



# Rhode Island Airport Corporation

REQUEST FOR PROPOSALS  
FOR  
DEVELOPMENT OF MULTIPURPOSE  
CORPORATE AIRCRAFT HANGARS  
AT  
T.F. GREEN AIRPORT  
WARWICK, RHODE ISLAND

Contract No. 25139

September 13, 2013

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## 1. INTRODUCTION

The Rhode Island Airport Corporation (RIAC) was created by the Rhode Island Economic Development Corporation (EDC) on December 9, 1992 as a public corporation, governmental agency and public instrumentality, having a distinct legal existence from the State of Rhode Island (State) and EDC and having many of the same powers and purposes as EDC. Pursuant to its Articles of Incorporation, RIAC is empowered to undertake the planning, development, management, acquisition, ownership, operations, repair, construction, reconstruction, rehabilitation, renovation, improvement, maintenance, development, sale, lease or other disposition of any "airport facility" as defined in Rhode Island General Law.

It is RIAC's intent to solicit and coordinate significant redevelopment of available land area at the T.F. Green Airport in issuing this Request for Proposals (RFP).

RIAC, as Lessor and operator of T.F. Green Airport (PVD), located in Warwick, Rhode Island, is seeking proposals from qualified individuals, partners, corporations, joint ventures or other third party developers to develop a parcel of land (Exhibit 1, "Parcel") at T.F. Green Airport for use as multipurpose corporate aircraft hangars.

RIAC will consider proposals that offer the complete redevelopment of the entire land area of Parcel inclusively. Due to the large land area of the parcel, RIAC reserves the right to accept proposals from multiple respondents in order to effect the complete redevelopment of the Parcel, and accommodate to the greatest extent the diverse needs of the regional corporate aircraft aviation community. **Proposals for the construction of Fixed Based Operator (FBO) facilities will not be accepted under this RFP.**

## 2. DESCRIPTION OF PARCEL

The development parcel is located to the west of Runway 5 threshold and Taxiway "M" and contains approximately 9.65 acres with dimensions of approximately 825 feet by 510 feet as depicted on Exhibit 1. The site terrain of the parcel varies from level and clear, to a rising earthen berm with a blast/sound wall erected atop of it. Prior to commencement of development activity on the parcel, the successful Proposer(s) shall complete the removal of the earthen berm and associated blast/sound wall which is presently located on the eastern edge of the parcel.

The resulting site terrain shall be predominantly level and clear. New ramp and taxiway access to the airside portion of the site and existing airport taxiway infrastructure must be created and appropriately secured from public access from landside roadways as a component of the development activity. New vehicular and pedestrian access to the airside site must be created and appropriately secured from a public access landside roadway as a component of the development activity.

## **2.1 SITE CONDITIONS**

The Parcel shall be delivered to the successful Proposer(s) in its then condition, “as is”, including, without limitation, subsurface conditions, existing structures, the presence of oil or hazardous materials, its present use and non-uses, and laws, ordinances and regulations affecting the same. RIAC makes no representation or warranties of any kind, express or implied, in fact or in law, with respect to such condition or the suitability of the site for uses contemplated herein. Please see the Technical Memorandum and Additional Site Information attached as Exhibit 2 for further information with respect to the Parcel.

## **2.2 AVIATION RESTRICTIONS ON LAND DEVELOPMENT**

The Proposer(s) shall comply with FAA regulations that impact development on land parcels adjacent to or at runway ends and comply with Terminal Procedures (TERPS) and FAA Part 77 regulations. Obstruction surfaces are depicted on Exhibit 3. Any development must be consistent with criteria and standards set by FAA rules and regulations.

FAA regulations require submission of Form 7460-1 to the FAA for any construction or alternation that impact airport operations. The Proposer(s) are responsible for completing and submitting the Form 7460-1 to the FAA for this development project.

## **2.3 DESIRED IMPROVEMENTS**

The selected Proposer(s) will be responsible for designing, constructing and operating multipurpose corporate jet aircraft hangar(s) having a minimum aircraft hangar floor area of 20,000 square feet, with a minimum of 2,500 square feet of office and flight support area. The hangar development shall be of a type and quality as approved by RIAC, and constitute a preferred minimum capital investment of \$6.25 million. Please see Exhibit 4, Item 9, for additional information.

Additionally, RIAC will evaluate proposals to construct “bulk” type corporate jet aircraft hangars for individual corporate entities or public use on the Parcel, minus the office and flight support component requirements, subject to the same design and quality standards listed below. Proposed corporate jet aircraft hangars having no office and flight support space shall have a minimum aircraft hangar floor area of 20,000 square feet and constitute a preferred minimum capital investment of \$5.5 million. Please see Exhibit 4, Item 9, for additional information.

RIAC requires that the development on the Parcel consist of high quality, steel-framed, metal paneled buildings with attractive office entrances and appropriate landscaping. The facilities proposed shall be designed and constructed to provide a minimum fifty (50) year useful life. Building appearance, massing, and height and roof design shall be consistent with typical high quality corporate aviation hangar buildings.

The selected Proposer(s) will be responsible for construction of all public ingress and egress access points to the Parcel. Access to the airport's taxiway and runway system will be gained utilizing Taxiway "M" via a taxiway stub to be constructed, marked, and lighted on by the selected Proposer(s), to include any required taxiway lighting or reflectors and pavement markings. The Taxiway "M" stub must conform to Federal Aviation Administration (FAA) standards. The Proposer should reference FAA Advisory Circulars to meet current FAA design criteria.

Fuel Farms may be constructed in association with proposed hangar facilities subject to the limitations referenced in Section 14.1 (ii) of the RIAC Standard Lease Agreement attached as Exhibit 5.

Aircraft de-icing operations that may be desired in support of any proposed hangar construction will be subject to the sole approval and regulation by RIAC as indicated in Section 14.1 (iii) of Exhibit 5.

**3. GENERAL**

All construction on the Parcel must conform to the RI State Building and Fire Codes and FAA standards and design criteria, and is also subject to the following requirements:

**3.1 UTILITIES**

Natural gas, water, and electric utilities are in close proximity to the Parcel as indicated in Exhibit 2. The Proposer(s) shall arrange for service with the various utility owners. It is anticipated that water, sanitary sewer, storm drainage, electrical, natural gas, and communications systems will be required for these developments. Increases in utility system capacity as a result of the development will be the responsibility of the Proposer(s). All utilities shall be separately metered at the point of connection. The Proposer(s) shall pay prevailing rates for electricity, water, natural gas, and sewage services.

**3.2 DESIGN REVIEW**

RIAC will conduct formal design reviews at the conceptual, schematic, design development, and construction document phases of the facility development. RIAC must review and approve all phases of design.

**3.3 SITE SURVEY**

General site plans and leased premises plans are shown on Exhibit 1. Detailed design and construction surveys shall be the responsibility of the Proposer(s).

**3.4 GEOTECHNICAL INVESTIGATION**

The Proposer(s) will be responsible for all geotechnical investigation requirements to adequately support the project development.

### **3.5 PERMITS**

The Proposer(s) shall be responsible for securing all federal, state, and local permits, licenses, and approvals necessary to develop and operate the proposed facility. Please see Exhibit 2 for additional information.

### **3.6 SECURITY**

Airfield perimeter security must be maintained throughout construction as well as after completion. The Proposer(s) must submit a perimeter security plan that outlines security measures during construction and post-construction. All security fencing shall be a height of eight feet with three strands of barbed wire protection or as otherwise required by RIAC. Post-construction fencing shall be eight foot (8') chain link fabric topped with three (3) strand barbed wire.

### **3.7 AS-BUILT DOCUMENTATION**

The Proposer(s) shall prepare and deliver to RIAC, within four months after substantial completion of the Project, two sets of final plans stamped by a Rhode Island registered engineer showing the Project as built and a copy of the Project's as-built plans shall be submitted in electronic format, compatible with RIAC's CADD system.

### **3.8 FACILITIES MAINTENANCE**

The Proposer(s) shall provide a plan of annual maintenance and upkeep that maintains improvements, fixtures, and equipment. The Proposer(s) shall identify a minimum annual maintenance budget which shall be the minimum annual amount that the Proposer(s) will spend on facilities maintenance.

## **4. PROPOSAL PROCESS**

The Rhode Island Airport Corporation (RIAC) hereby solicits proposals for the development of the aforementioned parcel. Interested parties are required to submit one (1) electronic copy (flash or thumb-drive only), and five (5) written copies of their sealed proposal to:

Jeffery Goulart  
Manager of Finance and Administration  
T. F. Green Airport  
2000 Post Road, 3<sup>rd</sup> Floor  
Warwick, RI 02886

All proposals must be received by RIAC at the above address no later than 2:00 PM EST. on Wednesday, October 30, 2013. **All proposals must be delivered in sealed envelopes bearing on the outside the name and address of the Proposer and clearly marked “RFP 25139, Development of Multipurpose Corporate Aircraft Hangars, T.F. Green Airport.”**

#### **4.1 MANDATORY PRE-PROPOSAL CONFERENCE**

A mandatory pre-proposal conference including a tour of the site will be held as follows:

Date: Wednesday, October 2, 2013

Place: T.F. Green Airport Terminal, Mary Brennan  
Board Room, Second Floor

Time: 9:00 am to 11:00 am Eastern Time

All prospective Proposers must attend. Questions pertaining to the RFP will be considered only at the pre-proposal conference. No questions to, or contact with, RIAC officials will be allowed after the conference. RIAC will provide all attendees of the pre-proposal conference with written response to the pre-proposal conference questions by Wednesday, October 9, 2013. Only written responses are to be relied upon; oral responses shall not be binding.

#### **4.2 MINIMUM QUALIFICATIONS AND EXPERIENCE REQUIREMENTS**

RIAC is seeking a company with the qualifications, experience, and financial resources to plan, design, construct and thereafter manage the parcel in a high-quality, first-class manner. To have a proposal considered, Proposers must meet or exceed the following minimum requirements:

- (A) Five years demonstrated, recent experience in similar airport development projects; and,
- (B) If applicable, demonstrated ability in operating corporate general aviation-related aircraft hangar and customer services; and,
- (C) Demonstrated financial and managerial ability to finance, design, develop, and manage the capital improvements proposed herein.

#### **4.3 PROPOSAL FORMAT**

All proposals received must be accurate and in the form requested (see Exhibit 4, Proposal Format).

#### **4.4 EVALUATION AND SELECTION**

Each proposal will be independently reviewed and evaluated by a Selection Committee. The Committee will rank each proposal and may elect to interview one or more of the highest ranked Proposers. The Committee will then make a formal recommendation to the President and CEO for consideration by the RIAC Board of Directors.

#### **4.5 EVALUATION CRITERIA**

Proposals shall be submitted in the form prescribed in Exhibit 4. The aforementioned Committee will evaluate each proposal based on the criteria listed below:

- (A) Qualifications and experience of the Proposer and other firms participating in the proposal, the proposed Project Manager, and the organizational structure of the proposed development and management team.
- (B) The quality, compatibility and appropriateness of the proposed site improvements.
- (C) The Proposer's performance history pertinent to similar airport projects.
- (D) Financial stability of the Proposer as demonstrated by current financial statements.
- (E) The financial compensation to RIAC generated by the proposal.

#### **5. EXECUTION OF LEASE**

Selected Proposers will be expected to execute a lease with RIAC within sixty (60) days of the formal notification of selection by the Corporation. RIAC's standard Lease Agreement is attached hereto as Exhibit 5 and incorporated herein by this reference. RIAC expects the successful respondent(s) to execute this form of agreement. Any exceptions to the terms of the lease **must** be noted on the form provided on Exhibit 6. RIAC reserves the right to accept, reject or modify any exceptions noted.

#### **6. RESERVED RIGHTS**

RIAC reserves their right to waive any informality or irregularity when it is in the best interest of RIAC to do so, to negotiate for the modification of any proposal with mutual consent of the Proposer, to re-advertise for proposals if desired, and to accept the proposal which in the judgment of RIAC, even though it does not offer the highest compensation, is nevertheless deemed the most advantageous for general aviation and RIAC. Any proposal which is incomplete, conditional, obscure, or which contains irregularities of any kind, may be cause for rejection.

RIAC reserves the right to:

- (A) Reject any or all proposal(s) for any or all reason(s). Any and all proposals become the property of RIAC upon submission,
- (B) Require the Proposer to make a personal presentation of their proposal to the Evaluation Committee and/or the RIAC Board of Directors,
- (C) Request any additional or supplemental information needed to gain further understanding or knowledge of the Proposer or the submitted proposal, and
- (D) Conduct any and all necessary investigations to verify the qualifications and references of the Proposer or its development and management team.

RIAC accepts no financial responsibility for any costs incurred in responding to this RFP, participating in oral presentations, or meeting with RIAC. The proposals in response to this RFP become the property of RIAC and may be used by RIAC in any way it deems appropriate. By submitting a proposal, the firm certifies that it has fully read and understands the RFP.

