

OPERATING USE AND TERMINAL

LEASE AGREEMENT

BETWEEN THE

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

AND

ENTER COMPANY NAME HERE

FOR

ONTARIO INTERNATIONAL AIRPORT

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**OPERATING USE AND TERMINAL LEASE AGREEMENT BETWEEN THE
ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND**

ENTER COMPANY NAME HERE

FOR ONTARIO INTERNATIONAL AIRPORT

This USE AND LEASE AGREEMENT (“Agreement”), effective on the First of July 2025, by and between the Ontario International Airport Authority, an authority created by a joint powers agreement between the City of Ontario and the County of San Bernardino (the “OIAA”), acting by order of and through the Ontario International Airport Authority Commission (the “Commission”), and <**ENTER COMPANY NAME HERE**> (“Airline”),

WITNESSETH

WHEREAS, the OIAA is the owner of Ontario International Airport (the “Airport”) and operates the same for the promotion, accommodation and development of air commerce and transportation; and

WHEREAS, Airline engages in the Air Transportation Business as a certified Air Carrier between the Airport and various destinations, desires to use Airport landing and terminal facilities in connection therewith, and therefore desires to enter into this Agreement with the OIAA;

NOW THEREFORE, in consideration of the covenants and conditions hereinafter contained to be kept and performed by the respective parties, IT IS AGREED AS FOLLOWS:

ARTICLE I. DEFINITIONS

Section 1.01 Definitions.

The words and phrases recited in this section shall have the following meanings when used elsewhere in this Agreement. Further, any capitalized terms not separately defined herein shall have the meanings as defined in the Master Trust Indenture to the extent defined therein.

- (a) Accommodating Airline. An Air Carrier accommodating a Requesting Airline as defined in Section 3.08(c)(4).
- (b) Active Loading. The period of time specified in the Airline Facility Prioritization Policy for the loading of passengers into Aircraft.
- (c) Active Periods. The periods of time when the Gate is scheduled to be in use for Active Loading or Active Unloading of Scheduled Operations.
- (d) Active Unloading. The period of time specified in the Airline Facility Prioritization Policy, for the unloading of passengers from Aircraft.
- (e) Affiliate. Any Air Carrier that is (a) flying in or out of the Airport on behalf of a Signatory Airline(s) and providing transportation of property or passengers for the Signatory Airline under the trade name of the Signatory Airline, (b) if flying under its own trade name, not selling any seats in its own trade name and all seats are being sold in the name of the Signatory Airline, including under a capacity purchase or other similar agreement to purchase all the capacity of certain Aircraft operated at the Airport by such carrier(s); or (c) a wholly-owned subsidiary of the Signatory Airline or a subsidiary of the same corporate parent as the Signatory Airline.
- (f) Agreement. All provisions, terms and conditions of this Operating Use and Terminal Lease Agreement at the Airport.
- (g) Air Carrier. A Cargo Carrier or a Passenger Carrier.
- (h) Air Carrier Consortium. ONT-TEC or another consortium of Air Carriers formed to undertake certain operation and maintenance responsibilities at the Airport.
- (i) Air Transportation Business. The business operated by Airline at the Airport for the commercial transportation by air of persons, property, mail, parcels, or cargo.
- (j) Aircraft. Any heavier-than-air vehicle used or designed for flight.

(k) Airfield Cost Center. All areas shown in Exhibit “A” and identified as in the Airfield Cost Center, including those areas of the Airport that provide for the landing, takeoff and taxiing of Aircraft, the approach and runway protection zones, infield areas and navigational aids, as such areas now exist or as such areas may hereafter be modified or developed but excluding those publicly dedicated and accessible roadways running through the areas shown (which roadways shall be part of the Transportation Cost Center) and those areas expressly dedicated to the OIAA’s management of the Airport and otherwise included in the indirect administrative cost center.

(l) Airfield Cost Center Requirement. As defined in Section 5.06.

(m) Airline. The Air Carrier that has executed this Agreement, as identified in the preamble paragraph of this Agreement.

(n) Airline Cost Centers. The Airfield Cost Center, the Terminal Cost Center, and the Transportation Cost Center.

(o) Airline Entity. Airline’s employees, personnel, contractors, subcontractors, agents, officers, successors, assigns, licensees, sublessees, vendors, suppliers, invitees (excluding passengers), and other parties under Airline’s direction or control that come onto the Airport in connection with Airline’s use or occupancy of the Airport.

(p) Airline Facility Prioritization Policy. The policy adopted by the OIAA which provides procedures for, among other things, flight schedule submissions, Gate prioritization, ticketing position and Gate assignment procedures and other operational guidelines for the use of Airport facilities, as the same may be amended and revised from time to time; provided that such Airline Facility Prioritization Policy does not conflict with applicable law or

the provisions of this Agreement and is otherwise generally interpreted and enforced in a nondiscriminatory manner.

(q) Airline Liaison. An individual (or team of individuals) selected by the AAAC and CEO to facilitate the relationship between the Signatory Airlines and the OIAA and coordinate the input of the Signatory Airlines related to many of the matters addressed by this Agreement. The role of Airline Liaison is held by AvAirPros as of the Effective Date.

(r) Airline Rents, Fees and Charges. The Landing Fees, Terminal Rents and other fees and charges calculated in accordance with Article 5 and paid by Air Carriers in accordance with this Agreement.

(s) Airline Technical Representative. The individual (or team of individuals) as described in Section 6.05.

(t) Airport Discretionary Account. That account created under the prior form of use and lease agreement between the OIAA and certain Air Carriers for the purpose of the OIAA having capital funding available for projects.

(u) Airport. Ontario International Airport, as depicted on the Airport Layout Plan, shown in Exhibit “B”, as may be revised from time to time, including any subsequent additions, improvements, deletions, or enlargements.

(v) Amounts Available for Revenue Sharing. The portion of Transportation Cost Center Revenues which may be shared with the Signatory Airlines as calculated in accordance with Section 5.13.

(w) Average Gate Utilization for Departures. The average number of Departing Flights per Gate per day over the immediately preceding twelve (12) month period, rounded to the nearest tenth of a departure.

(x) Baggage Make-up System. The Airport space and the OIAA facilities and equipment used to process passenger bags from the time a bag is checked until it is sorted for delivery to departing Aircraft.

(y) Baggage Make-up System Requirement. The requirement calculated pursuant to Section 5.08(a).

(z) Beneficial Occupancy. Beneficial Occupancy constitutes a use of facilities, or portions of facilities, after the facilities have been completed to the point where they are capable of accommodating and legally permitted to accommodate, as evidenced by a certificate of occupancy (whether temporary or permanent) or other, similar legal permit, their intended purpose but not completed to the level required by the plans and specifications.

(aa) Cargo Carrier. A carrier certificated by the Secretary of the U.S. Department of Transportation as a Cargo Carrier under 49 U.S.C. § 41103.

(bb) Cargo Costs. As defined in Section 5.06(d).

(cc) Chief Executive Officer or “CEO”. The Chief Executive Officer of the Ontario International Airport Authority, or the Chief Executive Officer’s designated representative.

(dd) Claims. As defined in Section 9.02.

(ee) Commercial Development Cost Center. All areas shown in Exhibit “A” and identified as a Commercial Development Cost Center consisting of non-aeronautical buildings and development as such areas now exist or as such areas may hereafter be modified or developed. For clarity, the Commercial Development Cost Center specifically includes those publicly dedicated and accessible roadways running through the areas shown (and such roadways shall not be part of the Transportation Cost Center).

(ff) Commission. The Ontario International Airport Authority Commission.

(gg) Common Use Gates. The Gates in the Terminal designated by the CEO to be used in common with other Air Carriers.

(hh) Common Use Systems. Information technology-based systems owned by the OIAA and which accesses a Passenger Carrier's proprietary passenger processing network for passenger departure or arrival processing. Common Use Systems includes, if any, such common use systems and related equipment installed at Ticket Counters, Gates, hold rooms, baggage claim areas, and other areas as determined by the OIAA. Common Use Systems include the equipment and systems, but not the square footage that houses such systems. The square footage that houses such systems is included in the Terminals.

(ii) Common Use Ticket Counters. The Ticket Counters in the Terminals designated by the CEO to be used in common with other Air Carriers and not leased by any Air Carrier.

(jj) Cost Center(s). Areas, facilities, systems and services at the Airport grouped together for the purpose of accounting for costs and revenues.

(kk) Cost Center Requirement. The sum of the cost elements as detailed in Article V for a given Cost Center.

(ll) Customer Facility Charges. A customer facility charge authorized to be imposed by the OIAA in accordance with § 1936 of the California Civil Code.

(mm) Debt Service Coverage Account. The account held by the OIAA for the purposes of holding debt service coverages collected pursuant to Section 5.05(a)(8); Section 5.06(a)(8); Section 5.06(e); and Section 5.13(b)(8).

(nn) Departing Flights. A scheduled revenue Aircraft operation Actively Loaded at the Terminal that departs from the Airport.

(oo) Deplaned Domestic Passengers. Passengers (including non-revenue passengers) disembarking from a domestic or pre-cleared international flight at the Airport but not including assigned crew members.

(pp) Deplaned International Passengers. Passengers (including non-revenue passengers) disembarking from an international flight at the Airport but not including pre-cleared international passengers or the flight crew.

(qq) Deplaned Passengers. Passengers (including non-revenue passengers) disembarking from a flight at the Airport but not including assigned crew members.

(rr) Domestic Inbound Baggage Claim System. The Airport space and the OIAA facilities and equipment used to process passenger bags (other than in the FIS Areas) from the time a bag is delivered to a stripping belt following removal from an Aircraft until it is claimed by, or delivered to, the passenger.

(ss) Domestic Inbound Baggage Claim System Requirement. The requirement calculated pursuant to Section 5.07(a).

(tt) Effective Date. Effective Date shall mean the date on which the term of this Agreement commences under Section 2.01.

(uu) Enplaned Passengers. Passengers (including non-revenue passengers) boarding Aircraft at the Airport but not including assigned crew members.

(vv) Environmental Law. Any applicable environmental related state or federal law, regulation, ordinance, permit or legally enforceable order (including without limitation any final order of any court of competent jurisdiction), now or hereafter in effect.

(ww) Exclusive Use Space. The space leased by the OIAA to Airline on an exclusive use basis, except as otherwise set forth in this Agreement, as more fully set forth on Exhibit “C”, as the same may be amended from time to time.

(xx) FAA. The Federal Aviation Administration of the United States Government, or any agency(ies) succeeding to its jurisdiction.

(yy) FIS Areas. The space in the Terminal designated by the CEO to be used in common with other Passenger Carriers for federal inspection services, as determined by the OIAA.

(zz) Fiscal Year. The 12-month period beginning on July 1 of any year and ending on June 30 of the following year or any other period adopted by the OIAA for its financial affairs.

(aaa) Gates. Those portions of the Terminal individually comprised of a loading bridge, if any, a passenger hold room, if applicable, and associated portion of the Terminal ramp. Gates do not include those areas of the Terminal ramps used exclusively by Cargo Carriers.

(bbb) Ground Handling Fees. Any fees assessed (other than those for administrative purposes, including security badging or vehicle licensing) on entities performing ground handling or other similar services, whether above- or below-the-wing, for an Air Carrier at the Airport.

(ccc) Hazardous Substance. Any substance or material defined or designated as a hazardous waste, toxic substance, or other pollutant or contaminant pursuant to any Environmental Law.

(ddd) Joint Use Space. The space leased or used jointly by Airline and one or more other Passenger Carriers, as more particularly set forth on Exhibit “C”, as the same may be amended from time to time.

(eee) Landing. The actual landing of an Aircraft at the Airport, whether such landing be planned or an emergency, but not an emergency landing immediately made following take-off from the Airport.

(fff) Landing Fees. The charges based on Maximum Gross Landing Weight per Revenue Landing, which shall be charged to and due and payable by Airline.

(ggg) Landing Fee Rate. The amount of Landing Fees to be paid per 1,000 pounds of Maximum Gross Landing Weight as calculated pursuant to Section 5.06.

(hhh) Maintenance and Operation Expenses. As defined in the Master Trust Indenture, the total operation and maintenance expenses of or allocable to the Airport, as determined in accordance with generally accepted accounting principles, excluding depreciation and amortization and any operation and maintenance expenses of the OIAA at the Airport payable from moneys other than Ontario Airport Revenues.

(iii) Majority-In-Interest or "MII". (1) With respect to the Airfield Cost Center, any combination of Signatory Airlines who together have landed more than fifty percent (50%) of the combined total of Signatory Airline revenue landed weight at the Airport (as reported by the Signatory Airlines, or if not reported by the Signatory Airlines, estimated by the OIAA, during the most recent six (6) full month period for which statistics are available), and which represent more than fifty percent (50%) in number of all Signatory Airlines; (2) with respect to the Terminal Cost Center and Transportation Cost Center, any combination of Passenger Carriers that are Signatory Airlines ("Signatory Passenger Carriers") who together account for more than fifty percent (50%) of the Enplaned Passengers of all Signatory Passenger Carriers during the most recent six (6) full month period for which statistics are available, and which represent more than fifty percent (50%) in number of all Signatory Passenger Carriers.

