESTCHESTER COUNTY AIRPORT, WHITE PLAINS, NEW YORK**

Workmen's Compensation Statutory and Employee Liability	\$1,000,000
Airport Liability	\$10,000,000 (combined single limit)
Coverage to include:	
Premises and Operations	
Contractual Liability	
Product Liability	
Hangarkeepers Liability	\$10,000,000
Auto Liability	\$5,000,000 (single limit per occurrence)
Coverage to include:	
Hired, Owned, Non-owned Vehicles	

Nothing herein contained shall prevent the Lessee from obtaining any additional insurance for the protection of its interest which it may deem advisable. Any and all deductibles assumed in connection with the minimum specified insurance coverage, or otherwise, shall be the sole responsibility of the Lessee.

All policies or certificates thereof will provide that thirty days prior to cancellation of the policy, notices of same shall be given to the Director of Risk Management of the County of Westchester for all the above stated insurance policies. No later than thirty days after Tenant becomes aware of any material changes to the policy, Tenant shall provide notice to the Director of Risk Management of the County of Westchester of such material change. All notices shall name the Lessee and identify the Lease Agreement. **Westchester County its officers, agents, servants, and employees must be listed as an additional insured on all Certificates of Insurance.**

SCHEDULE "E"

CONSTRUCTION MILESTONES

1. No later than 6 months after the Commencement Date, Tenant shall submit detailed plans and specifications for the Proposed Improvements that are ninety (90%) percent complete to the County for review, comment and approval and, the County shall take no more than 6 months to review, comment and approve such plans and specifications.
2. Tenant shall substantially complete the hangar construction within 24 months after the Commencement Date.
3. Tenant shall substantially complete the fixed base operator improvements within 36 months after the Commencement Date.