RIAC reserves the right to interview some, all, or none of the firms responding to this RFP based solely on its judgment as to the firm's proposals and capabilities. RIAC reserves the right to request and consider additional information from submitters and to reject any and all submittals on any basis without disclosing the reason. No firm may withdraw their submittal for at least 120 days after the time and date set for submission.

RIAC reserves the right to waive any irregularities and technical defects. RIAC reserves the right to modify, amend or waive any provision of this RFP, prior to the issuance of a contract for the consulting services.

**EXHIBITS 1 THROUGH 6 ON FOLLOWING PAGES**

# **Exhibit 1**

## **Parcel**





**Exhibit 2**

**Technical Memorandum  
And Additional Site  
Information**

# Technical Memorandum

**THE Louis Berger Group, INC.**  
**Aviation Services Group - Albany Office**  
**20 Corporate Woods Boulevard**  
**Albany, NY 12211-2370**  
**Tel 518.432.9545 Fax 518.432.9571**

**SUBJECT: Hangar Development Area, T.F. Green Airport**

This technical memorandum provides the results of a hangar development assessment for the T. F. Green Airport in the vicinity of the Strawberry Field area west of the approach end of Runway 5. The objective of this task was to assess six (6) main items: 1. Landside/Access; 2. Development Area; 3. Utilities Available; 4. Environmental Considerations; 5. Airside Considerations; and 6. Cost Estimates.

## **1. Landside/Access**

Access to the proposed hangar development site shown in Figure 1 would be provided via Strawberry Field Road at Post Road to the hangar site. Strawberry Field Road is currently a partially abandoned road due to the residential land acquisition that took place as part of RIAC's Noise Compatibility Plan.

## **2. Development Area**

The hangar development area shown on the Figure is located in the southwest quadrant of T.F. Green Airport in Warwick, Rhode Island. The development area is located west of Runway 5-23 and Taxiway "M" and is comprised of approximately 9.65 acres. It is anticipated that the development area can support multiple hangar developments. The site terrain varies from level and clear, to a rising earthen berm with a blast/sound wall atop of it. Barring the earth berm, the ground level is approximately (not surveyed) 51 feet mean sea level (MSL). Ramp and taxiway development is required to provide access to the airside portion of the site and existing airport taxiway infrastructure. In addition, public access from Strawberry Field Road and Post Road must be appropriately secured from landside roadways as a component of the development activity.

## **3. Utilities Available**

All utility access points are shown on Figure 1 and described below. All utility information was derived from available public information and should be field surveyed/verified.

- a) Electric – Electrical access is available via duct to connect to existing utility pole #18.
- b) Gas – A gas line access point is available on Strawberry Field Road just west of the proposed development area where an existing National Grid gas line exists (2 inch wrapped steel pipe). Cut and capping of the existing gas line in the acquired property shown on the figure may need

to occur.

c) Water – Waterline access is available within close proximity of the proposed development area. An existing 6 inch Warwick Water Authority asbestos cement pipe.

d) Sewer – A sewer access point is available near the corner of Palace Avenue and Strawberry Field Road via Warwick Sewer Authority with an 8 inch vitrified clay pipe.

e) Communications – A communications/telephone duct access point is available just west of the proposed development area.

#### **4. Environmental Considerations**

The proposed development will be subject to environmental reviews and depicted on the Airport Layout Plan (ALP) for the Airport. If it is not currently shown on the ALP, a pen-and-ink change must occur at the beginning of the environmental review process. The Airport is subject to the FAA's NEPA requirements and must follow *Environmental Impacts: Policies and Procedures (Order 1050.1)*, and *National Environmental Policy Act (NEPA) Implementing Instructions for Airport Projects (Order 5050.4)*.

A categorical exclusion may be applicable if the proposed development is accommodating a dislocated tenant from modifications in the north area of the Airport and the development is a replacement in-kind.

Otherwise, an Environmental Assessment (EA) should be completed following the guidance above.

Noise Berm Status – The noise berm is part earth berm, part concrete wall, surrounded by shrubbery. The status of the need for the noise berm could not be confirmed as part of this review. The berm was established to protect the local residences from aircraft ground noise. The existing Noise Compatibility Plan shows this wall to be extended to the south, but under the new EIS findings indicates the proposed houses that it would protect to be acquired through the noise land acquisition program. A discussion with the EIS noise consultant referenced page 3-19 of the April 2000 FAA Noise Compatibility Program for PVD that indicates that based on noise measurements in the area of the berm/wall (24 feet) that its presence reduced noise levels for single events by aircraft on the ground by 8-10 decibels. Also, on page 3-48 Measure NA-32 recommended a 12 foot noise wall be constructed along the north side of Strawberry Field Road and this was estimated to reduce noise levels on the homes by 4 decibels based on the attenuation properties of a noise wall.

Constructing hangars and incorporating a wall between the buildings to fill any gap has the potential to provide the same or better than the current/proposed walls. Possible issues would be if the hangars are having aircraft closer to the community than they are today. If needed, a review of the ability to remove all or a portion of the existing noise berm and a study documenting the effects of the noise wall and the proposed replacement buildings for single events from aircraft ground movements using modeling is estimated at \$25,000. The actual cost would depend on the level of detail of the input data and the actual results needed.

Permitting – There are three environmental permits identified that would need to be obtained:

1. Notice of Intent – General Permit Rhode Island Pollutant Discharge Elimination System (RIPDES)

Storm Water Discharged Associated with Construction Activity, in association with:

- Compliance with the Rhode Island Stormwater Design and Installation Standards Manual

2. Warwick Sewer Authority Sewer Connection

3. Warwick Water Division Connection

The first permit that would need to be obtained is the General Permit for the RIPDES Stormwater Discharge associated with Construction Activity. The completion of the permit would have to follow the application design standards outlined in the Rhode Island Stormwater Design and Installation Standards.

This permit is required for construction activities larger than one acre in size. Preliminary estimates indicate that the total disturbed area would be over five acres and would require the development of a stormwater pollution prevention plan with the permit application. A Warwick Sewer Authority Sewer Connection Permit would be required to connect the proposed sanitary sewer to the existing Warwick sewer infrastructure. A Warwick Water Division connection permit would be required to connect to Warwick's water supply.

## 5. Airside Considerations

Part 77 – Height Restrictions – Federal Aviation Regulation (FAR) Part 77, Objects Affecting Navigable Airspace was established for use by local authorities to control the height of objects in the vicinity of airports. The Part 77 Airspace drawing is a tool used to determine if proposed development could present a hazard to aircraft using the airport. For this effort, the Part 77 drawing was provided by RIAC and its controlling surfaces as they relate to the hangar development site on the Figure. The most controlling Part 77 surface used in the analysis is the transitional surface. The transitional surface begins at the outside edge of the primary surface at the same elevation of the runway (approximately 49 feet MSL). The transitional surface rises at a slope of 7:1 up to a height of 150 feet.

For the purpose of the Figure, aeronautical surface limitations allow for a building height of up to approximately 40 feet above ground level (AGL). In addition, the transitional surface limitation would accommodate a height of up to approximately 26 feet AGL for aircraft that would be parked on the eastern most edge of an apron associated with any hangar development. As an example, the tail height of a Gulfstream V is 25 feet 10 inches and could safely be parked or stored on an associated hangar apron.

Surveying and final grading of the site will ultimately determine height restrictions and FAA regulations require submission of Form 7460-1 to the FAA for any construction or alternation that may impact airport operations. Actual height limitations on the site are subject to a field survey and submission of Form 7460-1 to the FAA.

Taxiway Access Points – Taxiway and Taxilane separation requirements were derived from the FAA's Advisory Circular 150/5300-13, *Airfield Design*. The following dimensional standards were used to show taxiway options:

- Taxiway. Airplane Design Group III taxiways for airplanes with a wheelbase less than 60 feet are 50 feet wide and may contain 20 foot wide taxiway shoulders.
- Taxilane. Airplane Design Group III taxilane object free area is 162 feet wide which equals

81 feet from taxilane centerline to any fixed or moveable object.

As shown in the Figure, there are two taxiway/airfield access development options. Taxiway Option 1 provides access to the north of the hangar development connecting to Taxiway "E". This provides access to the aircraft holding area for Runway 5 and would avoid aircraft waiting in queue for takeoff on Runway 5.

Taxiway Option 2 provides direct access to Taxiway "M", is offset from direct runway access, and is in close proximity to the Runway 5 departure end.

Both taxiways provide similar airfield access with Option 1 providing some additional benefit when aircraft are queued for takeoff. For example, in Option 2 if three aircraft are queued for takeoff on Taxiway "M" and an aircraft arrives that is based at the proposed hangar, the aircraft would be unable to access the hangar apron until the aircraft in queue are cleared. Under Option 1, open access to the hangar apron could be maintained.

## 6. Cost Estimates

Rough order-of-magnitude costs estimates were generated for the following areas including the Access Road; Taxiway options; and removal of the noise/berm.

a) Access Road – Strawberry Field Road from Post Road is the proposed access route to this development area. The access length is approximately 1,800 linear feet. If determined to be needed, an overlay/restoration of this road would **cost approximately \$135,000**.

b) Taxiway – Two taxiway options are shown in Figure 1. The order of magnitude costs associated with each option include the main taxiway area that abuts the hangar apron.

Taxiway Option 1 – 35,000 square feet, at \$18.00 per square foot, equals a **proposed cost of \$630,000**.

Taxiway Option 2 – 32,000 square feet, at \$18.00 per square foot, equals a **proposed cost of \$575,000**.

c) Noise Berm – To remove the noise berm that is approximately 1,675 linear feet at \$240 per linear foot, the proposed cost to remove the entire berm is **estimated at \$400,000**. If only a portion of the berm is removed to support initial development, estimated at 300 feet, the proposed cost to remove is **estimated at \$72,000**.

## **Exhibit 3**

# **Airport Layout Plan RESERVED**

# Exhibit 4

## **PROPOSAL FORMAT**

INSTRUCTIONS: All proposals must be completed in full and submitted in the following format. One (1) electronic copy (flash or thumb-drive only), and five (5) written copies of the proposal (including plans and graphics) must be submitted.

### **1. GENERAL INFORMATION**

- (A) Name, address, and tax ID number of Proposer exactly as it should appear on the Lease Agreement.
- (B) Address of Proposer, if different from above, for purposes of notices or other communication relating to the proposal and the Lease Agreement. (If Proposer is other than an individual, please provide the name of an individual who can answer for Proposer.)
- (C) Name and Contact Information of the Contact Person including Telephone Number and Email Address.

### **2. BUSINESS STATUS - Indicate whether Proposer intends to operate as a corporation, partnership, limited liability company, joint venture, or sole proprietorship. If other, please explain.**

#### (A) Corporation

If a corporation or a corporation-in-information is proposed, please answer the following:

- (1) When incorporated?
- (2) Where incorporated?
- (3) Date incorporated?
- (4) Is the corporation authorized to do business in Rhode Island?

- (5) Provide the name, title and address of the principal officers of the corporation and shareholders who own more than 10% of the corporation stock.
- (6) Name and address of agent for process in the State of Rhode Island.

(B) Partnership

If a partnership is proposed, please answer the following:

- (1) Date of and state of organization.
- (2) General Partnership or Limited Partnership?
- (3) Has the partnership done business in Rhode Island? Yes or No
- (4) Name and address of each general partner.

(C) Limited Liability Company

If a limited liability company is proposed, provide the following:

- (1) Name of Limited Company.
- (2) Date and state of organization.
- (3) States where authorized as Limited Liability Company.
- (4) Member or Manager managed?
- (5) Name and address of each Member.
- (6) Name and address of each Manager.

(D) Joint Venture

If a joint venture is proposed, answer the following:

- (1) Date and state of organization.
- (2) Has the joint venture done business in Rhode Island? Yes or No
- (3) Name and address of each joint venture participant.

(E) Sole Proprietorship

If a sole proprietorship is proposed, provide the following:

- (1) Proprietor's name in full.
- (2) Address.
- (3) Company name.
- (4) Company address.
- (5) How long in business under this company name?

**3. QUALIFICATIONS AND EXPERIENCE**

List and describe the nature of the Proposer's experience. Provide and highlight any similar related "airport" experience and those operations most similar to the proposal for T.F. Green Airport. For each "experience" listed include the following:

- (A) Short narrative description of Proposer's business.
- (B) Name, address and nature of similar experience.
- (C) Name and address of lessors or airport authorities.
- (D) Approximate square footage developed and operated.
- (E) Dates and lengths of terms of similar experience(s) operated.
- (F) Annual gross revenues over the term of the operation(s) (if applicable).
- (G) Ratios of annual revenues to annual expenses for each experience (if applicable).

**4. FINANCIAL INFORMATION**

The Proposer shall also submit two (2) complete sets of the most recent audited financial statements indicating solvency, organization, and principles involved with the delivery of services. This information shall be submitted in a sealed envelope separate from the Proposal conspicuously marked with the following on the exterior of the package:

**“Financial Information for Request for Proposals for Development  
of Multipurpose Corporate Aircraft Hangars at T.F. Green Airport  
Contract Number 25139”**

Please clearly mark the sealed envelop as “Confidential” if you wish the information to remain confidential to the extent permitted by law. If the envelope is marked “Confidential”, the Proposer is attesting that the information contained therein represents trade secrets and commercial and financial information that is privileged or confidential pursuant to R.I. Gen. Laws §38-2-2(4)(B).