(jjj) Master Trust Indenture. The Master Trust Indenture dated November 1, 2016, as such may be amended collectively with any Supplemental Indentures, not inconsistent with the terms of this Agreement unless otherwise agreed to by an MII of the Signatory Airlines.

(kkk) Maximum Gross Landing Weight or MGLW. The FAA Certificated Maximum Gross Landing Weight or actual gross landing weight of an Aircraft if no such specification exists. In computing fees prescribed herein, except for Aircraft weighing less than 25,000 pounds, 500 pounds or any larger part of 1,000 pounds shall be counted as if a whole 1,000 pounds, and any smaller part shall be disregarded.

(lll) Minimum Utilization Requirement. The minimum activity levels specified in Section 3.07(a).

(mmm) Net Cost Center Requirement. The Cost Center Requirement less allowable credits as detailed in Article V of this Agreement.

(nnn) Non-Active Periods. The periods of time when a Gate is not scheduled to be in use for Active Loading or Active Unloading of Scheduled Operations.

(ooo) Non-Airline Cost Centers. The Commercial Development Cost Center.

(ppp) Non-Signatory Airline. Any Air Carrier, which is not a Signatory Airline, providing scheduled or unscheduled service to the Airport.

(qqq) ONT-TEC. The Ontario International Airport Terminal & Equipment Company, LLC.

(rrr) ONT-TEC Agreement. The Lease and License Agreement between ONT-TEC and the OIAA dated June 19, 2018, as the same may be amended or replaced from time to time.

(sss) ONT-TEC Equipment Use Agreement. An agreement between ONT-TEC and any Air Carrier that is not a member of the ONT-TEC Air Carrier Consortium permitting use of certain aeronautical equipment by such Air Carrier as agreed to between ONT-TEC and such Air Carrier.

(ttt) Ontario International Airport Airline Affairs Committee or AAAC. That committee consisting of one representative from each Signatory Airline, with each representative having the primary responsibility for its Signatory Airline's business affairs at the Airport.

(uuu) Ontario Airport Revenues. Shall mean, except to the extent specifically excluded herefrom, all income, receipts, earnings and revenues received by the OIAA from the Airport, as determined in accordance with generally accepted accounting principles as in effect from time to time, including, but not limited to; (1) all rates, tolls, fees, rentals, charges and other payments made to or owed to the OIAA for the use or availability of property or facilities at the Airport; (2) all amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the OIAA at the Airport; (3) all rental or business interruption insurance proceeds and Net Proceeds (as defined in the Master Trust Indenture and subject to the exclusion set forth below) received by or entitled to be received by the OIAA from the possession, management, charge, superintendence and control of the Airport; and (4) all income, receipts and earnings from the investment of amounts held in the Ontario Revenue Fund and all earnings credited to the Ontario Bond Reserve Fund. The following, including any investment earnings thereon, are specifically excluded from Ontario Airport Revenues: (A) any amounts received by the OIAA from the imposition of ad valorem taxes, (B) gifts, grants and other income which are restricted by their terms to purposes inconsistent with the payment of debt service on the Bonds, (C) Net Proceeds and other insurance proceeds, to the extent the use of such

Net Proceeds or other proceeds is restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of debt service on the Bonds, (D) except as provided in Section 4.07 of the Ontario Master Trust Indenture, Ontario Special Facilities Revenue, (E) except to the extent specified in any Supplemental Indenture Passenger Facility Charges and Customer Facility Charges.

(vvv) Ontario Bond Reserve Fund (Reserve Fund). The fund established pursuant to the Master Trust Indenture, and which shall contain, for each series of revenue bonds issued, a reserve account with a balance equal to the Required Reserve.

(www) Ontario International Airport Maintenance and Operation Reserve Account (M&O Reserve Account). The account established in accordance with the Master Trust Indenture from which funds may be transferred to the Revenue Fund if there is a shortfall in that account, provided, however, that such sum(s) transferred shall be returned to the M&O Reserve Account from the Revenue Fund. The balance in the M&O Reserve Account shall equal not less than 25% of the budgeted Maintenance and Operation Expenses for the then-current Fiscal Year.

(xxx) Ontario Airport Revenue Fund (Airport Revenue Fund). The account established in accordance with the Master Trust Indenture into which all Ontario Airport Revenues shall be deposited.

(yyy) Passenger Carrier. An Air Carrier certificated by the Secretary of the U.S. Department of Transportation under 49 U.S.C. § 41102.

(zzz) Passenger Facility Charges or PFCs. Charges authorized by the PFC Regulations as they may be amended from time to time.

(aaaa) Per Hour Ticket Counter Fees. The per hour fee for use of a Common Use Ticket Counter as calculated pursuant to Section 5.11.

(bbbb) Per Use Gate Fees. The per use fee for use of a Common Use Gate as calculated pursuant to Section 5.10.

(cccc) PFC Regulations. Collectively, 49 U.S.C. § 40117 and applicable implementing regulations adopted by the FAA, 14 CFR Part 158, as they may be amended from time to time.

(dddd) Preferential Use Gate. A Gate assigned by the OIAA to a Signatory Airline where that Signatory Airline has a scheduling preference over similar operations by another Passenger Carrier during applicable Active Periods for Scheduled Operations, as further defined in Article 3 and the Airline Facility Prioritization Policy.

(eeee) Preferential Use Space. The space leased or used preferentially by Airline, subject to the provisions of this Agreement, as more particularly set forth on Exhibit “C”, as the same may be amended from time to time.

(ffff) Premise(s). The area of space leased by Airline as shown in Exhibit “C”.

(gggg) Project Briefing Document. As defined in Section 6.02(d)(2)(i).

(hhhh) Recapture Notice. The notice given by the OIAA under Section 3.06(c) in the event the OIAA elects to recapture a Preferential Use Gate in accordance with the terms of this Agreement.

(iiii) Release. Any spilling, leaking, pumping, pouring, emitting, discharging, leaching, dumping or disposing of Hazardous Substances into or on any the Premises or the Airport. Petroleum spills of less than five (5) gallons are excluded unless water or soil are impacted.

(jjjj) Renewal and Improvement Fund. The account established pursuant to Section 5.12.

(kkkk) Requesting Airline. An Air Carrier seeking to commence or expand Scheduled Operations at the Airport.

(llll) Revenue Landings. All Landings of Aircraft at the Airport except the following:

(1) U.S. Government Landings. Landings of Aircraft owned and operated by agencies of the U.S. Government; and

(2) Ferry Landings. Landings of Aircraft without revenue passengers and/or cargo on board operated by an Air Carrier other than a non-scheduled or on-demand air taxi operator, at the Airport for the purpose of positioning Aircraft to enplane passengers or cargo for originating a flight.

(mmmm) Rules and Regulations. Those nondiscriminatory rules, regulations, orders, and directives promulgated by the OIAA or the City of Ontario for the use of the Airport as same may be amended, modified, or supplemented from time-to-time, provided that such Rules and Regulations do not conflict with applicable law or the provisions of this Agreement.

(nnnn) Scheduled Operation. A Passenger Carrier's operation (arrival or departure) that occurs pursuant to that Passenger Carrier's published flight schedule.

(oooo) Seats. Seat on an Aircraft arriving or departing from the Airport other than those seats reserved in the flight deck or Aircraft cabin for members of the flight crew.

(pppp) Signatory Airline(s). Any Passenger Carrier or Cargo Carrier, including Airline, that has executed an Ontario Operating Use and Terminal Lease Agreement substantially similar to this Agreement.

(qqqq) Term. The term of this Agreement shall be for the period of time set forth in Section 2.01.

(rrrr) Terminal. The passenger terminal building at the Airport as presently existing or as hereafter modified, developed or relocated in accordance with the terms hereof.

(ssss) Terminal Cost Center. All areas shown in Exhibit “A” and identified as in the Terminal Cost Center consisting of the terminal serving the Air Carriers, including associated concourses, as presently existing or as hereafter modified, developed or relocated, but excluding those publicly dedicated and accessible roadways running through or immediately adjacent to the areas shown (which roadways shall be part of the Transportation Cost Center).

(tttt) Terminal Cost Center Requirement. As defined in Section 5.05.

(uuuu) Terminal Rents. The charges paid for rental of Premises in the Terminal.

(vvvv) Terminal Rental Rate. The rate charged for the rental of premises in the Terminal as calculated pursuant to Section 5.05.

(wwww) Ticket Counter. Those areas in the Terminal designated by the CEO for use by Passenger Carriers for ticketing and processing passengers and their baggage, and similar activities.

(xxxx) Total Project Cost. The total costs of planning, designing and constructing a capital improvement, including enabling projects and property acquisitions, and anticipated escalations and contingency costs. The Total Project Cost shall be considered without regard to how many separate phases or project authorizations the OIAA would expect to utilize to deliver the completed capital improvement.

(yyyy) Transportation Cost Center. All areas shown in Exhibit “A” and identified as the Transportation Cost Center, including, without limitation the Transportation Center as such areas now exist or as such areas may hereafter be modified or developed. The Transportation Cost Center further includes those publicly dedicated and accessible roadways running through the

Airfield Cost Center and through or adjacent to the Terminal Cost Center but does not include those publicly dedicated and accessible roadways running through the Commercial Development Cost Center (which latter roadways shall be part of the Commercial Development Cost Center).

(zzzz) Turn. The arrival of an Aircraft at a Gate (including a tow to the Gate) and subsequent departure of an Aircraft at a Gate (including a tow from the Gate).

ARTICLE II. TERM

Section 2.01 Term. The term of this Agreement shall be for the period commencing July 1, 2025 (the “Effective Date”), and ending June 30, 2030, subject to extension or earlier termination as provided below or in Article XI or by written mutual agreement of the OIAA and all Signatory Airlines. In the event Airline was in holdover status under a prior use and lease agreement on the Effective Date, this Agreement shall supersede the prior use and lease agreement as of the Effective Date.

Section 2.02 Automatic Extension Terms. The Term shall automatically be extended for up to two (2) one-year periods unless either the OIAA or one or more Signatory Airlines provide written notice to the other not less than one hundred fifty days (150) before the then-current expiration of the Term that they do not wish to automatically extend the Term. In the event that the OIAA provides such notice, the Agreement shall expire on its then current expiration date. In the event that one or more Signatory Airlines provide such notice, the OIAA shall promptly forward a copy of any such notice received to all of the other Signatory Airlines and, not less than ninety (90) days before the then-current expiration of the Term, provide written notice to all Signatory Airlines as to whether it agrees to either (a) extend the Term for the applicable one-year

period with those Signatory Airlines who have not provided a notice of an intent not to extend the Term; or (b) will allow the Agreement to expire on its then current expiration date.

ARTICLE III. PREMISES AND GATES

Section 3.01 Premises. The OIAA, in consideration of the compensation, covenants and agreements set forth herein to be kept and performed by Airline, hereby leases to Airline, upon the conditions set forth in this Agreement, the Premises as described in Exhibit “C”. In the event that space is added to or deleted from the Premises of Airline in accordance with this Agreement, Exhibit “C” shall be revised and upon issuance to Airline shall be effectively immediately without formal amendment. For the avoidance of doubt, except to the extent this Agreement provides the OIAA the right to recapture space or relocate Airline, Airline’s written consent shall be required for any revision to Exhibit “C.”

Section 3.02 Measurement of Space. The area of the Premises leased or otherwise used hereunder shall generally be as measured in connection with the Airport’s “Terminal Space Inventory” as reflected in the drawings attached as Exhibit “C.” To the extent that any of the space leased or used hereunder has subsequently been, or is in the future, modified or reconfigured, all measurements to determine the area of space after the Effective Date shall be made from the interior of external walls and from the centerline to the centerline of each interior wall, or, in the absence of such interior wall, the point where said centerline would be located if such interior wall existed. It is furthermore agreed that the Premises shall be deemed to exclude (and appropriate deduction shall be made for) (i.e., Airline’s rent or other payment obligations shall not be based

on) elevator shafts, pipe shafts, vertical ducts with their enclosing ducts, mechanical closets, electrical closets, air conditioning, fan rooms and any portion of public stairs or public restrooms.

Section 3.03 Additions or Reductions of Space by Airline.

(a) Airline may, at its option, request to lease additional Premises (other than a Preferential Use Gate, which shall be subject to Section 3.06), and the decision on this request may be granted in the OIAA's discretion after first considering the Airline's prior, actual use, the Airline's forward-looking flight schedule, alternative uses, and the overall maximization of aeronautical revenues with the Terminal Cost Center.