**5. SURETY INFORMATION**

Provide information and documentation including the name of a bonding company licensed to do business in the State of Rhode Island that indicates your ability to qualify for, obtain and submit a Construction or Performance Bond as required in the Lease Agreement. Indicate whether you have ever had a bond or surety cancelled or forfeited. If yes, state the name and address of the bonding company, the date of, and reason for cancellation or forfeiture.

**6. BANKRUPTCY INFORMATION**

Please indicate if the organization, corporation, partnership, or principal owners of the organization have ever declared bankruptcy. If yes, please provide details including date, court jurisdiction, amount of liabilities, and amount of assets.

**7. MANAGEMENT PLAN**

Briefly describe the Proposer’s businesses organization, its goals, and management structure. In particular, describe the management structure and experience of the key firms and personnel anticipated to be on-site at T.F. Green Airport. Please include resumes of key personnel.

**8. CAPITAL IMPROVEMENTS**

Submit a detailed representation of the proposed site improvements, including architectural renderings depicting the overall design concept for the facility and project site areas, and a proposed schedule. Please note that all construction activities must be in accordance with the proposed schedule.

**9. CAPITAL INVESTMENT**

Please indicate the level of capital investment proposed. The hangar development shall be of a type and quality as approved by RIAC, and constitute

a preferred minimum capital investment of \$6.25 million inclusive of site development costs in the case of corporate jet aircraft hangars with associated leasable office space. In the case of corporate jet aircraft hangars with no leasable office space, the preferred minimum capital investment shall be \$5.5 million inclusive of site development costs. The investments should delineate all real property and trade fixtures. In all cases RIAC will require cost certification of the capital investments proposed. Should a Proposer's preferred construction not meet the minimum capital investment levels stipulated herein, Proposer must provide written documentation as to the level of expenditure proposed for evaluation by RIAC.

**10. ANNUAL COMPENSATION**

Compensation provided to RIAC shall be offered by the Proposer as follows:

Corporate Aircraft Hangars

In the case of corporate aircraft hangars having no leasable office space, RIAC shall require payment of an annual ground lease as rent from the Proposer(s). Such annual rent shall constitute fair market value, as determined by RIAC in its sole discretion, for the building area and all related ramp space. In addition, should the Proposer(s) elect to construct self-fueling facilities for the fueling of aircraft that are solely under the custody, care, and control of the Proposers(s), a fuel flowage fee payable to RIAC shall also be negotiated between the Proposer(s) and RIAC. The sale of fuel to third parties or unaffiliated or transient aircraft shall be expressly prohibited on the Parcel.

Please propose your initial annual rent per square foot and your proposed fuel flowage fee using the following format:

Land Lease Rent (per sq. ft. per year): Proposed \$ \_\_\_\_\_ per square foot.  
Fuel Flowage Fee, calculated as a percentage of the wholesale delivery price charged, less taxes: Proposed \_\_\_\_\_ Percent (\_\_\_\_)%.  
Proposed Term: Proposed \_\_\_\_\_ years.

**Note that the land lease rent will be escalated annually by the greater of: (i) an amount which is equal to the percentage change in the Consumer Price Index All Items (Northeast Region), published by the United States Department of Labor, Bureau of Labor, or any successor index published by a government agency (the "CPI") from the first day of the immediately preceding Lease Year during the Lease Term; or (ii) Three Percent (3%).**

# **Exhibit 5**

## **RIAC Standard Lease Agreement**

**LEASE and OPERATING AGREEMENT**

**between**

**RHODE ISLAND AIRPORT CORPORATION**

**and**

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**T.F. Green Airport**

**Warwick, Rhode Island**

## LEASE and OPERATING AGREEMENT

This Lease and Operating Agreement (Lease) is entered into as of the \_\_\_ day of \_\_\_\_\_, 20\_\_, (the “Effective Date”) by and between the RHODE ISLAND AIRPORT CORPORATION (“RIAC”), and \_\_\_\_\_, a \_\_\_\_\_ corporation (“Lessee”).

### RECITALS

WHEREAS, RIAC is a public corporation, is a governmental agency, and public instrumentality of the state of Rhode Island. RIAC is responsible for the operation and maintenance of the state’s airport system. Specifically, through a certain Lease and Operating Agreement with the state of Rhode Island dated June 25, 1993, as amended, RIAC maintains and operates T.F. Green Airport in Warwick, Rhode Island (the “Airport”); and

WHEREAS, RIAC and Lessee desire to enter into this Lease and Operating Agreement and Lessee desires to engage in the business of construction and operation of general aviation aircraft hangar facilities at the Airport.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter contained, and other valuable consideration, RIAC and Lessee agree, for themselves, their successors and assigns, as follows:

### AGREEMENTS

#### 1. Definitions and Terms.

1.1 Definitions. The terms set forth in this Section 1.1 shall have the meanings ascribed to them herein.

“**Affiliate**” means any Person which, directly or indirectly, owns or controls, is under common ownership or control with, or is owned or controlled by, such Person.

“**Airport**” means the T.F. Green Airport located in Warwick, Rhode Island, which RIAC leases from the State pursuant to the DOT Lease and operates.

“**Contract**” means that certain contract between the Contractor and Lessee for performance of the Work.

“**Contractor**” means the primary general contractor (or design/build contractor) hired by Lessee to perform the Work pursuant to the Contract.

“**Drawings and Specifications**” means the drawings and specifications for the Work which Lessee will construct on the Premises pursuant to the terms and conditions of Sections 4 and 5, and which will be attached to this Lease pursuant to the provisions of Section 4.

“**Environmental Law**” means any law, statute, regulation, rule, order, decree, judgment, consent decree, settlement agreement or governmental requirement, which relates to or otherwise imposes liability or standards of conduct concerning mining or reclamation of mined land, discharges, emission, releases or threatened releases or noises, odors or any pollutants,

contaminants or hazardous or toxic wastes, substances or materials, whether as matter or energy, into ambient air, water or land, or otherwise relating to the existence, manufacture, processing, generation, distribution, use, treatment, storage, disposal, cleanup, transport or handling of pollutants, contaminants or hazardous or toxic wastes, substances or materials, including the Surface Mining Control and Reclamation Act of 1977, as amended, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Resource Conservation and Recovery Act of 1976, as amended, the Toxic Substances Control Act of 1976, as amended, the Clean Water Act, as amended, any "Superfund" or "Superlien" law, and any other federal, state or local statutes, rules, regulations, and ordinances now or hereafter in effect, which are applicable to the Premises.

**"Environmental Permit"** means any of the permits required by or pursuant to any applicable Environmental Law.

**"Event of Default"** means any and every event of default set forth in Section 20 of this Lease.

**"FAA"** means the Federal Aviation Administration.

**"Facility"** means the building(s) and other improvements, including without limitation, the hangar building(s) with dimensions of approximately \_\_\_' by \_\_\_', and containing approximately \_\_\_\_\_ square feet of aircraft storage space, and includes the hangar(s) and all related site improvements, including without limitation, aircraft taxiways, aircraft taxiway markings, aircraft taxiway lighting, aircraft aprons and tie-downs, ramps, fencing, access control, lighting, and automobile parking, located on the Premises at the Airport and designated on the attached Site Location Map Exhibit.

**"Force Majeure"** means any act, event, circumstance or condition that is beyond the control of RIAC or Lessee which prevents or delays the party from performing or fulfilling any obligation or condition set forth in this Lease, and such act, event, circumstance or condition is not the result of the acts, omissions or lack of reasonable due diligence (including without limitation, the consent) of the party so affected, and shall include the following:

- (i) an act of God, lightning, earthquake, flood, fire, explosion, storm or similar casualty, an act of terrorism, an act of the public enemy, war, blockade, general arrest or restraint of people or government, civil disturbance or any similar occurrence;
- (ii) the failure of any appropriate federal, state or local agencies or public or private utilities having appropriate jurisdiction to provide and maintain all utility services;
- (iii) any strike, lockout, work slowdown or stoppage; provided, however, that in such event such party shall use commercially reasonable efforts to continue to perform its obligations under this Lease, which efforts shall include, but not be limited to, engaging other subcontractors or securing other sources of labor if contractually permitted;

- (iv) the temporary or final order, injunction or judgment of any federal, state, local or foreign court, administrative agency or governmental officer or body which is not the result of the acts or omissions of the party so affected, which prohibits or otherwise restricts the operation of the Airport as an Airport or the operation of Lessee's business;
- (v) the unavailability, suspension, termination, interruption, denial or failure of renewal of any license, permit, consent, authorization or approval necessary for the performance of obligations under this Lease; provided, however, that such unavailability, suspension, termination, interruption, denial or failure of renewal is not the result of the acts or omissions of the party so affected; and
- (vi) a change in applicable law which makes the continued performance of the party so affected impossible or technically unfeasible or causes a substantial delay in performance that could not have been avoided by reasonable diligence.

**“Governmental Authority”** means the government of the United States, any state or political subdivision thereof, or any foreign country, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

**“Hazardous Material”** means any “oil,” “hazardous material,” “hazardous wastes,” or “hazardous substances” as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended, or any similar statute, and the regulations adopted pursuant thereto, and shall include (whether or not included in the definition contained in such laws), petroleum, solvents, asbestos and other chemicals which would be materially dangerous to the environment or to human beings.

**“Lease”** means this Lease, and each and every Exhibit and Schedule attached hereto, which by this reference are made part of this Lease, all as amended from time to time.

**“Lease Term”** means a period commencing on the Effective Date and ending \_\_\_\_\_ ( ) years from and after the Start-Up Date, together with any and all Option Terms, unless earlier terminated pursuant to any provision hereof.

**“Lease Year”** means a period of twelve (12) consecutive calendar months, with the first lease year commencing on the Effective Date and each succeeding lease year commencing on the anniversary date of the Effective Date.

**“Lessee”** is defined in the Preamble.

**“Losses”** is defined in Section 18.7.3.

**“MAI Appraiser”** means an appraiser licensed or otherwise qualified to do business in the state of Rhode Island and who has substantial experience in performing appraisals of facilities similar

to the Premises and is certified as a member of the American Institute of Real Estate Appraisers or certified as an SRPA by the Society of Real Estate Appraisers, or, if such organizations no longer exist or certify appraisers, such successor organization or such other organization as is mutually by RIAC and Lessee.

**“Net Book Value”** means the original total construction cost incurred by Lessee for the Facilities, less accumulated amortization or depreciation (as appropriate) as set forth on the certified statement of construction cost required by Section 4.1 “Construction of Facilities”, as of the date on which Lessee is required to surrender the Premises or portion thereof, prorata, subject to Section 42 “Recapture”.

**“Permitted Tenant(s)”** means any Person that is a prospective tenant for the Facility.

**“Person”** means any partnership (including limited partnerships), corporations, limited liability companies, Governmental Authorities, trusts and other legal entities, as well as natural persons.

**“Premises”** means that certain parcel of real property consisting of approximately \_\_\_\_\_ square feet at the Airport, together with all structures and improvements located thereon, designated on the attached Site Location Map Exhibit and described on the attached Premises Exhibit.

**“Project Timetable”** means the project timetable described in Section 4.6, and set forth on the attached Project Timetable Schedule.

**“RIAC”** is defined in the Preamble.

**“Start Up Date”** means the date on which Lessee has received a Certificate of Occupancy (or equivalent under local law) for the Facility.

**“Subcontractor”** means a Person which has an indirect contractual or vendor arrangement or relationship with Lessee to perform any of the Work or supply any services and/or materials therefor.

**“Work”** means all aspects of engineering, design, permitting, and construction of the Facility in accordance with the terms and conditions of Section 4 of this Lease, and includes the furnishing of all materials, labor, equipment, supplies, plants, tools, scaffoldings, transportation, superintendence, insurance, taxes, bonds, warranties, covenants and incidentals and other services, facilities, and expenses necessary or convenient for the full performance and completion by Lessee of the requirements of this Lease, and the permanent improvements, structures, and components, fixtures and their appurtenances required or specified by this Lease.

1.2 Context. Unless the context otherwise requires:

- (i) the words “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar words refer to this Lease;

- (ii) the word “hereafter” means after, and the word “hereinbefore” means before, the date of this Lease; and
- (iii) the word “day” or “days” refer to calendar day(s).

1.3 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; and the singular shall include the plurals and vice versa. Titles of Sections are for convenience of reference only, and neither limit nor amplify the provisions of this Lease itself. The use herein of the word “including,” when following any general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such as “without limitation,” or “but not limited to,” or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter.

2. Lease of Premises.

2.1 Lease. Pursuant to the terms and conditions of this Lease, RIAC leases to Lessee, and Lessee leases from RIAC, the Premises as described herein.

2.2 Purpose. The Premises are to be utilized for the purpose of constructing and operating a general aviation aircraft hangar for Lessee’s aircraft, or aircraft of Permitted Tenant(s) or Affiliate, and for the temporary parking of automobiles related to such usage, and for no other purpose whatsoever, including without limitation, any operation of a charter aircraft service. Lessee will not make or allow any offensive or unlawful use of the Premises and will keep the Premises free from all objectionable noises, odors, rubbish and debris. Lessee shall not create any nuisance thereon, nor cause nor permit any waste thereof, nor shall Lessee conduct, suffer or permit any other activity (other than normal aircraft operations) which would: (i) adversely affect the structural integrity of the Facility; (ii) render untenable any part of the Facility; or (iii) disturb the quiet enjoyment of other lessees of the Airport or other parties who have access to the Airport.

3. Term.

3.1 Initial Term. The initial Lease Term shall begin on the date hereof and continue, unless this Lease is earlier terminated pursuant to the terms and conditions of this Lease, until the day immediately preceding the \_\_\_\_\_ ( \_\_th) anniversary of the Start-Up Date.

3.2 Option to Extend Lease. Provided that no Event of Default shall be continuing on the commencement of the applicable Option Term, Lessee shall have the right to extend the term of this Lease for an additional Option Term of \_\_\_\_\_ ( \_\_) years, provided written notice of the Lessee’s exercise of the Option Term is given by Lessee to RIAC at least ninety (90) days, but no more than one hundred and eighty (180) days, prior to the expiration of the then term under the same terms and conditions as the Lease Term, except the annual base rental.

4. Lessee’s Construction Obligations.

4.1 Construction of Facility. Lessee, at its sole cost, expense, and risk, shall construct the Facility and shall cause the Work to be performed in accordance with this Lease, and in accordance with the Contract, with materials, equipment, and workmanship of the quality required by the Contract. Lessee's obligations include, but are not limited to, the construction of the Facility in accordance with the Drawings and Specifications. Within thirty (30) days of the date hereof, Lessee shall furnish RIAC with its proposed Drawings and Specifications for the Facility, and shall obtain the prior written consent from RIAC before it commences construction, which consent shall not be unreasonably withheld, conditioned or delayed. RIAC reserves the right to request reasonable restrictions and conditions in connection with the Work that do not interfere with Lessee's use of the Premises or unreasonably increase the cost of Work. Within thirty (30) days of the completion of the Facility, Lessee shall furnish to RIAC as-built plans showing the actual construction of the Facility. The Facility and the construction thereof shall comply with all applicable statutes, ordinances, building codes, rules and regulations of any Governmental Authority as required by applicable law.

4.2 Site Preparation.

4.2.1 Preparation of Site. Site preparation and the connections and supply of all utilities to the Premises and the Facility, and all related site improvements, including without limitation, aircraft taxiways and associated taxiway markings and taxiway lighting, aircraft aprons and tie-downs, ramps, fencing, access control, lighting, and automobile parking, located on the Premises at the Airport will be the exclusive responsibility of Lessee.

4.3 Permits. Lessee shall be responsible for determining the need for, and thereafter shall apply for, pursue, and obtain, in accordance with the Project Timetable, all federal, state, and local demolition, construction and operating permits and approvals required to construct the Facility and carry out the obligations of Lessee under this Section 4, including all Environmental Permits, and building, utility, sewer, electrical, mechanical, and plumbing permits. The attached Permit Schedule contains a list of all such permits and approvals determined to be necessary by Lessee as of the date hereof. Upon receipt of all necessary permits, Lessee shall provide written notice to RIAC, together with copies of all permits, and RIAC will have three (3) days to review such permits to determine if they are in order, and if RIAC determines that such permits are in order, RIAC will then notify Lessee to proceed with construction of the Facility. In the event RIAC fails to notify Lessee within the three (3) day review period, RIAC shall be deemed to have accepted such permits and Lessee shall be authorized to proceed.

4.4 Subcontractors. All portions of the Work that Lessee does not perform with its own forces shall be performed pursuant to the Contract. By an appropriate written agreement, Lessee shall require the Contractor, to the extent of the Work to be performed by the Contractor, to be bound to Lessee by the terms of this Lease, and to assume toward Lessee all the obligations and responsibilities which Lessee, by this Lease, assumes toward RIAC, but only with respect to the Work. Such agreement shall preserve and protect the rights of RIAC under this Lease with respect to the Work to be performed by the Contractor. Any contract or agreement for labor, services, materials or supplies to be furnished in connection with the construction of the Facility shall provide that no lien, claim, or other encumbrance shall thereby be created, or arise by anyone thereunder upon or against the Premises or the Facility, to the fullest allowed by law. Such construction contractors shall be required to carry liability insurance with combined

primary and excess limit of \$10 million (or such lower limit to which RIAC may reasonable agree) as well as comply with the other applicable insurance requirements set for in Section 8, including, without limitation, workers' compensation coverage, additional insured requirements, etc. The construction contractor's insurance shall also provide coverage including personal injury, contractual blanket, independent contractors, broad form property damage, including completed operations, and products and completed operations coverages and shall include coverage for: (i) explosion; (ii) collapse; and (iii) underground property damage liability exposures. Completed operations liability coverage shall be maintained for the period of the Rhode Island statute of repose commencing on the Start-Up Date. Lessee warrants to RIAC that the Facility shall be free and clear of any such liens, claims or other encumbrances by any Person claiming through or under Lessee, subject to Lessee's right to contest in Section 16.2. RIAC warrants to Lessee that, as of the Effective Date, the Premises are free and clear of any liens, claims, or other encumbrances except the DOT Lease.

4.5 Payment, Performance and Lien Bond. Lessee will be required to provide labor, material, payment, performance, and lien bonds in an amount necessary to complete construction of the Premises, including the Facility, in the event of a default of this Section 4 by Lessee. These bonds shall be delivered to RIAC prior to the commencement of construction and must remain in effect until the appropriate building official(s) issue a Certificate of Occupancy or other equivalent instrument or certificate, and be governed by Rhode Island law. Such bonds will secure Lessee's performance under this Section 4, and shall provide security for the payment of all Persons performing labor or furnishing materials in connection with this Section. The form of each bond required hereunder, and the surety which issues it, must be reasonably acceptable to RIAC in all respects and shall cover 100% of hard construction costs. All bonds provided pursuant hereto must: (i) state that the surety will permit arbitration and be ultimately responsible for the payment of any award; (ii) name RIAC as an obligee; and (iii) be issued by a surety qualified to do business in the state of Rhode Island.

4.6 Time Provisions. The proposed schedule for progress of the Work, the Project Timetable, including permit acquisition, design, financing, construction and performance, is set forth on the attached Project Timetable Schedule. Subject to permitting approval, Lessee will commence construction no later than the date set forth thereon for the commencement of construction, and shall thereafter prosecute the Work diligently, using such reasonable means and methods of construction as will maintain the progress of the Work in accordance with the proposed Project Timetable.

4.7 Inspection. Upon reasonable prior notice to Lessee, RIAC, its officers, directors, employees, contractors, consultants and agents shall have the right to enter upon the Premises and to review all aspects of the Work by Lessee or its employees, agents and contractors to the extent reasonably required by RIAC to ensure that the Work is being performed in a manner consistent with the rights and obligations of Lessee hereunder.

4.8 Execution, Correlation and Intent. Except to the extent expressly provided herein to the contrary, RIAC has made no representations as to the conditions of the Premises, including without limitation, any subsurface conditions, or any improvements thereon, including any warranty for any particular purpose, and is leasing the Premises in "As Is" condition. Lessee has inspected the Premises for defects, and Lessee relies solely on its inspection and waives any right

to assert claims against RIAC based on any such defects, except to the extent set forth herein to the contrary. The intent of this Lease is to include all items necessary or reasonably inferable for the proper execution and completion of the Work. Words and abbreviations that have well-known technical or trade meanings, and not otherwise defined herein, are used in this Lease in accordance with such recognized meanings. All Work specified or indicated in this Lease will be performed by Lessee or on behalf of Lessee as part of this Lease unless it is specifically indicated that such Work is to be done by others.

4.9 Bill of Sale. On the last day of the Lease Term, the Facility shall automatically, without the necessity of any further action on the part of RIAC or Lessee, become the property of RIAC, and Lessee hereby assigns, transfers, and conveys the Facility to RIAC as of the last day of the Lease Term, or if sooner, upon the termination of this Lease, free and clear of all liens, encumbrances, and equities of third parties claiming by, through or under Lessee. Notwithstanding the provisions of the foregoing sentence, upon RIAC's written request, Lessee shall further evidence RIAC's ownership of the Facility by delivering to RIAC on the last day of the Lease Term, or if sooner, upon the termination of this Lease, a bill of sale for the Facility in form and substance reasonably satisfactory to RIAC and Lessee.

5. Operation and Management.

5.1 Lessee's Representatives. Lessee shall provide to RIAC the name and title of Lessee's authorized representative and principal contact with RIAC, Lessee's Project manager, principal engineer and construction manager (as applicable) with respect to Work.

5.2 RIAC's Representative. RIAC shall provide to Lessee the names and titles of RIAC's authorized representatives and principal contacts with Lessee.

6. Rent.

6.1 Base Rent. Lessee shall pay to RIAC, without notice thereof or demand therefor, and without deduction or set-off, an annual base rent, adjusted as hereinafter provided, payable on or before the first day of each month of each Lease Year during the Lease Term, at the address set forth below unless RIAC shall designate some other address in writing. Lessee's obligation to pay base rent under this Lease shall commence on the Effective Date. If the date on which this Lease expires, or if sooner, terminates, is other than the first or last day of a Lease Year, the base rent for such Lease Year shall be adjusted on a daily pro rata basis.

6.2 Amount of Base Rent. From the Effective Date through \_\_\_\_\_, 20\_\_, Lessee shall pay to RIAC base rent for the Premises of \$\_\_\_\_\_, payable in equal monthly installments of \$\_\_\_\_\_. The annual base rent for the Premises will automatically increase on every anniversary of the Effective Date during the Lease Term by the greater of: (i) an amount which is equal to the percentage change in the Consumer Price Index All Items (Northeast Region), published by the United States Department of Labor, Bureau of Labor, or any successor index published by a government agency (the "CPI") from the first day of the immediately preceding Lease Year during the Lease Term; or (ii) Three Percent (3%). If the date on which this Lease expires, or if sooner, terminates, is other than the first or last day of a Lease Year, the base rent for such Lease Year shall be adjusted on a daily pro rata basis.

### 6.3 Option Term Rent.

6.3.1 Fair Market Value. The base rent for the first Lease Year of the Option Term will be the greater of: (i) the fair market value of the Premises; or (ii) the rent for the immediately preceding Lease Year escalated per the terms of Section 6.2, above; provided, however, that the base rent for the first Lease Year of the Option Term shall not exceed 125% of the rent amount for the immediately prior Lease Year. The fair market value of the Premises will be determined by the mutual agreement of RIAC and Lessee, and in the event of their failure to agree, then the fair market value will be determined in accordance with the terms and conditions of Sections 6.3.2 and 6.3.3. Rent for subsequent Lease Years of the Option Term shall be computed per the terms of Section 6.2, above.

6.3.2 Selection of Appraisers. If RIAC and Lessee are unable to agree upon the fair market value of the Premises within the ninety (90) day period immediately preceding any Option Term, each shall within ten (10) days after written demand by the other select one MAI Appraiser to participate in the determination of fair market value. For all purposes under this Lease, the fair market value of the Premises shall be the fair market value of the Premises unencumbered by this Lease. Within ten (10) days of such selection, the MAI Appraisers so selected by RIAC and Lessee shall select a third MAI Appraiser. The three (3) selected MAI Appraisers shall each determine the fair market value of the Premises within thirty (30) days of the selection of the third appraiser. Lessee shall pay the fees and expenses of any MAI Appraiser selected by Lessee, RIAC shall pay the fees and expenses of any MAI Appraiser selected by RIAC, and RIAC and Lessee shall each pay half of the fees and expenses of the third MAI Appraiser. In the event either RIAC or Lessee fails to select a MAI Appraiser within the time period set forth herein, the MAI Appraiser selected by the other party shall alone determine the fair market value of the Premises in accordance with the provisions of this Section and the fair market value so determined shall be binding upon RIAC and Lessee. In the event the MAI Appraisers selected by RIAC and Lessee are unable to agree upon a third MAI Appraiser within the time period set forth herein, either RIAC or Lessee shall have the right to apply, at the expense of RIAC and Lessee shared equally, to the Presiding Justice of the Providence County Superior Court to name the third MAI Appraiser. Notwithstanding the foregoing, the parties may agree upon one MAI Appraiser to determine fair market value, and in such event such MAI Appraiser's determination thereof shall be final and binding on the parties and the parties shall share the cost of such appraisal equally.