(b) Airline may, at its option, offer to surrender portions of its Premises, including a Preferential Use Gate, at the beginning of any Fiscal Year (or otherwise upon OIAA's attempt to accommodate a Requesting Airline), and the decision on this request may be granted in the OIAA's discretion after first considering alternative uses and the overall maximization of aeronautical revenues with the Terminal Cost Center.

Section 3.04 No Exclusive Use Gates.

All Gates within the Terminal will be either Common Use Gates or Preferential Use Gates (and currently inactive gates, if any, shall be considered Common Use Gates). Airline's use of all Gates shall at all times be subject to the OIAA's Airline Facility Prioritization Policy, which may be amended from time to time after consultation with the Signatory Airlines, subject to the rights, terms and conditions of this Agreement.

Section 3.05 Base Allocation and Assignment of Gates on Effective Date.

The base allocation and assignment of Common Use Gates and Preferential Use Gates at the Airport on the Effective Date are shown on Exhibit "F". The number of Preferential Use Gates assigned to Airline and the number of Common Use Gates retained by the OIAA may change over the Term of the Agreement in accordance with this Article III. For the avoidance of doubt, areas

of the Terminal ramps used exclusively by Cargo Carriers shall not be subject to the provisions of this Article III.

Section 3.06 Gate Assignments After the Effective Date.

(a) In the event that a new Gate is constructed during the Term, the surrender of a Preferential Use Gate is accepted by the OIAA, or a Preferential Use Gate is recaptured by the OIAA in accordance with Section 3.07, the OIAA shall have the right to retain such Gate as a Common Use Gate, or assign such Gate as a Preferential Use Gate to a Signatory Airline. The assignment of any such Preferential Use Gate(s) shall, after consultation with the Signatory Airlines, be made in the OIAA's discretion after taking into consideration the following factors.

- (1) Whether the Signatory Airline meets the Minimum Utilization Requirement;
- (2) Whether the Signatory Airline is assigned any Preferential Use Gates;
- (3) Whether the Signatory Airline exceeds the Minimum Utilization Requirement by an amount that could retain one or more additional Preferential Use Gates in addition to its currently assigned Preferential Use Gates (for the purposes of this factor, the Signatory Airline's activity on Common Use Gates and the Preferential Use Gates of other Signatory Airlines will count); and
- (4) The Signatory Airline's Average Gate Utilization for Departures for all of its Preferential Use Gates.

Section 3.07 The OIAA's Right to Recapture Preferential Use Gates.

(a) To meet the "Minimum Utilization Requirement" applicable to this Section 3.07, Airline's Average Gate Utilization for Departures for its Preferential Use Gate(s) must be

equal to or greater than the Average Gate Utilization for Departures for all Gates at the Airport over the immediately preceding twelve (12) month period. Departures of Affiliates and other Passenger Carriers accommodated by Airline shall count towards Airline's activity for calculating the Minimum Utilization Requirement. The Authority shall report the then-current Minimum Utilization Requirement at each meeting of the AAAC and post it on the Airport website.

(b) If at any time the OIAA determines that Airline has failed to meet the Minimum Utilization Requirement over the immediately preceding twelve (12) month period, the OIAA may, in its discretion, initiate the process to recapture any such Preferential Use Gate(s) in accordance with the provisions in this Section 3.07; provided, however, that if the OIAA plans to assign a recaptured Preferential Use Gate to another Air Carrier, the other Air Carrier must demonstrate to the OIAA's sole satisfaction through published schedules that it will meet or exceed the required Minimum Utilization Requirement.

(c) If the OIAA elects to recapture one or more Preferential Use Gates for failure to meet the Minimum Utilization Requirement, the OIAA will provide Airline with no less than 90 days' written notice specifying the number of Gate(s) to be recaptured ("Recapture Notice"). The OIAA will allow Airline to select the specific Preferential Use Gate(s) to be recaptured; provided, however, the OIAA shall have the right to select a Preferential Use Gate other than that selected by the Airline if the OIAA determines, in its discretion, that a different selection is warranted under the circumstances for Airport operational reasons.

(d) Airline's Premises will be updated to reflect the change in Preferential Use Gates in accordance with Section 3.01. At the OIAA's request, Airline shall be responsible for removing its proprietary gate equipment and consumable stock from any recaptured Preferential Use Gates within 90 days of receiving the Recapture Notice and at Airline's sole cost.

(e) If one or more of Airline's Preferential Use Gates are recaptured pursuant to this Section 3.07, the OIAA may also terminate, upon ninety (90) days' written notice to Airline, those other portions of its Preferential Use Premises consistent with the Airline Facility Prioritization Policy, under which the assignment of a ticket counter as Preferential Use Space depends on Airline holding one or more Preferential Use Gates and the number of ticket counters assigned depended on Airline's level of operations. Airline shall be responsible for removing its property and equipment from any such terminated Premises within ninety (90) days after receiving written notice in accordance with this section and at the Airline's sole cost. The OIAA may further commence discussions with Airline regarding the surrender of Airline's Exclusive Use Space used for operations (including ticket offices and ramp operations space) under Section 3.03(b) and may exercise the right to relocate Airline, in light of any reduced operations or otherwise, under Section 3.16.

(f) The OIAA shall temporarily suspend or modify the Minimum Utilization Requirement in the situation where the FAA restricts use of the Airport due to an extraordinary event that directly and substantially impairs the ability of all Signatory Airlines to meet the Minimum Utilization Requirement.

(g) Notwithstanding anything to contrary in this Section 3.07, Airline may at any time prior to or within ten (10) business days of receiving a Recapture Notice submit to the CEO a written request to suspend the Minimum Utilization Requirement for such Airline for ninety (90) days. The CEO may, in the exercise of reasonable discretion, deny, grant, or grant with conditions the requested suspension. In considering any request, the CEO shall consider the following factors: (i) the ability of Airline to meet the Minimum Utilization Requirement after the suspension; (ii) the reasonableness of the request under the relevant circumstances; (iii) the

interests of the air traveling public and the impact of the request, if any, on the ability of the Airport to realize its passenger service level goals and policies; (iv) the effect of the request, if any, on other Signatory Airlines and the goals, policies and regulations of the Authority in its management and operation of the Airport; and (v) whether Airline has, in the previous two (2) years, requested and been granted a suspension of the Minimum Utilization Requirement. Until the CEO makes a decision on a request under this paragraph (g), the OIAA will not issue a Recapture Notice if one has not already been issued. The date of receipt of the Recapture Notice and the commencement of the ninety (90) day suspension period, if granted, will be determined in accordance with Section 13.14. If the request is granted by the CEO, Airline's compliance with the Minimum Utilization Requirement will be reassessed at the end of the ninety (90) day period. If Airline is unable to meet the Minimum Utilization After the ninety (90) day period then the Authority may proceed immediately with the recapture process under paragraphs (c)-(e) of this Section 3.07 except that no written notice shall be required.

Section 3.08 The OIAA's Right to Schedule Flights on Preferential Use Gates.

(a) Scheduling Priority on Preferential Use Gates and the OIAA's Right to Accommodate Requesting Airlines. Airline shall have scheduling priority on all of its Preferential Use Gates for all of its Active Periods with respect to the Scheduled Operations of Airline, Airline's handled Air Carriers, Airline's alliance partner Air Carriers, Airline's code-share partner Air Carriers, Airline's Affiliates, and the Airline's approved subtenants, subject to the terms of this Section 3.08. To the extent that the OIAA is otherwise unable to meet the requirement of a Requesting Airline on Common Use Gates, the OIAA shall have the right to schedule at Airline's Preferential Use Gate the Scheduled Operations of a Requesting Airline during any Non-Active Periods in accordance with the procedures in this Section 3.08.

(b) Form and Timing of Request for Accommodation. At least ninety (90) days prior to commencing a flight that a Requesting Airline cannot accommodate on its own Preferential Use Gates, if any, a Requesting Airline may submit a written request to the OIAA including, but not limited to, the following information: name of Requesting Airline, operating Air Carrier, type of aircraft, number of Seats on the aircraft, and desired time of day and day of week for the flight.

(c) Selection of Gate for Accommodation.

- (1) If a Common Use Gate is available to reasonably accommodate the Requesting Airline's flight, the OIAA will accommodate the flight on a Common Use Gate.
- (2) If the OIAA determines that a Common Use Gate is not available to accommodate the requested flight, the OIAA may seek to work with the Requesting Airline to identify an alternative time or day (as applicable) to accommodate the request on a Common Use Gate.
- (3) If an accommodation for the Requesting Airline is not reached pursuant to Section 3.08(c)(2), the OIAA will provide notice of the Requesting Airline's request for accommodation to all Signatory Airlines leasing Preferential Use Gates. A Requesting Airline accepting a Signatory Airline's offer of accommodation must report to the OIAA in writing that it has accepted an offer of accommodation and provide a summary of the terms of the accommodation, including at a minimum the length of the accommodation, all financial terms and the rights of the Signatory

Airline to terminate the accommodation, within forty-five (45) days of the OIAA's notice.

- (4) If an accommodation for the Requesting Airline is not reached pursuant to Section 3.08(c)(2) or the OIAA does not receive a report from a Requesting Airline within the timeframe specified in Section 3.08(c)(3), the OIAA will determine, based on published flight schedules in effect at the time the OIAA receives a request under Section 3.08, whether the Requesting Airline's flight can be accommodated on a Preferential Use Gate. If more than one Signatory Airline can accommodate the flight during a Non-Active Period, the OIAA will select the Signatory Airline with the lowest Average Gate Utilization for Departures for all of its Preferential Use Gates over the prior twelve months (measured from the date of the request under Section 3.08(b)) to accommodate the Requesting Airline on its Preferential Use Gates (the "Accommodating Airline").
- (5) The OIAA will allow the Accommodating Airline to select the specific Preferential Use Gate at which such accommodation will occur; provided, however, that the Preferential Use Gate selected by the Accommodating Airline shall be able to accommodate the size of the Requesting Airline's aircraft and further provided that the OIAA shall have the right to select a Preferential Use Gate other than that selected by the Accommodating Airline if the OIAA

determines, in its discretion, that a different selection is warranted under the circumstances.

- (6) In accommodating the OIAA in its right to schedule such operations, the Accommodating Airline shall (subject to Accommodating Airline's reasonable training requirements for any of its facilities to be used by the Requesting Airline, which training requirements shall have been provided to the OIAA in writing in advance and which must be completed prior to the first date of accommodation) allow and provide for use of its facilities at the Preferential Use Gate, or alternatively permit use of Common Use Systems, as may be required for the Requesting Airline's efficient use of the Preferential Use Gate and at the Requesting Airline's expense; provided, however, that the Requesting Airline shall leave the associated facilities and holdrooms in as good as condition as when it began using the Preferential Use Gate.

(d) Duration of the Accommodation. A Requesting Airline shall be accommodated at the Accommodating Airline's Preferential Use Gate until:

- (1) the Requesting Airline discontinues the flight(s) for which it sought accommodation; or
- (2) the Accommodating Airline makes a written request to the OIAA that it is necessary to move the Requesting Airline's flight in order to schedule a new flight by the Accommodating Airline on its Preferential Use Gates and either:

- (i) a Common Use Gate becomes available during a time that will accommodate the Requesting Airline's requested Active Period; or
 - (ii) another Passenger Carrier can accommodate the Requesting Airline's flight and aircraft without, in the discretion of the OIAA, unduly affecting the Requesting Airline's operations.
- (3) In the event of either Section 3.08(c)(1) or Section 3.08(c)(2)(ii)Section 3.08(c)(2), the Requesting Airline shall be relocated within thirty (30) days' written notice from the OIAA.

Section 3.09 Charges for Accommodation.

Any Requesting Airline that is accommodated at any of Airline's Preferential Use Gates shall be required to pay the OIAA the same charges for use of the Gate that it would have been required to pay the OIAA for use of a Common Use Gate. Airline may not demand any additional payments from the Requesting Airline on account of its use of the Gate, other than payment of any actual out-of-pocket costs incurred by Airline as a result of the Requesting Airline's uses of its Gate facilities. The OIAA will credit Airline on a monthly basis with the full amount of any fees collected from Requesting Airlines for their use of Airline's Preferential Use Gates under Section 3.08. The OIAA shall require any Requesting Airline to indemnify Airline to the same extent that Airline indemnifies the OIAA under Article IX of this Agreement and include Airline as an additional insured in accordance with Article IX. By executing this Agreement, Airline specifically agrees that if it is accommodated by another Signatory Airline that it hereby (a) indemnifies that Signatory Airline in connection with such use to the same extent that Airline indemnifies the OIAA under Article IX of this Agreement, and (b) will include the Signatory Airline as an additional

insured in accordance with Article IX. The Signatory Airline shall be considered a third-party beneficiary of the Agreement for the limited purpose of this Section 3.09.

Section 3.10 Additional Obligations of Requesting Airline.