6.3.3 Determination of Value. Within five (5) days after completion of the third MAI Appraiser's appraisal, all three (3) MAI Appraisers shall meet and a majority of the MAI Appraisers shall attempt to determine the fair market value of the Premises. If a majority are unable to determine the fair market value at such meeting, the three appraisals shall be added together and their total divided by three. The resulting quotient shall be the fair market value of the Premises. If, however, either or both of the low appraisal or the high appraisal are more than ten (10%) percent lower or higher than the middle appraisal, any such lower or higher appraisal shall be disregarded. If only one appraisal is disregarded, the remaining two appraisals shall be added together and their total divided by two, and the resulting quotient shall be such fair market value. If both the lower appraisal and higher appraisal are disregarded as provided herein, the

middle appraisal shall be such fair market value. The result of the appraisal process set forth in this Section 6.3 shall be final and binding.

6.4 Payment. All base rent shall be payable to RIAC in advance on the first business day of each month, without notice thereof or demand therefor, without deduction or set-off and without abatement, time being of the essence, and forwarded to RIAC at, Rhode Island Airport Corporation – Revenue, P.O. Box 845404, Boston, Massachusetts 02284-5404, or at such other address or addresses as RIAC may hereafter specify by written notice to the Lessee. In the event that RIAC has not received the full amount of any monthly payment of base rent, by the end of ten (10) days after the date it first became due, then RIAC shall notify Lessee thereof in writing and Lessee shall also pay a late charge of three percent (3%) of the overdue rent or charge, in addition to any interest due pursuant to the provisions of Section 6.7.

6.5 Taxes. Lessee will pay, as additional rent, during the Lease Term and any extension or renewal thereof all real estate and personal property taxes and assessments upon the Premises and the Facility which is during the term hereof laid, levied, assessed or imposed upon, the Premises and the Facility or any part thereof, or any charges in lieu of property taxes and assessments under applicable Rhode Island law. Lessee's obligation to pay real and personal property taxes and water and sewage usage charges and assessments shall be in the nature of a covenant to pay additional rent with the same rights and remedies in RIAC in the event of nonpayment as in the case of a default in the payment of rent. On the Effective Date, the Premises are exempt from property taxation, but RIAC may be required to make payments in lieu of taxes. In the event RIAC is required to make payments in lieu of taxes, RIAC shall obtain a separate assessment for the Premises (or portion of the Premises) subject to taxes, and will notify Lessee of the amounts and due dates therefor, and Lessee will pay such assessment as required by law, or in the event that Lessee fails to do so beyond any applicable notice and cure period, RIAC may make such payments, and Lessee will reimburse RIAC therefor. In the event RIAC is unable to obtain a separate assessment for the Premises from the taxing authority, Lessee shall pay its fair allocable share of the taxes assessed, based upon a pro rata share of the improvements subject to such tax that the portion of the Premises subject to such tax bears to the Airport improvements subject to such tax.

6.6 Overdue Rent. All payments of base rent and other sums due under this Lease which are not paid within thirty (30) days of the date due shall bear interest at the rate of ten percent (10%) per annum, or at the lesser maximum lawfully permissible rate, from the original due date until paid in full.

6.7 Construction as Rent. The Lessee's obligation to construct the Facility shall constitute additional rent to be paid by Lessee under this Lease. If Lessee fails to fulfill its obligations to construct the Facility in accordance with the terms and conditions of Section 4, such failure shall constitute a material breach of this Lease by Lessee.

7. Net Lease. This Lease is a net lease, and that all rent shall be absolutely net to RIAC. Lessee shall pay all costs, charges and expenses of every kind and nature whatsoever against or in connection with the construction, development, use, and operation of the Premises which may arise or become due during the Lease Term.

8. Insurance.

8.1 Provision of Insurance. At all times during the Lease Term, Lessee shall provide or cause to be provided, pay for and keep in full force and effect, with companies having a Best's rating of A, X, the types of insurance described herein. All liability policies: (i) shall provide that RIAC and the state of Rhode Island are additional insureds as to the operations of Lessee under this Lease other than insurance under Section 8.2; (iii) shall provide a "severability of interest" provision; and (iv) shall be submitted to RIAC for review no later than ten (10) days from the date hereof. A Certificate of insurance for the following coverage and limits shall be provided by Lessee to RIAC upon execution of this Lease and not less frequently than on an annual basis thereafter.

8.2 Workers Compensation and Employer Liability Insurance. Workers compensation and employer liability insurance shall be maintained for all employees of Lessee engaged in the operations of Lessee, as and to the extent required by the laws of the state of Rhode Island. The amount of the Workers' Compensation Insurance shall not be less than the Rhode Island statutory requirements. Employer's Liability Limit as follows:

\$1,000,000 each accident, each disease, each employee

8.3 Aviation General Liability Insurance. Aviation general liability insurance shall be maintained by Lessee. Coverages shall include Premises, Products & Completed Operations, Contractual Liability, Ground Hangarkeepers Liability, Personal Injury, Mobile Equipment and On-Airport Automobile Liability and War Risks. Limit of Coverages shall not be less than:

\$10,000,000 Bodily Injury and Property Damage in a Combined Single Limit, each occurrence and in the annual aggregate with respect to Personal Injury and Products Liability.

Should Lessee's general liability insurance be written or renewed on the Comprehensive General Liability Form, then the limits of coverage required shall not be less than:

Bodily Injury, and Property Damage Liability	\$10,000,000.00 Combined Single Limit (including passengers) Each Occurrence.
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In the event that Lessee's general liability insurance is written or renewed on the Comprehensive General Liability Form, then the limits of coverage required shall not be less than:

Bodily Injury and Property Damage Liability	\$10,000,000.00 Combined Single Limit (including passengers) Each Occurrence.
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8.4 Automobile Liability Insurance.

8.4.1 Normal Operations. Automobile liability insurance shall be maintained by Lessee as to the ownership, maintenance, and use of all owned, non-owned, leased or hired vehicles used or to be used by Lessee, except "air" side of the Airport, with limits of not less than those limits required by Rhode Island law, as amended from time to time with limits of not less than \$1,000,000

8.5 Liability Insurance Limits. The liability insurance limits set forth in this Lease may be met by combining umbrella excess, and primary liability insurance policies.

8.6 Reserved.

8.7 Builder's Risk Insurance. Builder's risk insurance shall be purchased, kept in full force and effect during the performance of the Work, and paid for by Lessee (or its Contractor) during construction on an "All Risk" form, including fire and extended coverage, no less broad than the ISO All Risk Property Form, including the additional perils of earthquake and flood. This policy will include Lessee as an additional insured and shall provide a ten (10) day prior written notice of cancellation and/or policy restriction to the parties to be named as additional insureds under the respective policies. Such coverage shall be issued on a single policy, covering the entire Work and the interest of Contractor and all Subcontractors as well as the interests of Lessee and RIAC. If the policy is written with a deductible, the deductible shall not exceed \$50,000 per claim for all risks.

8.8 Fire and Extended Coverage. Lessee shall keep the Facility insured against loss or damage from all causes under standard "all risk" property insurance coverage, without exclusion for fire, lightning, windstorm, explosion, smoke damage, vehicle damage, sprinkler leakage, flood, vandalism, earthquake, malicious mischief or any other risks as are normally covered under an extended coverage endorsement, in the amounts that are not less than one hundred (100%) percent of the Full Replacement Cost of the Facility, without deduction for depreciation, including without limitation, the Facility and all equipment and personal property located in the Facility or on the Premises, with deductibles not to exceed \$50,000 for any one occurrence. In addition, the casualty insurance required under this Section 8.8 will include an agreed amount endorsement evidencing that the insurance carrier has accepted the amount of coverage and has agreed that there will be no co-insurance penalty.

8.9 Waiver of Subrogation. RIAC and Lessee hereby release each other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise from any loss or damage to property caused by fire or any of the extended coverage or supplementary contract casualties, even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair such policies or prejudice the right of the releasor to recover thereunder. The policies of Lessee and RIAC will include such a clause or endorsement. This Section 8.9 shall apply only if such waiver is obtainable under the standard insurance policies issued in the state of Rhode Island.

8.10 Damage or Destruction.

8.10.1 Prior to Start-Up Date. In the event of destruction or damage to the Facility prior to the Start-Up Date, Lessee shall restore, reconstruct and repair any such destruction or damage by fire or other casualty such that the Facility shall be completed in accordance with this Lease, and Lessee will be entitled to an extension of time as shall be necessary to restore, reconstruct or repair the destruction or damage to the Facility.

8.10.2 Subsequent to Start-Up Date. In the event of any destruction, damage, fire or other casualty during the Lease Term, resulting in damage or destruction to the Facility, Lessee, at its sole risk and expense, whether or not the insurance proceeds payable in respect thereof shall be sufficient for the purpose, shall promptly proceed to restore, repair, replace and rebuild the Facility, improvements, fixtures and equipment on the Premises to the condition as good as the same were in immediately prior to such damage or destruction, and in accordance with the original Drawings and Specifications and any subsequent plans and specifications approved by RIAC for any additions or improvements constructed prior to the damage or at Lessee's option, pursuant to new Drawings and Specifications approved by Lessee and RIAC. The work of restoration or rebuilding shall be in compliance with all laws and regulations of Governmental Authorities applicable thereto. In the event that Lessee shall fail, neglect, or refuse to repair, rebuild, and restore the Premises in accordance with the foregoing provisions and requirements of this Section 8, then Lessee shall be in default hereunder. Notwithstanding anything to the contrary in this Lease, in the event of any destruction, damage, fire or other casualty during the last two (2) Lease Years of the Lease Term resulting in damage or destruction to the Premises and/or the Facility, Lessee will not be required to restore, repair, replace and rebuild the Facility, improvements, fixtures and equipment on the Premises, provided that Lessee tenders to RIAC for its own account all of the insurance proceeds payable for the Facility (but not contents or personal property) as a result of any such destruction, damage, fire, or other casualty.

8.11 Insurance as Rent. Lessee's obligations to obtain and maintain insurance under this Section 8 shall constitute additional rent to be paid by Lessee under this Lease. If Lessee fails to fulfill its obligations in accordance with the terms and conditions of this Section 8, such failure shall constitute a material breach of this Lease by Lessee.

9. Repairs and Maintenance. Lessee will keep and maintain the Facility and the Premises, in good operating order and condition, normal wear and tear excepted, and will make all replacements and repairs thereto (whether ordinary, extraordinary, structural, nonstructural, foreseen, or unforeseen). Lessee will keep and maintain the Facility and the Premises and all sidewalks adjoining the Facility and the Premises in a clean and orderly condition, free of dirt, rubbish, snow, ice, and unlawful obstructions.

10. Mortgages. Lessee will have the right to subject its interest in the Facility to a mortgage, if required by a lender, as security for the financing of its construction obligations pursuant to the provisions of this lease or as collateral for corporate debt; provided, however, that any such mortgage will be subject to all the terms, conditions, and covenants contained in this Lease, and to all rights and interests of RIAC. RIAC's interest in the Premises is not, and will not be, subordinated to the lien or interest of any holder of a mortgage granted by Lessee pursuant to this Section 10.

11. Assignment and Subleases.

General Prohibition. Lessee shall not: (i) sublet all or any part of the Premises; (ii) assign to any other party or in any manner transfer this Lease to any other party (other than pursuant to Section 10); or (iii) sell, gift, convey, or transfer the Facility to any other party, or otherwise dispose of the Facility in any manner (other than pursuant to Section 10). Any attempt to transfer or assign

this Lease, the Facility, or any portion of the Premises in violation hereof will be void and without effect. In the event Lessee desires to assign this Lease or sublet all or any part of the Premises, Lessee must first notify RIAC in writing. Such notice shall contain all pertinent information about the proposed assignee or subtenant and the terms and conditions of such assignment or sublease. As to any assignment, within fifteen (15) days from the day the notice is received, RIAC shall have the right to exercise one of the following options: (i) RIAC may deny the request if RIAC, in its reasonable discretion, believes the proposed transferee to be financially incapable of performing the Lessee's obligations hereunder; or (ii) RIAC may deny the request if RIAC, in its reasonable discretion, believes the proposed transferee will not comply with the requirements of Lessee hereunder, based on the business reputation of the proposed transferee, or (iii) RIAC may approve the request, in which case upon assumption in writing of the Lessee's obligations hereunder, Lessee shall be relieved of and released from all of Lessee's obligation hereunder.

12. Surrender; Holdover. At the expiration or sooner termination of this Lease, Lessee will peaceably surrender the Premises in good order, condition and repair, reasonable wear and tear and damage by fire or other casualty insured against excepted. In the event that Lessee continues to occupy the Premises after the expiration of the Lease Term or of any renewal or extension hereof, Lessee shall, in the absence of a written agreement with RIAC, be deemed a tenant from month to month upon all of the terms and conditions of this Lease which are not inconsistent with such tenancy, except that Lessee shall pay to RIAC, for each month or portion thereof as Lessee shall retain possession, one hundred and fifty (150%) percent of the base rent otherwise payable, and such base rent shall be payable in advance on the first day of each calendar month. In the absence of any express, written agreement between RIAC and Lessee, no act or failure to act by RIAC shall be deemed an acceptance of Lessee's occupancy for any fixed term (beyond the term fixed herein) in excess of one month. Nothing herein shall preclude RIAC from the exercise of any right or other remedy under this Lease or under law.