The following shall apply any time an Accommodating Airline accommodates a Requesting Airline:

(a) Requesting Airlines shall have the right to use any ground service companies on the ramp and passenger service companies in the Terminal (provided that such companies are authorized to operate at the Airport) and shall not be required to use the Accommodating Airline's employees or the Accommodating Airline's ground service or passenger service companies (and the Accommodating Airline shall not be required to provide such service even if requested by the Requesting Airline). The OIAA shall require any ground service company on the ramp that a Requesting Airline is using to have their equipment on the ramp only during the Requesting Airline's Active Periods and to remove any equipment from the ramp during the Requesting Airline's Non-Active Periods.

(b) During the period of time that a Requesting Airline is using the Accommodating Airline's Preferential Use Gate, the Accommodating Airline's indemnification of the OIAA as required under its Agreement shall not extend to the use, occupancy and operations of the Requesting Airline, except to the extent any damage or injury is actively caused by or contributed by the Accommodating Airline, its officers, directors, employees, agents or invitees (excluding passengers).

(c) The OIAA may require the Accommodating Airline to tow its Aircraft from the apron area adjacent to the Accommodating Airline's Preferential Use Gate to accommodate a Requesting Airline. The OIAA shall, at no cost to the Accommodating Airline, designate an area to tow the Aircraft and will make reasonable efforts to assign a reasonably convenient parking

location. This obligation of the Accommodating Airline to tow any of its parked Aircraft not engaged in an Active Loading or Active Unloading operations shall include, but not be limited to, any parked Aircraft remaining overnight. This towing requirement shall not be invoked by the OIAA if the period of time between the completion of the Active Unloading and the commencement of the Active Loading periods for a turn-around Aircraft operation is less than ninety (90) minutes. The Accommodating Airline shall receive a credit from the OIAA in the amount to be mutually determined based on actual costs as evidenced by third-party towing rates. In the event the Accommodating Airline fails to remove any of its Aircraft as directed by the OIAA under this subsection, then the OIAA may cause the removal of such Aircraft and the Accommodating Airline shall pay to the OIAA (1) all costs incurred by the OIAA plus a fifteen percent (15%) administrative fee (In such case, the Accommodating Airline waives any and all claims against the OIAA and any of its officers, employees for any loss or damage sustained to any such Aircraft, or any part thereof, by reason of such removal); and (2) the Accommodating Airline shall indemnify the OIAA and its officers and employees against all liability arising out of such removal of said Aircraft. Nothing in this section shall impair the rights of the Accommodating Airline vis-a-vis the agent who moves the Accommodating Airline's Aircraft.

Section 3.11 Irregular Operations on Preferential Use Gates. In order to minimize operational inconvenience to passengers and Aircraft operations, Airline shall make commercially reasonable efforts to assist the OIAA in accommodating other Passenger Carrier's Aircraft operations on Preferential Use Gates during periods of emergencies and irregular operations caused by among other things as reasonably determined by the OIAA, extreme weather at the Airport or other airports, air traffic control or Air Carrier operational technology failures, aviation incidents or accidents, labor strikes or slowdowns, acts of God, enemy action, terrorist acts, or

civil commotion. Airline's obligations to make commercially reasonable efforts to assist the OIAA in such circumstances shall not be constrained by any notice periods in this Agreement. The OIAA will make good faith efforts to provide Airline with as much notice as is reasonably possible once a period of emergency or irregular operations has been determined to exist by the OIAA. However, Airline's obligations under this section shall not extend to a requirement that Airline's scheduled Aircraft operations will be unduly delayed or inconvenienced, as determined by the OIAA, and Airline's irregular operations shall have priority over the irregular operations of other Air Carriers on the Airline's Preferential Use Gates.

Section 3.12 Accommodation During Construction.

Notwithstanding anything to the contrary in this Agreement, in order to accommodate the needs of all Passenger Carriers for reasonable access to required Terminal facilities, it is anticipated that the OIAA may from time-to-time require Signatory Airlines to accommodate other Passenger Carriers, including other Signatory Airlines, on Airline's Preferential Use Gates, in accordance with and subject to special, reasonable construction accommodation protocols adopted by the OIAA after consultation with the affected Signatory Airlines, but such accommodation will not impact Airline's Active Periods on Preferential Use Gates.

Section 3.13 OIAA Passenger Processing Equipment.

The OIAA reserves the right to install Common Use Systems (including the right to install or replace related millwork and inserts) at all Gates and Ticket Counters as well as flight information display systems (FIDS), gate information display systems (GIDS), and curbside check-in positions throughout the Terminal. In the locations where these OIAA-controlled facilities are installed and available for use, Air Carriers shall use the OIAA-controlled facilities (or mobile devices provided by airline); provided, however, that Airline must be able to also install or retain its proprietary gate and counter equipment and boarding equipment at its Preferential Use

Gates and Ticket Counters. The OIAA shall maintain Common Use Systems installed under this Section 3.13. Airline shall not make any modification whatsoever to the OIAA's Common Use Systems, including but not limited to, modifying keyboards, adding adhesive or other markings, or otherwise modifying the equipment physically or electronically, unless the modification is approved in writing by the OIAA. Any such modifications and/or damage that is willfully or negligently caused by Airline shall be remedied by Airline, to the reasonable satisfaction of the OIAA, at the sole cost of Airline. In the event that the damage is repaired by the OIAA, Airline will reimburse the OIAA for both the fully-allocated cost of time and materials pertaining to the repairs plus a fifteen percent (15%) administrative fee. Airline's use of the Common Use Systems shall otherwise be as described in the Airline Facility Prioritization Policy.

Section 3.14 Priorities for Accommodation For Facilities Other than Gates.

(a) If the OIAA receives a request for access to space in the Terminal (other than Gates, which are subject to the provisions of Section 3.08 to Section 3.10 of this Agreement) from any Requesting Airline seeking to commence or expand Scheduled Operations at the Airport, the OIAA shall, whenever appropriate in the OIAA's reasonable judgment, accommodate such a request by providing access to existing vacant space or common use space under the OIAA's control.

(b) If such vacant space or common use space is unavailable or inadequate to meet the reasonable requirements of the Requesting Airline, as determined by the OIAA, the OIAA shall encourage Signatory Airlines voluntarily to accommodate the Requesting Airline, by subletting or otherwise making available for use by the Requesting Airline space within the Terminal that is subject to their preferential use.

(c) The OIAA will notify all Signatory Airlines in writing when the OIAA has determined that a Requesting Airline cannot be accommodated in vacant space or common use

space, and the Signatory Airlines will have fifteen (15) calendar days from the receipt of such notice to voluntarily agree to accommodate the Requesting Airline.

(d) If a Requesting Airline is unable to meet its reasonable requirements, as determined by the OIAA, by using vacant space or common use space made available by the OIAA or by using space voluntarily made available by Signatory Airlines, the OIAA shall have the right, upon thirty (30) calendar days' notice to Airline, to require Airline to accommodate the Requesting Airline in space designated by the OIAA by allowing the Requesting Airline to use of Airline's Preferential Use Space, subject to Section 3.15 below, consistent with applicable policy, and based on principles of fairness to all Signatory Airlines and their operations; provided, however, that if the Requesting Airline is a Signatory Airline, the Requesting Airline must show, to the OIAA's reasonable satisfaction, that it cannot reasonably accommodate its own expanded service within the Terminal space already subject to its exclusive or preferential use.

(e) If the OIAA is unable to meet the reasonable requirements of the Requesting Airline, as determined by the OIAA, after requiring the Signatory Airlines, including Airline, to accommodate the Requesting Airline in their Preferential Use Space, the OIAA shall consider whether, pursuant to an agreement with the Requesting Airline, the reasonable requirements of the Requesting Airline could be met in a reasonable, cost-effective way by constructing temporary or permanent new facilities that the Requesting Airline must agree to lease for the duration of the Term of this Agreement.

Section 3.15 Charges for Use of Facilities Other than Gates by Another Carrier.

Any Requesting Airline that is accommodated at any facilities (other than Gates) used by Airline on a preferential use basis shall be required to pay the OIAA the same charges for use of the space that it would have been required to pay the OIAA for use of such a facility according to the rates and charges established by the OIAA under Article V and the OIAA will credit Airline

on a monthly basis with the full amount of any fees collected from Requesting Airlines for its use of Airline's Preferential Use Space (other than Gates) provided that Airline continues to pay rent for such space. Airline shall not demand any additional payments from the Requesting Airline on account of its use of such a facility other than payment of any actual and reasonable out-of-pocket costs incurred by Airline as a result of Requesting Airline's use of its facilities. The OIAA shall require any Requesting Airline to indemnify Airline to the same extent that Airline indemnifies the OIAA under Article IX of this Agreement and include Airline as an additional insured in accordance with Article IX. By executing this Agreement, Airline specifically agrees that if it is accommodated by another Signatory Airline under Section 3.14 that it hereby (a) indemnifies that Signatory Airline in connection with such use to the same extent that Airline indemnifies the OIAA under Article IX of this Agreement, and (b) will include the Signatory Airline as an additional insured in accordance with Article IX. The Signatory Airline shall be considered a third-party beneficiary of the Agreement for the limited purpose of this Section 3.15.

Section 3.16 Relocation by OIAA.

(a) From time to time during the Term of this Agreement, the OIAA may for the operational efficiency or implementation of improvements at the Airport, require the relocation of Airline from some or all of its existing Premises. In that event, the OIAA may, in the reasonable discretion of the CEO and upon no less than ninety (90) days' advance written notice, require the relocation, in whole or part, of Airline from its Premises. In the event of any relocation (including any partial relocation), the OIAA will, if requested by Airline, provide a reasonably comparable location and facility in terms of size, condition and proximity to Airline's operations at the Airport to the extent such comparable space is available. The OIAA shall consult with Airline in advance regarding the exact number of square feet of Airline's Premises to be relocated.

(b) The OIAA shall reimburse Airline for Airline's costs to relocate to the new Premises and construct and install like-for-like improvements in its new Premises, and Airline shall, unless otherwise agreed, vacate its existing Premises in the manner otherwise required by this Agreement.

(c) The OIAA shall amend and update Airline's Premises to reflect any relocation of Airline's operations required by the OIAA under this Section 3.16 and shall issue such amendments of the Premises to Airline when any such relocation takes effect.

ARTICLE IV. USE OF AIRPORT AND FACILITIES

Section 4.01 Airfield and Apron. Except as provided elsewhere herein and subject to the Chief Executive Officer's consent and applicable laws and ordinances, Airline shall be entitled to the use, for the sole purpose of conducting its Air Transportation Business in common with others authorized to do so, of the Airport together with all facilities, equipment, improvements, and services which have been or may hereafter be provided at or in connection with the Airport from time to time, including without limiting the generality hereof, the landing field, any extensions thereof or additions thereto, roadways, runways, ramps, taxiways, sewage and water facilities, flood lights, landing lights, beacons, control tower, signals, radio aids, and all other conveniences for flying, landings, and takeoffs of Aircraft of Airline. These rights are as follows:

(a) The non-exclusive right to use, in common with others, the access space to the Aircraft loading aprons and the taxiways, runways and air navigation aids of the Airport for the purpose of the landing and taking off of its Aircraft.

(b) The non-exclusive right to use, on a common use basis with others, such Gates as the Chief Executive Officer shall from time to time direct to facilitate the loading and unloading of passengers.

(c) The right to service Airline's Aircraft and other equipment operated by Airline with gasoline, oil, greases, lubricants, and other fuel or propellant, by reasonably necessary or convenient means in areas designated by the Chief Executive Officer for this purpose. Airline may procure all aviation fuels and lubricants which are to be delivered to its Aircraft on the Airport from those oil companies and fuel suppliers of Airline's choice, provided such companies, suppliers or into-plane fueling companies are authorized by the OIAA to transact business on the Airport.

(d) The right to repair, maintain, and park Aircraft and other equipment operated by Airline on the aprons; provided, however, that such repair, conditioning, maintenance shall be limited to those activities commonly considered routine ramp servicing. Nothing contained herein, however, shall be construed to prohibit Airline from doing, performing and carrying on its own maintenance, service, repair, overhaul and/or fueling work upon those locations at the Airport leased by it from the OIAA for such purpose.

(e) Airline, if a Cargo Carrier, shall have the right to use only those facilities at the Airport suitable for cargo operations as may be designated by the Chief Executive Officer.

(f) The right to service, by Airline or its appointed agents or contractors, Airline's Aircraft with foods and beverages or other supplies and materials in areas designated by the Chief Executive Officer for this purpose. Said contractors or agents shall conform to reasonable performance standards; lease, permit and license requirements; and all Airport Rules and Regulations established by the Chief Executive Officer, Commission or City of Ontario.

(g) The right to conduct ground training at Airline's Premises of personnel in the service or employ of Airline at the Airport in the operation of the Airline's Air Transportation Business.

(h) The right to park Aircraft on areas of the apron or other locations as designated from time to time by the Chief Executive Officer for such common use.