13. RIAC's Lien. The Facility, and all Lessee's fixtures, furniture, machinery, equipment and improvements that may be in, about or upon the Premises, excluding, however, all aircraft, hereby are and shall be and stand pledged for the fulfillment of the covenants, terms and conditions herein contained to be kept and performed on the part of Lessee and shall not be taken down or removed from the Premises during the Lease Term, or any renewal or extension thereof, without the prior written consent of RIAC.

14. Operations.

14.1 Activities; Prohibitions. RIAC grants to Lessee the use of the Premises for the specific purpose of the activities identified in Section 2.2, together with the right of access, ingress and egress to and from such space and areas by Lessee, Lessee's Permitted Tenants, its Affiliate, employees, suppliers, service people, business visitors, guests and invitees. In no event will Lessee: (i) conduct any aircraft maintenance outside the Facility except in the event of emergency maintenance or repair; or (ii) sell or store aviation fuel of any kind, including without limitation, jet-A fuel and/or 100-LL fuel, or conduct the sale of aviation fuel, or store or allow to be stored, or otherwise maintain aviation fuel or sell or store mobile aircraft fueler vehicles on the Premises, unless as otherwise approved by RIAC for the sole purpose of conducting self-fueling of Lessee's aircraft exclusively, through a RIAC-approved fuel farm constructed by

Lessee; or (iii) conduct aircraft de-icing operations, store or allow to be stored, or otherwise maintain aircraft de-icing fluid on the Premises unless as otherwise approved by RIAC for the sole purpose of de-icing Lessee's aircraft, Lessee's Permitted Tenants aircraft, and Lessee's Affiliate aircraft exclusively. Lessee will provide and maintain adequate lighting within and around the Premises and any parking areas as may be consistent with generally accepted safety and security standards.

14.2 Signs. Lessee shall have the right at all times and from time to time, at its own expense, to install and maintain, replace and relocate on the exterior of the improvements located on the Premises such signs as are or may be, from time to time, used or adopted by Lessee, including the appropriate aviation operation radio frequency, and signs and logos of Lessee and its Affiliates; provided written consent of RIAC is first had and obtained, which consent will not be unreasonably withheld, conditioned, or delayed. RIAC will also include Lessee on any common directory or signage at the Airport. Lessee may not sell advertising space anywhere on the Premises.

14.3 Airport Property. In the event of any emergency situation affecting safety of Airport property or operations in RIAC's professional judgment, or any condition jeopardizing or affecting the safety of the public, including without limitation, aircraft passing above the Premises or other areas of the Airport, RIAC will have the right (without prior notification in an emergency) to enter upon the Premises and remedy or cure any condition, act, or situation which, in RIAC's judgment, causes or contributes to such emergency.

14.4 Quiet Enjoyment. Lessee shall, provided no Event of Default has occurred and is continuing, peaceably and quietly have and hold the Premises without hindrance or molestation by any person or persons claiming by, through or under, RIAC.

## 15. Utilities.

15.1 Responsibility of Lessee. Lessee shall pay all costs for water, gas, electricity, sewer or septic connections and charges, telephone and other utilities used or consumed upon the Premises directly to the suppliers therefor as and when the charges for such utilities become due and payable. Lessee shall maintain, at its sole cost and expense the water, gas, boiler, sewer or septic, mechanical and electrical systems on or about the Premises.

15.2 Adequacy of Utilities. RIAC makes no representations that the existing electrical, gas or other utility connections to the Premises are adequate for Lessee's operations. If such existing connections are inadequate, Lessee shall, at Lessee's sole cost and expense, make arrangements, subject to RIAC's prior written approval and reasonable cooperation in effecting such arrangements at no expense to RIAC, with the appropriate public utility company or companies to provide adequate supplies. RIAC shall grant easements to Lessee for the construction of new connections as needed by Lessee for its operations, on locations as reasonably agreed by RIAC and Lessee, and subject to then-current construction rules and regulations in force for all tenants of the Airport.

15.3 Provision by RIAC. In the event, by agreement of the parties, RIAC at any time supplies any utilities or services to Lessee's facilities, Lessee will pay to RIAC its proportionate

share of the actual costs incurred by RIAC in connection with such supply. Such utilities or services may include electricity, gas, steam, water, sewer rents, air conditioning, ventilation and heating, interior and exterior lighting, trash removal and any other fuel. RIAC shall not be liable for any delay, interruption of, or failure to supply any services or utilities (including, but not limited to, water, sewer and electricity) required of it under the terms of this Lease, by reason of any act of Force Majeure or by the failure or delay of any person upon which RIAC is dependent for supplying fuel, water or other goods, materials, services, facilities or equipment, owned by the service provider.

16. Repairs, Alterations, and Improvements.

16.1 In General. Lessee shall be responsible for performing all routine and structural maintenance, repairs, and replacements necessary for the Facility and to do so in a good and workmanlike manner at all times at Lessee's sole cost, including any subsequent alterations, additions, or improvements, and shall keep all pavement, striping, glass, pipes, wires, plumbing, electrical, heating and air conditioning system and equipment and all fixtures and appliances therein or used therewith, whole and of the same quality and description, and in such repair, order and condition as the same are at on the Start-Up Date, reasonable wear and tear, damage by fire, the elements or acts of war excepted. Lessee shall not make any material improvements to the Facility and/or the Premises, interior or exterior, structural or nonstructural, except in accordance with the Plans and Specifications, without on each occasion first obtaining the prior written consent of RIAC, which consent shall not be unreasonably withheld, conditioned, or delayed, and shall be made at the sole cost and expense of Lessee. Any improvements made by Lessee to the Facility and/or the Premises shall become the sole and exclusive property of RIAC at the end of the Lease Term, or if sooner, the termination of this Lease. Lessee shall, at its sole cost and expense, provide janitorial and cleaning services within the Facility and the Premises and keep the same including the exterior as well as the interior side of all windows or glass therein in a clean, neat, sanitary, presentable and attractive condition at all times and shall repaint and redecorate when necessary. Lessee shall, at its sole cost and expense, repair or replace as may be required, all electrical or incandescent bulbs or fluorescent tubes or other lighting devices located within or upon the Facility and/or the Premises. Lessee shall, at its own expense, obtain all licenses and permits required by reason of any maintenance, repairs, construction or use of the Premises and Lessee's associated use of the Airport as herein provided. Lessee shall be responsible for removal of snow and ice from its aircraft taxiway, apron and ramp, tie-downs, walks, automobile parking areas and entrance. Lessee shall conduct periodic maintenance as required to all asphalt pavement areas on the Premises created or established by Lessee's tenancy under this Lease, and in particular, shall carry out all necessary crack sealing, seal coating, and sweeping of asphalt pavement surfaces.

16.2 Mechanic's Liens. Lessee shall not permit any mechanic's lien against the Premises or the Facility in connection with any materials, labor or equipment furnished to or for Lessee, and if any such lien shall be filed against the Premises, Lessee shall cause the same to be discharged, provided that if Lessee desires to contest any such lien it may do so as long as the enforcement thereof is stayed, but in any event Lessee shall while contesting the same, deposit with the court or otherwise, as required by law during the pendency of such contest prior to the time any such filed lien may be foreclosed, a sum or bond in an amount sufficient to cover the

amount of such lien and all interest, penalties or costs which would be payable to discharge such lien if such lien were valid.

17. Entry by RIAC. Lessee will permit RIAC and its authorized representatives to enter the Premises at reasonable times upon reasonable prior notice to Lessee for the purpose of: (i) inspecting the Premises; (ii) making any necessary repairs thereto and performing any other work therein that may be necessary by reason of Lessee's failure to make any such repairs or perform any such other work, required hereunder beyond any applicable notice and cure period, (iii) determine whether Lessee is complying with its obligations under this Lease; (iv) give any notice required or permitted to be given to Lessee hereunder; (v) post "For Lease" signs during the last four (4) months of the Lease or any extension thereof, or any time an Event of Default shall have occurred and be continuing; or (vi) show the Premises and the buildings and other improvements thereon to prospective tenants during the last four (4) months of the Lease or any extension thereof, or any time an Event of Default shall have occurred and be continuing. Nothing herein shall imply any duty upon the part of RIAC to do any such work; and performance thereof by RIAC shall not constitute a waiver of Lessee's default in failing to perform the same. RIAC shall not be liable for inconvenience, annoyance, disturbance, loss of business or other damage to Lessee by reason of making such repairs or the performance of any such work and the obligations of Lessee under this Lease shall not otherwise be affected thereby except for damage resulting from the gross negligence or willful misconduct by RIAC, its employees, contractors or agents.

18. Compliance with Laws and Airport Regulations.

18.1 General Laws. During the Lease Term, Lessee, at its sole cost and expense, shall occupy and conduct its business on the Premises in compliance with all applicable laws, ordinances, orders, rules and regulations of general application of all Governmental Authorities, courts, departments, commissions, boards and officers (other than RIAC), including but not limited, to all laws relating to the protection of the environment, any regulations (national or local) Board of Fire Underwriters, or any other body exercising functions similar to those of any of the foregoing, whether or not such law, ordinance, rule or regulation shall necessitate structural changes or improvements which are of general application to Lessee. Lessee shall similarly comply with the requirements of all policies of insurance at any time in force with respect to the Premises and Lessee's operations thereon.

18.2 RIAC Rules. Lessee will comply with all rules and regulations of general application promulgated by RIAC from time to time applicable to Airport tenants now existing or hereafter arising, which may be applicable to the Premises and Lessee's use thereof and the ramps, sidewalks, parking lots, and curbs adjoining the Premises. RIAC will make all such rules and regulations available for inspection by Lessee at the Airport, and shall provide advance notice to Lessee of any changes thereto. RIAC shall not enforce any rules or regulations against Lessee that are not enforced against other tenants or users of the Airport.

18.3 Fees. RIAC may from time to time promulgate rules and regulations which may include the imposition of reasonable charges by RIAC for the use of the Airport or its facilities, including without limitation, landing fees, and airport usage fees, which will be assessed and charged in a uniform manner. Lessee will pay any such fees in accordance with such rules and

regulations. RIAC will make all such rules and regulations available for inspection by Lessee at the Airport and shall provide advance notice to Lessee of any changes thereto. RIAC shall not enforce any rules or regulations against Lessee that are not enforced against other tenants or users of the Airport.

18.4 FAA Rules. During the Lease Term, Lessee shall conduct its operations in accordance with policies, minimum standards, regulations, practices, and procedures, prescribed from time to time by the FAA, and in addition, by RIAC, unless pre-empted by the FAA.

18.5 Aircraft Parking Areas. Lessee will not use the designated aircraft parking areas unless and until Lessee is in compliance with all applicable state and federal regulations.

18.6 Security. Lessee, at its sole cost and expense, will comply with any and all applicable federal, state, and municipal laws and regulations and regulations of RIAC relating to the security and safety of all RIAC personnel, Airport passengers, and all other persons, including without limitation, any regulations promulgated by the United States Department of Homeland Security and/or the Transportation Security Agency.

18.7 Environmental Compliance.

18.7.1 Compliance with Environmental Law. Lessee will not cause or permit the storage, use, or disposal, of any Hazardous Materials, pollutants or contaminants on or in the Premises or adjacent property or at the Airport, except in compliance with applicable law and in quantities necessary to the use, operation and maintenance of the Premises. Lessee shall not do anything affecting the Premises that is in violation of any Environmental Law, nor shall Lessee allow anyone else acting on behalf of or at the direction of Lessee to do anything affecting the Premises that is in violation of any Environmental Law.

18.7.2 Notice of Claims. Lessee will promptly give RIAC written notice of any investigation, claim, demand, lawsuit or other action by any Governmental Authority or private party involving the Premises and any Hazardous Materials or Environmental Law of which Lessee has knowledge and of which Lessee is allowed by law to give notice to RIAC. If Lessee learns, or is notified by any Governmental Authority, that any removal or other remediation of any Hazardous Materials affecting the Premises is necessary, if caused by the act or omission of Lessee, its agents, employees, suppliers, service people, business visitors, guests or invitees, Lessee shall take all necessary remedial actions in accordance with all Environmental Laws, at Lessee's sole cost and expense.

18.7.3 Environmental Indemnification. To the fullest extent permitted by law, Lessee will indemnify, defend, and hold RIAC, the State of Rhode Island, their respective Affiliates and their respective officers, directors, employees and agents harmless from and against any and all fines, suits, procedures, claims, actions, causes of action, damages, recoveries, obligations, and liabilities of every kind, nature, and description, and all costs and expenses associated therewith (including without limitation, attorneys' and consultants' fees) (collectively, "Losses"), arising out of or in any way connected with or related to: (i) any deposit, spill, discharge, or other release or the threat of release of any Hazardous Material which is caused by Lessee, or any of Lessee's employees, agents, invitees, licensees, subtenants, or

contractors, and (ii) Lessee's failure to provide all information, make all submissions, and take all actions required by all Governmental Authorities under all applicable laws, including without limitation, Environmental Laws; and (iii) Lessee's failure to comply with any provision of this Section 18. In furtherance, and not in limitation of, this Section 18.7.3, Lessee shall be responsible for the cost of any remediation required to be performed in, or, or about the Premises and/or the Facility as a result of any such release or failure to comply during the Lease Term. Lessee shall not be responsible for any such remediation required to be performed as a result of any act or omission by RIAC and/or its agents or any other Person not acting on behalf of or at the direction of Lessee.