(i) The right to provide services for other Air Carriers, including ground handling services under a separate ground handling agreement provided that Airline has first received a permit for ground handling services from the OIAA and so long as such services entail activities and operations permitted with respect to Airline.

(j) The right to conduct any operations or activities other than those enumerated above, reasonably related to the landing, taking-off, flying, moving, loading, unloading, or ramp servicing of Aircraft or the movement of passengers, cargo or property which are reasonably necessary or convenient to the conduct by Airline of its Air Transportation Business; provided, however, that all such operations and activities shall be subject to the reasonable prior, written approval of the Chief Executive Officer and to the securing of such written licenses, permits, or concession agreements as may be required by the OIAA or any other governmental agency with authority over such operations.

Section 4.02 Use of Premises.

(a) Airline shall not, and may not permit any Airline Entity to, use the Premises, nor any portion thereof, for any purpose other than that set forth in this Agreement without first having had and obtained the written consent of the Chief Executive Officer.

(b) There is hereby reserved to the OIAA, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of Aircraft in the airspace above the surface of the Premises herein leased. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any Aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operating on the Airport. Airline agrees not to make any claim or institute legal action against the OIAA under any theory of recovery for

any interference with Airline's use and enjoyment of the demised Premises which may result from noise emanating from the operation of Aircraft to, from, or upon the Airport except for claims or actions brought by third parties against Airline arising from the OIAA's operation of the Airport.

(c) Airline, by executing this Agreement, agrees for itself and its successors and assigns that it will not make use of the Premises in any manner that interferes with the landing and taking off of Aircraft from the Airport or otherwise constitutes a hazard to such operations. In the event the aforesaid covenant is breached, the OIAA reserves the right to enter upon the Premises hereby leased and cause the abatement of such interference at Airline's expense upon notice and failure to cure.

(d) Nothing in this Agreement shall be construed to permit Airline to conduct, allow, or operate on the Premises the sale of air travel insurance; public restaurants; merchandising operations; shuttle, bus or other non-Air Transportation Business; rent-a-car operations; or communication or telephone, facsimile, duty free, or other revenue producing concession or any business other than Airline's Air Transportation business.

(e) Airline may, in addition to its rights under Section 4.01, use its Premises in the Terminal for:

(1) The enplaning, deplaning and manifesting of passengers, including the handling of reservations, ticketing, billing, baggage, express cargo, property, and mail;

(2) The location and operation of passenger clubs and lounges upon reasonable approval by the Chief Executive Officer;

(3) The installation, maintenance and operation of vending machines for its employees in its non-public exclusive areas when approved by the Chief Executive Officer;

(4) The training of Airline's personnel at the Airport in the operation of Airline's Air Transportation Business; and

(5) The maintenance and operation of facilities, equipment and other activities reasonably necessary or convenient to carry out any or all of the foregoing.

(f) The OIAA may grant one or more concessionaires the exclusive right to sell and/or deliver duty free merchandise at the Airport.

(g) In the event that a fuel hydrant system is constructed and placed into service, Airline agrees to use such fuel hydrant system except for emergency situations or unusual circumstances, such as the incompatibility of certain aircraft with the fuel hydrant system.

(h) During the term of this Agreement, title to all structures, improvements, facilities, or alterations constructed or installed by Airline shall remain with Airline. Upon the termination of this Agreement, said structures, improvements, facilities, or alterations, other than machines, equipment, trade fixtures, and similar installations of a type commonly removed without structural damage to the Premises, shall become a part of the land upon which they are constructed, or of the building to which they are affixed, and title thereto shall thereupon vest in the OIAA. In the event the removal of any fixture damages any part of the Premises, Airline shall repair such damage and restore the Premises to as good condition as the same was in prior to said damage, reasonable wear and tear excepted.

(i) Upon reasonable prior notice to an appropriate Airline official (except in case of emergency), the OIAA, by and through its officers, employees, agents, representatives, and contractors, shall have the right at all reasonable times and in a reasonable manner to enter upon the Premises for the purpose of inspecting the same or for doing any act or thing which the OIAA may be obligated or have the right to do under this Agreement, and no abatement of rental shall be claimed by or allowed to Airline by reason of the exercise of such rights. In the exercise of its rights, the OIAA, its officers, employees, agents, and contractors shall not unreasonably interfere with the conduct of Airline's business on the Premises as herein authorized.

Section 4.03 Communications Equipment.

(a) Airline may install, maintain and operate, at no cost to the OIAA, alone or in conjunction with any other Air Carrier, radio communication, data processing, computer, meteorological and aerial navigation equipment and other similar facilities as may be reasonably necessary or convenient to the conduct by Airline of its Air Transportation Business at such location or locations at the Airport; provided, however, that such installations shall be subject to prior written approval of the Chief Executive Officer, which approval will not be unreasonably withheld, conditioned, or delayed. No antenna will be installed without prior, written approval of the Chief Executive Officer, which approval will not be unreasonably withheld, conditioned, or delayed.

(b) Prior to commencing any new construction or improvement to or upon its Premise(s) or on the Airport that may interfere with the operations of telecommunications concessionaires, Airline must first obtain the approval of the Chief Executive Officer, which approval will not be unreasonably withheld, conditioned, or delayed. If in the opinion of the Chief Executive Officer such approval cannot be given, such improvements will be disapproved. Any telecommunications' interference must be mutually agreed upon between and by Airline or other

tenant and the telecommunications concessionaire affected by the forthcoming construction. Any telecommunications equipment or service damaged during construction by Airline shall be fully reimbursed, replaced, or paid for by Airline directly to the owner of the telecommunications equipment or improvement.

(c) All electrical circuits (high or low voltage) will comply with all applicable building and electrical code requirements.

Section 4.04 Employee Parking. The OIAA shall provide, and Airline shall have the right to use, vehicle parking facilities, for its employees employed at the Airport. Such facilities shall be located in an area designated by the OIAA. The OIAA reserves the right to charge Airline and/or its employees reasonable fees not to exceed approximate actual net costs, for use of such facilities and to regulate such use.

Section 4.05 Airport Access.

(a) Airline shall, subject to reasonable approval or regulation of the OIAA, have the right and privilege over the roads, ways and public areas of the Airport for ingress to and egress from its Premises.

(b) Nothing in this Agreement shall be construed as in any way limiting the general powers of the OIAA to fully exercise its governmental and proprietary functions regarding the granting of any franchise, license, permit or consent to Airline, or any other party, to operate motor coaches, buses, taxicabs or other vehicles carrying persons or property for hire or consideration over the public streets of City, or the roads, ways or public areas of the Airport.

(c) Nothing herein shall prohibit the OIAA from charging reasonable fees necessary in regulating Airport access.

Section 4.06 Restrictions, Rules and Regulations. The exercise of the use and lease rights under this Agreement shall be subject to:

(a) Any and all applicable Rules and Regulations which are now in force or which may hereafter be adopted by the OIAA with respect to the operation of the Airport, including the OIAA's noise regulations, any and all future noise regulations, and those regulations regarding the use of the roadways, driveways, curbs, sidewalks, buildings, parking areas, terminal facilities, runways and taxiways in and about the Airport.

(b) Any and all applicable laws, ordinances, statutes, rules, regulations or orders of any governmental authority, federal, state or local, lawfully exercising authority over the Airport or Airline's operations conducted hereunder.

(c) Any and all applicable local, state and federal laws and regulations relative to services, facilities, and accommodations for disabled persons.

Nothing herein shall be deemed to impair Airline's right to contest any such rules, regulations, orders, restrictions, directives or conditions as being inconsistent with the terms of this Agreement or federal, state or local law. The OIAA shall give Airline reasonable written notice of proposed changes to Rules and Regulations, will provide Air Carriers an opportunity to comment on such proposed changes, and provide reasonable written notice of final adoption of such changes.

Section 4.07 Non-Interference. Airline shall conduct its operations in, on or about the Airport in such manner as to reduce as much as is reasonably practicable, considering the nature and extent of said operations, any and all activities which interfere unreasonably with the use of

other properties at or near the Airport, including, but not limited to, the emanation of noise, vibration, movements of air, fumes and odors.

Section 4.08 Aircraft Washing. Airline shall only wash Aircraft and equipment in areas designated by Chief Executive Officer. Airline shall ensure that such washing operations are conducted in accordance with all applicable permits and approvals and comply with all applicable Environmental Laws and Article XII of this Agreement, and do not result in the Release of any Hazardous Substance on or under the Airport or the storm drains or other conveyances for storm or waste water at the Airport.

ARTICLE V. RENTS, FEES, AND CHARGES

Section 5.01 General Commitment.

(a) The fees and rents to be charged by the OIAA and paid by Airline (and by all other Signatory Airlines) during the Term shall be calculated using the rate-setting methods in this Article V.

(b) Airline agrees to pay to the OIAA, without deduction, all applicable Airline Rents, Fees and Charges during the Term of this Agreement for its use of the facilities, rights, licenses, and privileges granted hereunder.

(c) The OIAA shall operate the Airport in a manner which the OIAA reasonably believes will produce revenues from concessionaires, tenants, and other users of the Airport in amounts which would be produced by a reasonably prudent operator of an airport of substantially similar size, use, and activity, with due regard for the interests of the public.

(d) From time to time. the OIAA may construct “special facilities” for a particular Air Carrier or group of Air Carriers. The costs of any such special facilities shall be recovered solely from the Air Carrier or group of Air Carriers for whom the special facilities were constructed, and the charges assessed by the OIAA to recover the costs shall be considered Ontario

Airport Revenues allocable to the appropriate Cost Center, provided that any associated costs shall also be reflected in that Cost Center.

Section 5.02 Effective Date of Adjustments.

Airline Rents, Fees and Charges may be adjusted annually, semi-annually, or at other intervals as may be required to meet the rate covenant established by Section 4.04 of the Ontario Master Trust Indenture during the term of this Agreement as hereinafter set forth consistent with the provisions of Section 5.14. Such adjustments shall be made in accordance with this Article V, as illustrated in Exhibit "E", and shall be effective on July 1 of the Fiscal Year for which they apply, or on the first day of any month mutually agreed upon by the OIAA and all Signatory Airlines. If such adjustments are not calculated and imposed prior to the commencement of the Fiscal Year, they may be made retroactively. Such adjustments shall apply without the necessity of formal amendment to this Agreement.

Section 5.03 OIAA/Airline Records.

(a) Airline shall, at all times during the term of this Agreement, maintain and keep books, ledgers, accounts or other records wherein are kept all entries accurately reflecting the total number of Revenue Landings and non-revenue Landings of its Aircraft at the Airport, the Maximum Gross Landing Weight of each such Aircraft and the number of Aircraft arrivals at the Airport. In addition, Airline shall keep and maintain at the Airport a daily log of all Revenue Landings and non-revenue Landings of its Aircraft to and from the Airport, showing the make, type (including model designation), registration and Maximum Gross Landing Weight, arrival and departure time (local time) of each such Aircraft, and the number of Enplaned Passengers and Deplaned Passengers (broken out by revenue and non-revenue passengers); and daily parking of Aircraft showing the designated area, and time parked. Airline shall also maintain a copy of the appropriate page of the current FAA approved Flight Manual showing the Maximum Gross

Landing Weight for each Aircraft operated by Airline at the Airport. The Chief Executive Officer may from time to time examine, audit and copy any and all of Airline's books, logs, records, reports and accounts of its business authorized herein to be conducted and directly pertaining to any obligation of Airline under this Agreement. Said books, logs, records, reports and accounts shall be retained by Airline until the information therein has been audited or examined by the OIAA and the results of said audit or examination have been agreed to by both parties or for three (3) years, whichever occurs first.

Required records shall be maintained at a location within Los Angeles County or San Bernardino County and shall be made available to the Chief Executive Officer at all reasonable business hours. Airline may elect to maintain required records at a location outside Los Angeles County or San Bernardino County, however, in doing so, Airline accepts responsibility for either transferring the records to Los Angeles County or San Bernadino County or reimbursing the OIAA for all travel and incidental expenses incurred in connection with an audit of said books, records, reports and accounts.

It is agreed that examination of books, logs, records, reports and accounts of Airline will be made in accordance with generally accepted auditing standards applicable in the circumstances and that as such, said examinations do not necessarily require a detailed audit of all transactions. Testing and sampling methods may be used in verifying reports submitted by Airline. Deficiencies ascertained by the use of such testing and sampling methods by applying the percentages of error obtained from such testing and sampling to the entire period of reporting under examination will be binding on Airline and to that end shall be admissible in court to prove any amounts due the OIAA from Airline, provided, however, this shall not prevent Airline from producing all appropriate records and figures to rebut the sampling and application period or method. In the

event any deficiency in the amount of ten percent (10%) or greater of the total Airline Rents, Fees and Charges payable by Airline to the OIAA hereunder is ascertained, Airline agrees to pay the OIAA for the entire cost of the audit as well as any other deficiencies, payments and liquidated damages due under this or any other provision of this Agreement within thirty (30) days of receipt of the OIAA's invoice. In the event any overpayment is ascertained, the OIAA shall promptly issue a rental credit to Airline in the amount of such overpayment.

(b) The OIAA shall follow such procedures and keep and maintain such books, records, and accounts as may be necessary or appropriate to comply with the terms of this Agreement. Such books, records, and accounts shall, at a minimum, contain all items affecting the computation of Airline Rents, Fees and Charges including, without limitation: Revenue, Maintenance and Operation Expenses, and debt service. The allocation of these items to Cost Centers shall be made in accordance with this Article V and as illustrated in Exhibit "E". The OIAA shall further maintain records evidencing the allocation of capital improvement expenditures and capital funding sources (federal grants, PFCs, revenue bond debt, other) to each Cost Center. Airline shall have the right, during normal business hours, upon reasonable notice, and in the company of an officer or employee of the OIAA and at its own expense, to examine, make copies of, and take extracts from such books, records, and accounts, but only as necessary to ensure compliance by the OIAA with the terms of this Agreement.

(c) Reporting. Airline shall furnish to the OIAA on or before the tenth (10th) day of each month, without demand or invoice, an accurate report of Airline's operations at the Airport during the preceding month, setting forth all data necessary to calculate Airline Rents, Fees and Charges, including: (i) the number(s) of domestic and international Revenue Landings by type of Aircraft and tail number, MGLW for each type of Aircraft, and the total landed weight of

Revenue Landings and non-revenue Landings; (ii) the number(s) of domestic and international Enplaned Passengers and Deplaned Passengers (broken out by revenue and non-revenue passengers); and (iii) the amounts in pounds of domestic and international cargo, freight, and mail enplaned and deplaned..

(d) Late Reports. If Airline fails to furnish the OIAA with the report required in Section 5.03(c), amounts used in the calculation of rates and charges shall be one hundred twenty percent (120%) of the most recent month for which the data is available. Any adjustment in the rates and charges so computed shall be calculated only after an accurate report is delivered to the OIAA. Adjustments for overpayments or deficiencies shall be reflected in subsequent invoices.

(e) Verification. The acceptance by the OIAA of any payment made by Airline shall not preclude the OIAA from verifying the accuracy of Airline's reports or from recovering any deficiencies in payment arising from incorrect reporting by Airline.

(f) Right to Contest. Nothing in this Agreement shall prevent Airline from contesting the validity or applicability of the OIAA's fees and charges. During the period of any such contest, however, Airline shall pay the OIAA all such fees and charges, but may indicate that payment is being made under protest. If any fees and charges are found to be non-valid or non-applicable, the OIAA will refund such fees with interest.

Section 5.04 Rates and Charges Forecast.

(a) On or before June 1 of each Fiscal Year, the OIAA shall submit to Airline its proposed rates and charges forecast for the succeeding Fiscal Year, including:

- (1) Annual Maintenance and Operation Expense;
- (2) Annual debt service;
- (3) Revenues from all sources other than Airline Rents, Fees and Charges paid by Signatory Airlines;

- (4) Any proposed capital improvements proposed to be undertaken;
- (5) The square footage of all Exclusive Use Space, Preferential Use Space, and Joint Use Space;
- (6) Estimated Signatory Airline landed weight and Enplaned Passengers;
- (7) A preliminary calculation of Airline Rents, Fees and Charges;
- (8) The proposed allocation of revenues and costs to different Cost Centers; and
- (9) A preliminary calculation of the Signatory Airline cost per Enplaned Passenger.

(b) The Chief Executive Officer shall then call a meeting of the AAAC to consult with it regarding the proposed rates and charges forecast.

(c) The OIAA shall then approve the final rates and charges forecast following consultation with the Signatory Airlines. The Chief Executive Officer shall promptly furnish Airline with a copy of the final rates and charges forecast which shall set the forecasted Airline Rents, Fees and Charges that shall be effective for the applicable Fiscal Year, subject to Sections 5.14 and 5.20.

(d) If, for any reason, the rates and charges forecast has not been approved within ninety (90) days from the start of any Fiscal Year, the Airline Rents, Fees and Charges in effect during the preceding Fiscal Year shall continue in effect until the new rates and charges forecast has been approved by the OIAA and the OIAA has calculated the Airline Rents, Fees and

Charges in accordance with this Agreement. The Airline Rents, Fees and Charges shall then be made effective retroactive to the first day of such Fiscal Year.

Section 5.05 Calculation of Terminal Rental Rate.

(a) The Terminal Cost Center Requirement for the succeeding Fiscal Year shall be calculated by totaling the following amounts associated with the Terminal Cost Center:

(1) The Maintenance and Operation Expenses allocated to the Terminal Cost Center;

(2) Sixty percent (60%) of the amount of the budgeted indirect costs of information technology services for the Airport;

(3) Forty percent (40%) of the amount of the budgeted indirect costs of public safety services for the Airport;

(4) A percentage of the amount of the budgeted indirect costs of the overall administration of the Airport, where the percentage shall be the proportion of the Maintenance and Operations Expenses directly allocated to the Terminal Cost Center relative to the Maintenance and Operations Expenses directly allocated to all the Cost Centers;

(5) A percentage of the amount of the budgeted indirect costs of operations associated with capital project planning and development for the Airport, where the percentage shall be a fraction, the numerator of which is the planned capital project spending for the Terminal Cost Center for the succeeding Fiscal Year and the denominator of which is the total planned capital project spending for all Cost Centers for the succeeding Fiscal Year;

(6) The debt service costs allocated to the Terminal Cost Center;

(7) Any amount required to be deposited into any reserve account within the Reserve Fund to maintain the required balances in the reserve accounts allocated to the Terminal Cost Center;

(8) The amount, if any, necessary to be added to the Debt Service Coverage Account in order for it to equal to twenty-five (25%) of the amount in item (6);

(9) The amount of the required deposit to the M&O Reserve Account allocable to the Terminal Cost Center;

(10) Amounts allocable to the Terminal Cost Center for capital items;

(11) The estimated amount of any assessment, judgment, or charge (net of insurance proceeds) to become payable by the OIAA in such Fiscal Year relating directly to the Airport or its operation and allocable to the Terminal Cost Center; and

(12) Any other expenses applicable to the Terminal Cost Center.

(b) The Net Terminal Cost Center Requirement shall equal the Terminal Cost Center Requirement less the following:

(1) Ontario Airport Revenues, not including Signatory Airline Terminal Rents, allocable to the Terminal Cost Center;

(2) Seventy-five percent (75%) of the amount of Transportation Cost Center Revenues Available for Revenue Sharing as calculated pursuant to Section 5.13;

(3) Fifteen percent (15%) of all Ground Handling Fees collected by the OIAA; and

(4) Any PFC receipts that might be used by the OIAA to pay revenue bond debt service allocated to the Terminal Cost Center.

(c) The Terminal Rental Rate (per square foot per year) shall then be calculated by dividing the Net Terminal Cost Center Requirement by the total space (Exclusive Use, Preferential Use, and Joint Use Space) leased to the Signatory Airlines.

(d) Airline's Terminal Rents for its lease of Exclusive Use Space and Preferential Use Space shall equal the area of Airline's Premises times the Terminal Rental Rate.

Section 5.06 Calculation of Landing Fee Rate.

(a) The Airfield Cost Center Requirement for the succeeding Fiscal Year shall be calculated by totaling the following amounts:

(1) Maintenance and Operation Expenses allocated to the Airfield Cost Center;

(2) Fifteen percent (15%) of the amount of the budgeted indirect costs of information technology services for the Airport;

(3) Forty-five percent (45%) of the amount of the budgeted indirect costs of public safety services for the Airport;

(4) A percentage of the amount of the budgeted indirect costs of the overall administration of the Airport, where the percentage shall be the proportion of the Maintenance and Operations Expenses directly allocated to the Airfield Cost Center relative to the Maintenance and Operations Expenses directly allocated to all the Cost Centers;

(5) A percentage of the amount of the budgeted indirect costs of operations associated with capital project planning and development for the Airport, where the percentage shall be a fraction, the numerator of which is the planned capital project spending for the Airfield Cost Center for the succeeding Fiscal Year and the denominator of which is the total planned capital project spending for all Cost Centers for the succeeding Fiscal Year;

(6) Debt service costs allocated to the Airfield Cost Center;

(7) Any amount required to be deposited into any reserve account within the Reserve Fund to maintain the required balances in the reserve accounts allocated to the Airfield Cost Center;

(8) The amount, if any, necessary to be added to the Debt Service Coverage Account in order for it to equal to twenty-five (25%) of the amount in item (6);

(9) The amount of the required deposit to the M&O Reserve Account allocable to the Airfield Cost Center;

(10) Amounts allocable to the Airfield Cost Center for capital items;

(11) The estimated amount of any assessment, judgment, or charge (net of insurance proceeds) to become payable by the OIAA in such Fiscal Year relating directly to the Airport or its operation and allocable to the Airfield Cost Center; and

(12) Any other expenses applicable to the Airfield Cost Center.

(b) The Net Airfield Cost Center Requirement shall equal the Airfield Cost Center Requirement less the following:

(1) Ontario Airport Revenues, not including Signatory Airline Landing Fees, allocable to the Airfield Cost Center;

(2) Eighty-five percent (85%) of all Ground Handling Fees collected by the OIAA; and

(3) Any PFC receipts that might be used by the OIAA to pay revenue bond debt service allocable to the Airfield Cost Center.

(c) The Landing Fee Rate (per thousand pounds) shall then be calculated by dividing the Net Airfield Cost Center Requirement by the total estimated landed weight of Revenue Landings by the Signatory Airlines. Unless there is more accurate information available, the total estimated landed weight of Revenue Landings by the Signatory Airlines will be based on the actual landed weight of Revenue Landings by the Signatory Airlines for the most recent twelve-month period for which this information is available.

(d) Airline's Landing Fees shall equal the sum of the Maximum Gross Landing Weights of all Airline's Revenue Landings times the Landing Fee Rate.

(e) Anything in this Agreement to the contrary notwithstanding, under no circumstances will any costs associated solely with cargo facilities or Cargo Carriers at the Airport ("Cargo Costs") be included in the calculation of the Airfield Cost Center Requirement, which costs include, but are not limited to, Maintenance and Operation Expenses allocated to such cargo facilities or carriers; debt service costs allocated to such cargo facilities; any amount allocable to Bonds issued for such cargo facilities required to be deposited into any reserve account within the Reserve Fund to maintain the required balances in the reserve accounts; the amount, if any, allocable to Bonds issued for such cargo facilities necessary to be added to the Debt Service Coverage Account in order for it to equal to twenty-five (25%) of the amount in (a)(8) above; or the amount of the required deposit to the M&O Reserve Account allocable to the Airfield Cost Center and associated with such Cargo Costs. All Cargo Costs, to the extent not collected from Cargo Carriers pursuant to leases or other agreements with OIAA or otherwise, shall be paid from Non-Airline Cost Center Revenues. Further, Ontario Airport Revenues allocable to the Airfield Cost Center for the purposes of Section 5.06(b)(1) shall only include rental and other payments made by Cargo Carriers under leases or other agreements with OIAA in connection with cargo facilities to the extent they exceed the Cargo Costs.

Section 5.07 Calculation of Domestic Inbound Baggage Claim System Joint Use Fees.

(a) The Domestic Inbound Baggage Claim System Requirement for the succeeding Fiscal Year shall be calculated by multiplying the Terminal Rental Rate by the total square footage of space used for the Domestic Inbound Baggage Claim System.

(b) Airline shall pay a fee for the use of the Domestic Inbound Baggage Claim System to be calculated by allocating:

(1) twenty percent (20%) of the Domestic Inbound Baggage Claim System Requirement equally among all Signatory Airlines utilizing the Domestic Inbound Baggage Claim System; and

(2) eighty percent (80%) of the Domestic Inbound Baggage Claim System Requirement by dividing that portion of the Domestic Inbound Baggage System Requirement by the annual number of all Deplaned Domestic Passengers at the Airport during the Fiscal Year and multiplying that number by the number of Airline's Deplaned Domestic Passengers for the Fiscal Year.

Section 5.08 Calculation of Baggage Make-up System Joint Use Fees.

(a) The Baggage Make-up System Requirement for the succeeding Fiscal Year shall be calculated by multiplying the Terminal Rental Rate by the total square footage of space used for the Baggage Make-up System.

(b) Airline shall pay a fee for the use of the Baggage Make-up System to be calculated by allocating:

(1) ten percent (10%) of the Baggage Make-up System Requirement equally among all Signatory Airlines utilizing the Baggage Make-up System; and

(2) ninety percent (90%) of the Baggage Make-up System Requirement by dividing that portion of the Baggage Make-up System Requirement by the estimated annual number of all Enplaned Passengers at the Airport during the Fiscal Year and multiplying that number by the number of Airline's Enplaned Passengers for the Fiscal Year.