19. General Indemnification. To the fullest extent permitted by law, from and after the date hereof and throughout the Lease Term, Lessee will protect, indemnify and save harmless RIAC, the State of Rhode Island, their respective Affiliates, and their respective officers, directors, employees and agents from and against any and all Losses, arising out of Lessee's use of or operations at the Premises or out of the Lessee's tenancy hereunder caused directly or indirectly by the act or omission of Lessee, or any of its agents, employees, contractors, suppliers, service people, business visitors, guests or invitees in, on or about the Premises or at the Airport. Lessee's indemnity and defense obligations under this Lease will survive the expiration or sooner termination of this Lease. Lessee will not be responsible for any Losses arising out of the act or omission of RIAC and/or its agents or any other persons.

20. Default.

20.1 Events of Default by Lessee. The occurrence of any of the following on the part of Lessee shall constitute an Event of Default:

- (i) failure to pay within ten (10) days after receipt of written notice any rent, insurance premiums, utilities, or other charges or payments required of Lessee under this Lease;
- (ii) a final order of a court of competent jurisdiction results in a suspension or termination being placed upon Lessee which prohibits the use by Lessee of the Facility and/or the Premises, or if any necessary licenses or certifications of Lessee are revoked or suspended, and any such suspension or termination has not been removed or withdrawn within ninety (90) days;
- (iii) any intentional material misstatement or material omission of fact in any written report, notice or communication required to be provided under this Lease from Lessee to RIAC with respect to Lessee or the Facility and/or the Premises;
- (iv) the admission in writing of Lessee's inability to pay its debts generally, or an assignment of all or substantially all of its property and/or receivables for the benefit of creditors,

- (v) the appointment of a receiver, trustee, or liquidator for Lessee or any of the property of Lessee, if within ten (10) business days of such appointment Lessee does not inform RIAC in writing that Lessee intends to cause such appointment to be discharged and Lessee does not thereafter discharge such appointment within one hundred eighty (180) days after the date of such appointment;
- (vi) the filing by Lessee of a voluntary petition or the filing by any other party of an involuntary petition for Lessee under any federal bankruptcy law or under the law of any state to be adjudicated as bankrupt or for any arrangement or other debtor's relief, which shall continue in effect and unstayed for a period of one hundred eighty (180) days;
- (vii) the abandonment of the Facility or the Premises or the vacancy of the Facility or the Premises by Lessee for more than thirty (30) consecutive days, excluding, however, the temporary absence of Lessee's aircraft from time to time in the normal course of Lessee's operations at the Premises, or the cessation of Lessee's operations at the Facility and/or the Premises for more than thirty (30) consecutive days;
- (viii) the failure by Lessee to complete the Work and commence operations by the first anniversary of the Effective Date;
- (ix) the failure by Lessee to perform or comply with any other covenant, term or provision of this Lease not requiring the payment of money; provided, however, in the event any such default is curable, such default shall be deemed cured, if: (a) within five (5) business days of receipt of a notice of default from RIAC, Lessee gives RIAC notice of its intent to cure such default; and (b) Lessee cures such default within thirty (30) days after such notice from RIAC, unless such default cannot with due diligence be cured within a period of thirty (30) days because of the nature of the default or delays are beyond the control of such party, and cure after such thirty (30) day period will not have a material and adverse effect upon the Premises or the Airport, in which case such default shall not constitute an Event of Default if the defaulting party uses its best efforts to cure such default by promptly commencing and diligently pursuing such cure to the completion thereof.

20.2 RIAC's Remedies. Upon the occurrence of an Event of Default, RIAC may terminate this Lease upon notice to Lessee, and in addition to such termination, Lessee may exercise all rights and remedies under this Lease and all rights and remedies available under the laws of the United States of America, the state of Rhode Island, and any applicable municipality (including all applicable federal, state and local agencies, departments and boards) as well as any and all rights and remedies available in equity. Without limiting the foregoing, RIAC shall have the right, but not the obligation, to do any of the following:

- (i) sue for the specific performance of any covenant of Lessee under this Lease as to which Lessee is in breach;
- (ii) upon compliance with the requirements of applicable law, RIAC may enter upon the Premises, terminate this Lease and dispossess Lessee from the Premises; or
- (iii) upon compliance with the requirements of applicable law, and without termination of this Lease, RIAC may dispossess Lessee from the Premises in which event RIAC shall make commercially reasonable attempts to relet any portion of the Premises to such tenant or tenants, for such term or terms, for such rent, or such conditions, and for such uses, as RIAC in the exercise of its reasonable discretion, may determine, and RIAC may collect and receive any rents payable by reason of such reletting, notwithstanding the foregoing, any such reletting by RIAC shall not relieve Lessee of Lessee's primary obligations under this Lease, including but not limited to payment of base rent not fully covered by the rent received from any such replacement tenant, and Lessee shall pay the difference of any amount due hereunder and the amount so collected, as due and upon demand from RIAC, from time to time.

20.3 RIAC's Default and Lessee's Remedies. If RIAC shall fail to perform or comply with any term of this Lease, and such failure shall continue for a period of thirty (30) days after RIAC's receipt of written notice thereof from Lessee specifying such failure and requiring it to be remedied, then Lessee may pursue any and all remedies available at law or in equity. Notwithstanding the foregoing, if such failure cannot with due diligence be remedied by RIAC within a period of thirty (30) days, and if RIAC commences to remedy such failure within such thirty (30) day period and thereafter prosecutes such remedy with reasonable diligence, the period of time for remedy of such failure shall be extended as long as RIAC prosecutes such remedy with reasonable diligence.

20.4 Attorneys' Fees. The prevailing party in any dispute shall have the right to claim and receive all reasonable attorneys' fees and collection costs associated with any default hereunder.

20.5 Remedies Cumulative. No right or remedy herein conferred upon or reserved to any party is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing at law or in equity.

20.6 Survival. No expiration or termination of this Lease shall relieve Lessee and RIAC of their respective liability and unfulfilled obligations under this Lease, and such liability and unmet obligations shall survive any such expiration or termination.

21. Removal of Property. Upon the expiration of this Lease, Lessee shall have the right to remove and upon the written request of RIAC shall remove, at Lessee's own expense its moveable business fixtures, furniture, machinery, equipment, signs, and insignia. Any damage

to the Premises caused by such removal shall be repaired at Lessee's expense. Lessee shall have thirty (30) days after the expiration or sooner termination of this Lease (including any extensions thereof) to remove Lessee's property and repair any damage. Lessee shall surrender possession of the Premises in as good condition as they were at the time of commencement of this Lease, together with any improvements authorized by RIAC, normal wear and tear, damage by fire, the elements or acts of war excepted.

22. No Accord and Satisfaction. No acceptance by RIAC of a lesser sum than the rent provided for herein, or any other charge then due shall be deemed to be other than on account of the earliest installment of such rent or charge due, nor shall any endorsement or statement on any check or letter accompanying any check or payment as base rent or other charge be deemed an accord and satisfaction, and RIAC may accept such check or payment without prejudice of RIAC's right to recover the balance of such installment and pursue any other remedy.

23. Flight Operations of the Airport.

23.1 Reservation of Rights. RIAC reserves for itself and its Affiliates, and its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the air space above the surface of the Airport, including without limitation, the air space above the Premises, together with a right to cause in such air space such noise, dust and fumes as may be inherent in the operation of aircraft now known or hereafter used, or navigation in or using such air space for landing, taking off or operating on or above or near the Airport.

23.2 Noninterference by Lessee. Lessee will neither erect structures other than the Facility nor permit nor operate equipment nor store material on the Premises, in such a manner as to create any obstruction to air navigation and radar operations according to the criteria or standards as prescribed from time to time in Part 77 of the FAA Regulations, except as permitted by the FAA, nor will Lessee create electrical interference with radio communications, radar or electromagnetic equipment between the Airport and aircraft, or make it difficult for a flier to distinguish between Airport lights and others, or cause a glare in the eyes of fliers using the airport, or impair visibility in the vicinity of the Airport by lights or smoke, or otherwise endanger the landing, taking-off or maneuvering of aircraft. Lessee shall not, by either its activities upon or use of the Premises, interfere with radio communications, instrument landing systems, navigational aides or flight operations of the Airport or telecommunications equipment or devices located at the Airport, whether or not related to airport operations. Notwithstanding the foregoing, RIAC acknowledges and agrees that Lessee would not have entered into this Lease but for the agreement of the FAA contained in that certain Final Determination dated August 21, 2008, to Bascon-Fund Management 088012, regarding waiver of height restriction for the Facility. In the event the FAA withdraws or otherwise terminates such waiver, Tenant may elect to terminate this Lease with respect to the Facility without liability, but subject to RIAC's obligations under Section 42.

23.3 Government Agencies.

23.3.1 Cooperation. Lessee shall cooperate and assist RIAC in dealing with inquiries, proceedings or other action of the FAA and all other federal, state and local agencies in all matters relating to the operation of the Airport, at no cost to Lessee. RIAC may, from time to time, employ various planning and engineering consultants in connection with RIAC's ownership and operation of the Airport, and Lessee shall cooperate with and reasonably assist such consultants as requested by RIAC.

23.3.2 Federal Aviation Act. Lessee will comply with the provisions of the Federal Aviation Act of 1958, 49 U.S.C. 1349 (a), and any future amendments or revisions thereto, or any rules or regulations promulgated thereunder and any provision of any agreements providing federal assistance for the development of Airports entered into by RIAC and the federal government or its agencies which do not unreasonably increase the cost of Lessee's operations at the Premises or do not unreasonably restrict Lessee's operations at the Airport. Notwithstanding the foregoing, if the provisions of this Section 23.3.3 are invoked against Lessee, Lessee may terminate this Lease without further liability of Lessee if in Lessee's reasonable discretion such invocation materially increases Lessee's obligations or materially decreases Lessee's rights under this Lease, and further subject to RIAC's obligations under Section 42.

23.3.3 Emergency Situations. During time of war or national emergency, RIAC shall have the right to lease the Airport area or any part thereof, including the Premises, to the federal government for military use if required to do so by law and, if such lease is executed, the provisions of this Lease, insofar as they are inconsistent with the provisions of the lease to the federal government, shall be subordinate to such lease with the federal government. In any such event, all of Lessee's rent shall be equitably adjusted.

23.3.4 FAA Certifications. In the event Lessee wishes to perform services which are regulated by the FAA, Lessee will supply RIAC with copies of certificates issued by FAA within ten (10) days of receipt. Lessee will also supply copies of all such certificates when they are renewed, together with any notices of cancellation or termination of such certificates.

24. No Joint Venture. Neither a partnership nor a joint venture is created by this Lease. Lessee shall notify all potential sublessees, contractors and others that it has no authority to bind RIAC or its managing agent and that certain agreements negotiated with sublessees, contractors and others must be submitted to RIAC and to federal and state authorities for review and approval in accordance with applicable law and provisions of this Lease, and RIAC shall advise all potential lessees, contractors and others that it has no authority to bind Lessee.

25. Nonsolicitation. Lessee will not, during the Lease Term, knowingly solicit for hire on a full-time or part-time basis, any employees of RIAC regardless of whether such employees are full-time or part-time employees.

26. Representations and Warranties.

26.1 Representations of Lessee. To induce RIAC to enter into this Lease, Lessee makes the representations and warranties set forth in this Section 26.1.

26.1.1 Organization and Power. Lessee is a corporation, validly existing and in good standing under the laws of the state of Delaware, and has all requisite power to enter into and perform its obligations hereunder and under any document or instrument required to be executed and delivered on behalf of Lessee hereunder.

26.1.2 Authorization and Execution. All actions by Lessee's board of directors necessary to make this Lease an effective and binding contract have been duly taken, and Lessee is fully authorized and empowered to make this Lease and is bound thereby. This Lease has been duly executed and delivered by Lessee.

26.1.3 Noncontravention. The execution and delivery of, and the performance by Lessee of its obligations under, this Lease do not and will not contravene Lessee's organizational documents or any material agreement, judgment, injunction, order or decree applicable to Lessee directly.

26.1.4 Litigation. There is no action, suit or proceeding pending or known to Lessee to be threatened against or affecting Lessee in any court, before any arbitrator or before or by any Governmental Authority which: (i) in any manner raises any question affecting the validity or enforceability of this Lease; or (ii) directly affects the authority of Lessee to enter into and perform this Lease.