Section 5.09 FIS Fee.

(a) The FIS Fee for Fiscal Year 2026 shall be \$11.00 per Deplaned International Passenger.

(b) In each subsequent Fiscal Year, the FIS Fee shall be calculated by multiplying the FIS Fee for the prior Fiscal Year by the total of one hundred percent (100%) plus the percentage change in the Maintenance and Operation Expenses for the Terminal Cost Center from the prior Fiscal Year. For example, if the total Maintenance and Operation Expenses for the Terminal Cost Center for Fiscal Year 2027 increase by four percent over Fiscal Year 2026, the FIS Fee for Fiscal Year 2027 would be \$11.44.

(c) Airline shall pay a fee for its use of the FIS Area by multiplying the FIS Fee by Airline's number of Deplaned International Passengers.

Section 5.10 Per Use Gate Fee.

(a) Each Passenger Air Carrier shall pay Per Use Gate Fees for its use (if any) of Common Use Gates based on the number of its Seats and Turns on Common Use Gates. The Per Use Gate Fee effective the first day of each Fiscal Year shall be determined according to the rate-setting method set forth in this Section 5.10.

(b) The OIAA shall calculate the Per Use Gate Fee by (a) multiplying the average square footage of all holdrooms associated with Common Use Gates by the Terminal Rental Rate calculated in Section 5.05; (b) dividing that product by 365; and (c) further dividing that quotient by the estimated Average Gate Utilization for Departures for all Gates. The OIAA may use the most recent available historical data or forecasts that reflect reasonable management judgment in calculating the estimated Average Gate Utilization for Departures.

(c) The Per Use Gate Fee shall then be scaled based on the number of Seats in the Aircraft making the Turn as follows:

Tier	Seats	Multiplier
1	0 – 120	75%
2	121 – 180	100%
3	181 – 240	133%
4	241+	200%

Section 5.11 Per Hour Ticket Counter Fee.

(a) Each Passenger Air Carrier shall pay Per Hour Ticket Counter Fees for its use (if any) of Common Use Ticket Counters based on the number of Common Use Ticket Counter positions used and the hours of use. The Common Use Ticket Counter Fee effective the first day of each Fiscal Year shall be determined according to the rate-setting method set forth in this Section 5.11.

(b) The OIAA shall calculate the Per Hour Ticket Counter Fee by (a) multiplying the average square footage of all Common Use Ticket Counters by the Terminal Rental Rate calculated in Section 5.05; and (b) dividing that product by the estimated total annual number of hours of use per Common Use Ticket Counter. The OIAA may use the most recent available historical numbers of hours of use of Common Use Ticket Counters or forecasts that reflect reasonable management judgment in calculating the estimated Per Hour Ticket Counter Fee.

Section 5.12 Renewal and Improvement Fund.

(a) The OIAA shall have the right to create and maintain a Renewal and Improvement Fund which may be used for any lawful purpose for which Ontario Airport Revenues may be used and may not be used for any purpose that could not be funded with Ontario Airport Revenues. The OIAA shall report on the use of funds within the Renewal and Improvement Fund and available balances in the annual reconciliation conducted pursuant to Section 5.15.

(b) Interest on amounts within the Renewal and Improvement Fund shall remain in the Renewal and Improvement Fund.

(c) Projects and improvements funded from the Renewal and Improvement Fund shall be subject to Section 6.02 only to the extent that the OIAA intends to allocate the costs of depreciation on such projects and improvements to the Airline Cost Centers.

(d) For the avoidance of doubt, the OIAA shall be entitled to keep any amounts remaining in the Airport Discretionary Account as of the Effective Date but shall apply this amount against the cost of capital items that are subject to depreciation or amortization in the Terminal Cost Center and Airfield Cost Center as of the Effective Date (in approximately equal amounts to each cost center), and the OIAA shall not be required to place said amounts in the Renewal and Improvement Fund.

Section 5.13 Amounts Available for Revenue Sharing.

(a) The OIAA shall share a portion of the Ontario Airport Revenues generated in the Transportation Cost Center with the Signatory Airlines in accordance with this Section 5.13. The OIAA shall not be required to share any Ontario Airport Revenues generated in the Commercial Development Cost Center with the Signatory Airlines or any other Revenues except as otherwise expressly required in this Agreement.

(b) The OIAA shall calculate the Amounts Available for Revenue Sharing by subtracting from the total of the Ontario Airport Revenues allocable to the Transportation Cost Center the sum of the following budgetary items for each Fiscal Year:

(1) Maintenance and Operation Expenses allocated to the Transportation Cost Center;

(2) Twenty percent (20%) of the amount of the budgeted indirect costs of information technology services for the Airport;

(3) Ten percent (10%) of the amount of the budgeted indirect costs of public safety services for the Airport;

(4) A percentage of the amount of the budgeted indirect costs of the overall administration of the Airport, where the percentage shall be the proportion of the Maintenance and Operations Expenses directly allocated to the Transportation Cost Center relative to the Maintenance and Operations Expenses directly allocated to all the Cost Centers;

(5) A percentage of the amount of the budgeted indirect costs of operations associated with capital project planning and development for the Airport, where the percentage shall be a fraction, the numerator of which is the planned capital project spending for the Transportation Cost Center for the succeeding Fiscal Year and the denominator of which is the total planned capital project spending for all Cost Centers for the succeeding Fiscal Year;

(6) Debt service costs allocated to the Transportation Cost Center;

(7) Any amount required to be deposited into any reserve account within the Reserve Fund to maintain the required balances in the reserve accounts allocated to the Transportation Cost Center;

(8) The amount, if any, necessary to be added to the Debt Service Coverage Account in order for it to equal to twenty-five percent (25%) of the amount in item (4);

(9) The amount of the required deposit to the M&O Reserve Account allocable to the Transportation Cost Center;

(10) Amounts allocable to the Transportation Cost Center for capital items;

(11) The estimated amount of any assessment, judgment, or charge (net of insurance proceeds) to become payable by the OIAA in such Fiscal Year relating directly to the Airport or its operation and allocable to the Transportation Cost Center; and

(12) Any other expenses applicable to the Transportation Cost Center.

(c) Seventy-five percent (75%) of the Amounts Available for Revenue Sharing shall be allocated as a credit against the Terminal Cost Center Requirement; provided, however, that if the Amounts Available for Revenue Sharing are less than zero thereby resulting in a net deficit, then seventy-five percent (75%) of such net deficit shall be allocated as a cost to the Terminal Cost Center.

Section 5.14 Mid-Year Adjustment of Rates and Charges. The OIAA will provide the AAAC with quarterly reports on the differences between the amounts then expected to be received and the budgeted or estimated amounts which were used in calculating the Airline Rents, Fees and Charges for the then-current Fiscal Year. At mid-year or after each quarterly report to the AAAC, the OIAA shall review information concerning the amounts then expected to be received and the budgeted or estimated amounts which were used in calculating the Airline Rents, Fees and Charges for such Fiscal Year. If there is a variance of plus or minus ten percent (10%) in the amounts, then the OIAA may adjust rates for the remainder of such Fiscal Year to ensure the expected amount to be received from all Airline Rents, Fees and Charges for the complete Fiscal Year will approximate the amount reasonably necessary to meet the Net Airfield Cost Center Requirement and the Net Terminal Cost Center Requirement.

Section 5.15 Year-End Adjustment of Rates and Charges.

Within sixty (60) days after the issuance of the annual audit report, the OIAA shall furnish the Signatory Airlines with a copy of the OIAA's annual audit report covering the operation of the Airport for the preceding Fiscal Year. At the same time, the OIAA shall provide a final accounting of the rentals, fees, and charges in accordance with this Agreement. The actual net Terminal Cost Center Requirement and net Airfield Cost Center Requirement shall be calculated by the OIAA based on actual Ontario Airport Revenues, Maintenance and Operation Expenses, debt service, total landed weight of Signatory Airlines for the Fiscal Year, and other relevant

factors. The OIAA shall then calculate the amounts of Airline Rents, Fees and Charges that should have been billed to each Signatory Airline during the Fiscal Year, based on such actual data, following the procedures in this Article V. Amounts billed in excess of actual requirements shall be credited to each of the Signatory Airlines in the next ensuing month or months, as required, of the then-current Fiscal Year. Actual amounts required in excess of amounts billed shall be invoiced to each of the Signatory Airlines in the next ensuing month or months of the then-current Fiscal Year.

Section 5.16 Other Charges.

(a) Reasonable and non-discriminatory charges for miscellaneous items, activities, or services provided to or used by Airline (e.g., badges, employee auto parking, utility usage, motor vehicle operating permit, contract services agreements, into-plane fueling agreements, etc.) may be assessed by the OIAA and paid by Airline.

(b) Amounts received from such other charges shall be Ontario Airport Revenues and included in the calculation of rentals. The OIAA acknowledges that, if such other charges are instituted, total Airline Rents, Fees and Charges will remain unchanged but redistribution of these fees and charges among the Signatory Airlines could result. Therefore, prior to instituting such other charges, the OIAA will meet with Airline well in advance of implementation and provide justification for the new charges, as well as the financial impact on Airline.

Section 5.17 Payment Provisions.

(a) Payments. Throughout the Term hereof, Airline shall pay all rental required hereunder in person, by first class mail (postage prepaid), or by overnight mail, at the OIAA's Administration Building, at the address shown for OIAA in Section 13.14, or otherwise payable to

“Ontario International Airport Authority,” by electronic funds transfer, wire transfer, direct deposit, or other means of immediately available funds.

(b) Due Dates.

(1) Landing Fees. Landing Fees shall be due and payable without demand or invoice from the OIAA on the twentieth (20th) day of each month for the prior month’s Revenue Landings.

(2) Terminal Rents. Terminal Rents shall be due and payable without demand or invoice from the OIAA no later than the first (1st) day of each calendar month during the Term. Terminal Rents due for any partial month shall be prorated on a per diem basis.

(3) FIS Fees. FIS Fees shall be due and payable without demand or invoice from the OIAA on the twentieth (20th) day of each month for the prior month’s Deplaned International Passengers.

(c) All other Airline Rents, Fees and Charges. All other Airline Rents, Fees and Charges shall be due and payable within thirty (30) days from the date of invoicing.

(d) Payment Acceleration. If, during any calendar year of the term hereof, two (2) or more monthly payments of Terminal Rents are delinquent ten (10) or more business days, the OIAA may, at its sole option, require the payment of the rentals quarterly in advance. Thereafter, if, during any calendar year of the term hereof, two (2) or more quarterly payments of Terminal Rents are delinquent ten (10) or more business days, the OIAA may, at its sole option, require the payment of all rentals annually in advance. The exercise of one or both of said options, however, shall not constitute an exclusive remedy for the OIAA with respect to delinquent rental payments and shall not be construed to affect the term of this Agreement, or abridge the OIAA’s right to terminate this Agreement as otherwise provided herein. Payment acceleration shall only

be applicable for a one-year period, after which monthly payments by Airline shall be reinstated subject to this Section 5.17(d).

Section 5.18 Non-Signatory Fees. Any Non-Signatory Airline shall pay Airline Rents, Fees and Charges equal to One Hundred Twenty-Five percent (125%) of the then current Signatory Airline rates, provided that Non-Signatory Airlines' cost for the Domestic Inbound Baggage Claim System and Baggage Make-up System shall be One Hundred Twenty-Five percent (125%) of a fee calculated by dividing one hundred percent (100%) of the Domestic Inbound Baggage Claim System Requirement or Baggage Make-up System Requirement, as applicable, by the annual number of Deplaned Domestic Passengers or Enplaned Passengers, as applicable. An Air Carrier that has entered into an agreement to become a Signatory Airline, but for which there is insufficient space available to lease from the OIAA for its Air Transportation Business shall pay the same rates as Signatory Airlines until space becomes available at which time said Air Carrier must lease appropriate related land or space or pay non-signatory fees.

Section 5.19 Minimum Landing Fee. The OIAA through its Commission will charge a minimum Landing Fee for Aircraft using Ontario International Airport and weighing less than 25,000 pounds.

Section 5.20 End of Agreement Accounting. Within two hundred ten (210) days after the expiration of this Agreement for all Signatory Airlines, the OIAA shall provide to the Signatory Airlines a preliminary final accounting for this Agreement. This accounting will be similar to the reconciliation performed at the end of each year of this Agreement. The OIAA shall schedule a meeting with the Signatory Airlines not less than thirty (30) days or not longer than sixty (60) days thereafter to review the accounting with the Signatory Airlines. Within sixty (60) days after the meeting and after giving due consideration to the Signatory Airlines' comments, the OIAA shall

(i) issue its final accounting reflecting the final settlement of this Agreement and in accordance with this Agreement and (ii) shall issue invoices for all monies due (and not otherwise already invoiced) and/or refund all monies then due to the Signatory Airlines under the final accounting.