26.1.5 Brokerage. Lessee has not engaged the services of, nor is it liable to, any real estate agent, broker, finder or any other person or entity for any brokerage or finder's fee or commission with respect to the making of this Lease.

26.1.6 Disclosure of Material Facts. To the knowledge of Lessee, neither this Lease nor any other instrument, document, statement or certification given to RIAC with respect to this transaction contains any untrue statement of a material fact or fails to disclose a material fact which would adversely affect RIAC's use of the Premises or Facility.

26.2 Representations of RIAC. To induce Lessee to enter into this Lease, RIAC makes the representations and warranties set forth in this Section 26.2.

26.2.1 Authorization and Execution. RIAC is fully authorized and empowered to make this Lease and is bound thereby. This Lease has been duly executed and delivered by RIAC.

26.2.2 Noncontravention. The execution and delivery of, and the performance by RIAC of its obligations under, this Lease do not and will not contravene RIAC's organizational documents or any material agreement (including DOT Lease), judgment, injunction, order or decree applicable to RIAC directly.

26.2.3 Litigation. There is no action, suit or proceeding pending or known to RIAC to be threatened against or affecting RIAC or the Airport in any court, before any arbitrator or before or by any Governmental Authority which: (i) in any manner raises any question affecting the validity or enforceability of this Lease; or (ii) directly affects the authority of RIAC to enter into and perform this Lease.

26.2.4 Brokerage. RIAC has not engaged the services of, nor is it liable to, any real estate agent, broker, finder or any other person or entity for any brokerage or finder's fee or commission with respect to the making of this Lease.

26.2.5 Disclosure of Material Facts. To the knowledge of RIAC, neither this Lease nor any other instrument, document, statement or certification given to Lessee with respect to this transaction contains any untrue statement of a material fact or fails to disclose a material fact which would adversely affect Lessee's use of the Premises or Facility.

27. Time. Time is of the essence in the performance of the provisions and covenants of this Lease.

28. Complete Contract. This Lease constitutes the entire agreement between RIAC and Lessee and supersedes all negotiations, agreements, representations, warranties, statements, promises and understandings, whether oral or written, with respect to the subject matter hereof, and neither party hereto shall be bound by nor charged with any oral or written agreements, representations, warranties, statements, promises or understandings not specifically set forth in this Lease. This Lease may not be amended, altered or modified except by a writing signed by RIAC and Lessee.

29. Application. All indications or notations that apply to one of a number of similar situations, materials or processes shall be deemed to apply to all such situations, materials or processes wherever they appear in the Work, except where a contrary result is clearly indicated by this Lease.

30. Notices. All notices under this Lease shall be in writing and shall be delivered by personal service, or by certified or registered mail, postage prepaid, return receipt requested, to the parties at the following addresses:

RIAC: Rhode Island Airport Corporation  
T.F. Green Airport  
2000 Post Road  
Warwick, RI 02886  
Attention: Department of Commercial Programs

Lessee:

with a copy to:

All notices, demands and requests must be in writing and shall be effective upon personal service to the addressee or upon being deposited in the United States mail. The time period in which a response to any such notice, demand or request must be given, however, shall commence to run from the date of receipt of the notice, demand or request in the case of personal service and the date upon the return receipt in the case of mailing. Rejection or other refusal to accept or the

inability to deliver because of changed address of which no notice was given as provided below shall be deemed to be the date of receipt of the notice, demand or request sent. By notice sent in the manner set forth herein, the parties hereto and their respective permitted successors and assigns shall have the right from time to time and at any time during the term of this Lease to change their respective addresses for notices and each shall have the right to specify as its address for notices any other address within the United States of America.

31. Validity. In the event that this Lease contains any unlawful provision not an essential part of the Lease and which shall not appear to have been a controlling or material inducement, to the making thereof, the same shall be deemed of no effect and shall, upon notice by either party, be deemed stricken from the Lease without affecting in any respect whatsoever the validity or enforceability of the remainder of this Lease.

32. Captions. The captions appearing in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit or construe or describe the scope or intent of any provisions of this Lease nor in any way affect this Lease.

33. Survival of Rights; No Third Party Beneficiaries. This Lease is personal to Lessee, and Lessee shall not have the right, power, or authority to assign this Lease or any portion thereof, or to delegate any duties or obligations arising hereunder, except in any such case as provided herein, either voluntarily, involuntarily or by operation of law, without the prior written consent of RIAC, which consent shall not be unreasonably withheld or delayed. Without waiver of the foregoing provisions, all of the rights, benefits, duties, liabilities, and obligations of the parties hereto shall inure to the benefit of, and be binding upon, their respective successors and assigns. This Lease is solely for the benefit of RIAC and Lessee and nothing contained in this Lease shall be deemed to confer upon anyone other than RIAC and Lessee any right to insist upon or to enforce the performance or observance of any of the obligations contained herein. All conditions to the obligations of any party to perform its obligations hereunder are imposed solely and exclusively for the benefit of such party and no other Person shall have standing to require satisfaction of such conditions in accordance with their terms and no other Person shall under any circumstances be deemed to be a beneficiary of such conditions, any or all of which may be freely waived in whole or in part by such party if, in such party's sole discretion, such party deems it advisable or desirable to do so.

34. Governing Law. This Lease has been entered into in the State of Rhode Island and all matters and questions with respect to or in connection with this Lease (whether in contract, tort or otherwise), and the rights and liabilities of the parties hereto, shall be governed by the laws of this State, without reference to its choice of law provisions. Each of the parties irrevocably consents and submits to the exclusive jurisdiction of the courts of the State of Rhode Island and the United States District Court for the District of Rhode Island, as well as to the jurisdiction of all courts from which an appeal may be taken from such courts, for the purpose of any suit, action, or other proceeding arising out of or related to any of its obligations hereunder, and waives any objection it may have to the venue of any such suit, action or other proceeding in such courts and any claim that any such suit, action, or proceeding has been brought in an inconvenient forum.

35. Force Majeure. Neither RIAC nor Lessee shall be responsible or liable for any failure or delay in the performance of its obligations under this Lease because of an act of Force Majeure, nor shall any such failure or delay afford a party the right to terminate this Lease. Notwithstanding the foregoing, the definition of “Force Majeure” as to RIAC, shall not include any action taken by or on behalf of RIAC, or by or on behalf of the FAA or any other Governmental Authority, whether or not such action has been consented to by RIAC or not otherwise disputed or contested to by RIAC, and which limits the rights of Lessee to use the Premises for the purposes intended hereunder, or to operate its hangar facilities as intended hereby, for any period longer than thirty (30) days.

36. Waiver. No consent or waiver, express or implied, by RIAC or Lessee to or of any breach or default by the other party in the performance of its obligations hereunder shall be deemed or construed to be consent or waiver to or of any other breach or default in the performance by Lessee or RIAC of the same or any other obligations hereunder. Failure on the part of RIAC or Lessee to declare a defaulting party in default, irrespective of how long such failure continues, shall not constitute a waiver RIAC or Lessee of its rights hereunder. The giving of consent by RIAC in any one instance shall not limit or waive the necessity to obtain RIAC’s consent in any future instance.

37. Further Assurances. Each party hereto agrees to do all acts and things and to make, execute and deliver such written instruments, as shall from time to time be reasonably required to carry out the terms and provisions of this Lease.

38. Recording. This Lease shall not be filed for record, but in lieu thereof, RIAC and Lessee shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

39. Authority of Lessor and Lessee. Neither party shall have any right or authority, express or implied, to commit or otherwise obligate the other party in any manner whatsoever except to the extent specifically provided herein or specifically authorized in writing by such other party. No other person shall have the authority to waive orally, or to release Lessor or Lessee from any of duties or obligations under this Lease unless such release is effected as an amendment hereto. Neither Lessor nor Lessee shall become, in any way or for any purpose whatsoever, a partner of the other party, or joint venturer or a member of a joint enterprise with the other party by virtue of this Lease.

40. Exhibits and Schedules. Lessor and Lessee will each provide the Exhibits and Schedules required by this Lease within thirty (30) days of the Effective Date; provided, however, that Lessee shall furnish the Drawings and Specifications in accordance with the terms and conditions of Section 4.1.

41. Dispute Resolution. This Section 41, including the subparagraphs below, is referred to as the “Dispute Resolution Provision”. This Dispute Resolution Provision is a material inducement for the parties entering into this agreement.

(a) This Dispute Resolution Provision concerns the resolution of any controversies or claims between the parties, whether arising in contract, tort or by statute, including but not limited to

controversies or claims that arise out of or relate to: (i) this Lease (including any renewals, extensions or modifications); or (ii) any document related to this Lease (collectively a "Claim"). All Claims shall be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U.S. Code) (the "*Act*"). The Act will apply even though this agreement provides that it is governed by the law of a specified state.

(b) Arbitration proceedings will be determined in accordance with the Act, the then current rules and procedures for the arbitration of leasehold disputes of the American Arbitration Association or any successor thereof ("AAA"), and the terms of this Dispute Resolution Provision. In the event of any inconsistency, the terms of this Dispute Resolution Provision shall control. If the AAA is unwilling or unable to (i) serve as the provider of arbitration or (ii) enforce any provision of this arbitration clause, the parties may designate another arbitration organization with similar procedures to serve as the provider of arbitration. The arbitration shall be administered by the AAA and conducted, unless otherwise required by law, in Providence, Rhode Island. All Claims shall be determined by one arbitrator; however, if Claims exceed Five Million Dollars (\$5,000,000), upon the request of any party, the Claims shall be decided by a panel of three (3) arbitrators. All arbitration hearings shall commence within ninety (90) days of the demand for arbitration and close within ninety (90) days of commencement and the award of the arbitrator(s) shall be issued within thirty (30) days of the close of the hearing. However, the arbitrator(s), upon a showing of good cause, may extend the commencement of the hearing for up to an additional sixty (60) days. The arbitrator(s) shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be enforced.

(c) The arbitrator(s) will give effect to statutes of limitation in determining any Claim and may dismiss the arbitration on the basis that the Claim is barred. For purposes of the application of any statutes of limitation, the service on the AAA under applicable AAA rules of a notice of Claim is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s). The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Lease.

(d) This Section 41 does not apply to the determination of base rent during each Option Term (which is governed by Section 6.3) and does not limit the right of any party to exercise self-help remedies, such as but not limited to, setoff or act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies as provided herein.

(e) By agreeing to binding arbitration, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim. Furthermore, without intending in any way to limit this agreement to arbitrate, to the extent any Claim is not arbitrated, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of such Claim. **WHETHER THE CLAIM IS DECIDED BY ARBITRATION OR BY TRIAL BY A JUDGE, THE PARTIES AGREE AND UNDERSTAND THAT THE EFFECT OF THIS AGREEMENT IS THAT THEY ARE GIVING UP THE RIGHT TO TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW.**

42. Recapture. RIAC reserves the right to recapture the Premises anytime during the Term of this Lease if RIAC, in its sole and absolute discretion, determines that the Premises are required for changes in or expansion of airport operations, or the requirement of such space for public facilities, utilities, or other uses directly related to the furnishing of air transportation services. RIAC also reserves the right to recapture the Premises anytime during the Term of this Lease if the Airport is no longer used for the provision of air transportation services and ceases to be an airport. This Lease shall terminate ninety (90) days after the provision of written notice by RIAC to Lessee of RIAC's determination to recapture such Premises. RIAC may offer substitute space to Lessee in connection with recapture of the Premises. Nothing in this Lease shall be deemed to require that RIAC offer substitute space, or that Lessee accept substitute space. The offering of substitute space will be in the sole and absolute discretion of RIAC; provided, however, that any such substitute space shall be offered by RIAC to Lessee at least ninety (90) days before the effective date of the recapture. In such events of recapture, RIAC shall reimburse Lessee the Net Book Value of the Lessee's improvements to Premises.

[SIGNATURES NEXT PAGE]

IN WITNESS WHEREOF, the Rhode Island Airport Corporation and \_\_\_\_\_ have each caused this Lease to be duly executed by their respective officers as of the day and year first above written.

RHODE ISLAND AIRPORT CORPORATION

By: \_\_\_\_\_  
Kelly J. Fredericks, P.E., A.A.E.  
President & CEO

\_\_\_\_\_

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

## **LIST OF EXHIBITS**

Description of Premises Exhibit  
Site Location Map Exhibit  
Project Timetable Schedule  
Permit Schedule  
Subcontractor Schedule

# Exhibit 6

## Exceptions to Lease Agreement

I, \_\_\_\_\_, \_\_\_\_\_, of \_\_\_\_\_  
(Name) (Title) (Company)

certify that I have no exceptions to the Lease Terms as presented for RFP No. \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE OF PROPOSER

\_\_\_\_\_  
DATE

OR

I, \_\_\_\_\_, \_\_\_\_\_, of \_\_\_\_\_  
(Name) (Title) (Company)

request the following exceptions to the Lease Agreement as presented for RFP No. \_\_\_\_\_

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SIGNATURE OF PROPOSER

\_\_\_\_\_  
DATE

**END OF RFP**