(a) The balances in certain funds and reserve accounts, namely, the Debt Service Coverage Account, Ontario Bond Service Reserve Fund, the M & O Reserve Account, the Renewal and Improvement Fund, and the Insurance Trust Account shall be retained by the OIAA following expiration of the Agreement.

(b) This Article shall survive the expiration of this Agreement until the final reconciliation has been made.

Section 5.21 Air Service Incentives. Notwithstanding any other provision in this Agreement, in order to enhance and attract new air service to the Airport, the OIAA reserves the right to adopt and implement a program of air service incentives at the Airport, consistent with applicable federal requirements, which may include rates and charges incentives and marketing support. Such air service incentive program, if implemented, shall be offered to all eligible Air Carriers on a nondiscriminatory basis.

Section 5.22 Affiliates.

In the event Airline contracts with an Affiliate, all of the following provisions shall apply to Airline:

(a) Airline may not use an Affiliate without first notifying the OIAA that it intends to designate an Affiliate and ensuring that the Affiliate must enter into an Air Carrier Operating Permit or other agreement with the OIAA. Airline is also responsible to notify the OIAA when it ceases to use the Affiliate. For purposes of its day-to-day operations, an Affiliate, when operating for or on behalf of Airline at the Airport, shall be considered an agent of Airline.

(b) All Airline Rents, Fees and Charges due from Airline's Affiliate and all reports required to be made for payment of Airline Rents, Fees and Charges shall be made by Airline for operations at the Airport where the Affiliate is operating on behalf of Airline. Airline will remain liable to the OIAA for the payment of all Airline Rents, Fees and Charges and remittance of PFCs due from Airline's Affiliate when operating on behalf of Airline at the Airport, and any such past due payments or remittances will be subtracted from any reimbursement due to Airline by the OIAA. To the extent not otherwise collected, reported, and remitted by Airline, the Affiliate shall directly report and remit to the OIAA all PFCs that it collects. If Airline fails to make payment or submit reports it is required to submit hereunder on behalf of its Affiliate, such Affiliate remains fully responsible and liable to the OIAA for both reporting and payment. As long as Airline is making all payments of Airline Rents, Fees and Charges, and submitting the activity reports for its Affiliate(s), then such Affiliate's activity will count toward the Airline's activity and Airline and its Affiliate(s) shall be considered one Signatory Airline for purposes of calculating any fees with per capita components like those set forth in Section 5.07 or Section 5.08.

(c) Any Air Carrier who operates under its own name and sells any seats in its own name will not be deemed an Affiliate. An Affiliate may work for more than one (1) Signatory Airline at a time, or from time to time, but (i) any Signatory Airline for whom the Affiliate is working must sign the Affiliate's Operating Permit, agreeing to be responsible for reporting and paying for the Affiliate's operations conducted on its behalf and (ii) a Signatory Airline will not be responsible for any fees or the acts or omissions of any Affiliate while such Affiliate is operating on behalf of another Signatory Airline. Notwithstanding anything to the contrary, an Air Carrier's status as Affiliate of the Airline at the Airport may be terminated by the Airline upon not less than thirty (30) days written notice to the OIAA. Any Affiliate who sells any seats in its own name will

be required to sign an Operating Use and Terminal Lease Agreement or will be deemed a Non-Signatory Airline.

(d) Because the Affiliate is operating on behalf of a Signatory Airline(s) who reports and pays for all Airline Rents, Fees and Charges associated with the Affiliate's operations, the Affiliate will not be required to pay a Non-Signatory Airline premium on its Airline Rents, Fees and Charges. The Airline Rents, Fees and Charges paid by Airline on behalf of its Affiliate(s) are subject to all the provisions of this Article V.

ARTICLE VI. CAPITAL EXPENDITURES

Section 6.01 General.

(a) It is contemplated by the parties that from time to time during the term of this Agreement the OIAA may undertake capital improvements to the Airport. The OIAA shall have the right at any time (subject to the requirements of Section 6.02) to proceed with capital expenditures and to include amounts so expended in the calculation of rentals and fees to be charged to Airline as provided in Article V.

(b) Airline's views on capital expenditures proposed by the OIAA in Airline Cost Centers are to be received and considered as an integral part of the continuing consultative planning and programming process through which the OIAA identifies and defines individual projects needed to be undertaken. Airline is urged to participate fully in this planning and programming process so that the OIAA may have the early and on-going benefit of the Airline's views on projects that may be needed throughout the term of this Agreement. To this end, the OIAA has established an Airline Technical Advisory Committee (ATAC), which will meet not less frequently than quarterly, to review developments in the projects identified pursuant to Section 6.02(a) and solicit feedback of the Signatory Airlines on those projects and their proposed implementation. The OIAA shall likewise regularly provide the Signatory Airlines with a written

report regarding the status of such projects until the project is either completed and fully activated or formally cancelled.

(c) Subject to the exceptions provided in Section 6.03, the procedure outlined in this article is intended to allow timely review and participation by the Signatory Airlines in the OIAA's decisions regarding capital expenditures and an approval process for capital expenditures in Airline Cost Centers.

Section 6.02 Consultative Review and Approval Process for Capital Expenditures.

(a) Annual Capital Plan. At least once per Fiscal Year on or before June 1 in conjunction with the rates and charges forecast information described in Section 5.04, the OIAA shall transmit for planning purposes to Airline its proposed capital improvement program for both Airline and Non-Airline Cost Centers (whether or not exempt from Majority-In-Interest approval under Section 6.03) for the upcoming Fiscal Year. The OIAA may, but is not required to, update such program no more than once per quarter in each Fiscal Year.

(b) Project Description and Justification. Prior to proceeding with any new project within an Airline Cost Center that is listed in the capital improvement program developed in accordance with Section 6.02(a) ("New Projects"), the OIAA will provide the Signatory Airlines with the following information:

- (1) A description of the proposed improvement(s) or project(s), and the intended use of each;
- (2) A project justification or statement of need for the improvement(s) or project(s);
- (3) The cost estimate of the improvement or project and the OIAA's intended means of funding the project;

- (4) The planned allocation of the costs thereof to the Airline Cost Centers;
- (5) Expected revenues, if any, to be derived from the improvement or project;
- (6) Expected maintenance and operation expenses, if any, resulting from the improvement or project;
- (7) An estimate of the financial impact of the project on the Airline Rents, Fees and Charges paid by Airline;
- (8) Project design and construction schedule, including the anticipated date of Beneficial Occupancy.

(c) Majority-In-Interest Approval for New Projects. For any New Project that is not exempt from Majority-In-Interest review as determined pursuant to Section 6.03, the OIAA will, either with or subsequent to the project description and justification provided under Section 6.02(b), provide the Signatory Airlines with written notice of its intention to proceed with the New Project and request Majority-In-Interest approval. A single written notice may include one or more New Projects. Within ten (10) business days of receiving the written notice, the Signatory Airlines may request a meeting with the OIAA to review and discuss the New Project(s). The OIAA will host such requested meetings within thirty (30) days of the written notice (and not the meeting request). The OIAA will give due consideration to any comments or objections from the Signatory Airlines related to Airline Cost Centers. Within forty-five (45) days of the written notice, the Signatory Airlines will notify the OIAA as to whether or not the New Project has been approved by a Majority-In-Interest. New Projects shall be deemed approved unless written disapproval is evidenced by a Majority-In-Interest of the Signatory Airlines within forty-five (45) days of the

written notice. If the Signatory Airlines timely disapprove a project pursuant to this Section 6.02(c), the OIAA may nonetheless undertake that project after waiting six (6) months from the date on which the Majority-In-Interest decision was due.

(d) Project Consultation Process for New Projects Over \$50 Million. For a New Project that both (i) has an expected Total Project Cost over fifty million dollars (\$50,000,000) and (ii) is not exempt from Majority-In-Interest approval under Section 6.03, the parties agree to engage in an expanded Signatory Airline consultation process that will (without otherwise limiting the opportunity for input under Section 6.01(b)) provide Signatory Airline representatives the opportunity to participate in the Airport strategic planning process pertaining to the project at two “checkpoints” as described in this Section 6.02(d). No supervisory or approval rights are provided to the Signatory Airlines through this checkpoint process; however, inputs, collaboration, progress updates, budget reports and discussions on concerns will be acknowledged by the OIAA to the Signatory Airlines. An illustrative document summarizing the process is set forth in Exhibit “G”.

(1) The first “checkpoint” will occur prior to finalization of the project description, where project description generally includes the determination of the project requirements, location (including, if applicable, potential options), facility programming, design objectives (including service life, maintenance requirements, etc.), preliminary cost (including funding), and preliminary schedule. The second checkpoint will occur prior to the earlier of 30% schematic design or construction authorization by the OIAA.

(2) Each checkpoint will commence with the scheduling of a project briefing meeting. The schedule for the project briefing meeting will be coordinated by the Airline Technical Representative, if any, or the AAAC Chair with assistance from the Airline Liaison, if any (for purposes of this Section 6.02(d) only, the “Airline Coordinator”). It is expected that the

project briefing meeting will occur at a regularly scheduled meeting of the Airline Technical Advisory Committee of the AAAC or other, mutually convenient time agreed by the parties.

(i) Not less than ten (10) days before the project briefing meeting, the OIAA will prepare and provide to the Airline Coordinator a project briefing document (“Project Briefing Document”). The Project Briefing Document shall contain pertinent project data including, but not limited to, a summary description of the project, any major design elements, the current project budget, the current project schedule, significant design decisions made to-date and/or expected to be made in the future, and a list of project risks identified by the project team. For the second checkpoint, the Project Briefing Document shall specifically include the then-current draft of the project’s design documents. The Airline Coordinator will be responsible for distributing the Project Briefing Document to the interested Signatory Airlines.

(ii) At the project briefing meeting, the OIAA shall make a presentation to the interested Signatory Airlines to review the Project Briefing Document and solicit the Signatory Airlines’ feedback on the project and Project Briefing Document.

(iii) Within fourteen (14) days of the presentation, the Airline Coordinator shall submit a prioritized list of questions, requests for additional information, and/or feedback/recommendations regarding the project from the Signatory Airlines.

(iv) Within fourteen (14) days of the receipt of the prioritized list from the Signatory Airlines, the OIAA shall provide written responses to the Airline Coordinator to the questions, requests, and feedback provided by the Signatory Airlines. In its discretion, the OIAA may also schedule a meeting with the interested Signatory Airlines to review, and supplement, this response. The Signatory Airlines will give reasonable accommodation should

additional time beyond fourteen (14) days be needed to satisfy the Signatory Airlines' questions and concerns.

(v) Within seven (7) days of receiving the response (or any later meeting scheduled by the OIAA to review the response), the Airline Coordinator shall indicate whether there remains any concern by the Signatory Airlines regarding the project or the Signatory Airlines' feedback regarding the same.

(3) If following either of the two required checkpoints there remain unresolved issues between the AAAC and the OIAA regarding a project, those items shall be subject to the following escalation procedure:

(i) Within fourteen (14) days of delivering notice of remaining Signatory Airline concern under Section 6.02(d)(2)(v), the Signatory Airlines may trigger their formal escalation right by affirmative vote of two (2) or more Signatory Airlines. If two (2) or more Signatory Airlines vote to trigger the escalation process, the Airline Coordinator shall transmit notice thereof to the CEO, including the names of the Signatory Airlines triggering escalation and issues for which escalation is sought. The notification shall include a written explanation as to why the OIAA's response(s) did not adequately address the identified concerns.

(ii) Promptly following the delivery of notice, the parties shall schedule a meeting between, on the one hand, the appropriate the OIAA leadership and staff, and, on the other hand, the AAAC Chair and the designated representatives of the Signatory Airlines triggering the escalation process. The Airline Coordinator shall, in the interest of facilitating resolution of the issue between the parties, also attend.

(iii) At the scheduled meeting (including any necessary continuation thereof), the parties shall negotiate in good faith to resolve the issues identified. If the

parties are able to resolve one or more of the issues identified, that decision shall be recorded and provided as direction to the OIAA regarding how to proceed with respect to those issues.

(4) So long as the project otherwise complies with the requirements of this Article VI, the checkpoints process in this Section 6.02(d) shall not prohibit the OIAA from continuing progress on the project. Stated differently, the OIAA shall be entitled to continue with the planning, design, and development of any project subject to the checkpoints process in this Section 6.02(d) while the parties proceed through the checkpoints process, but the OIAA shall not be required to pause the project pending completion of the checkpoints process.

Section 6.03 New Projects Not Subject To Majority-In-Interest Approval or Project Consultation.

(a) Notwithstanding any provision herein, the OIAA may proceed with a New Project without Majority-In-Interest approval under Section 6.02(b) or project consultation under 6.02(c), whichever may be applicable, and include its costs in the calculation of Airline Rents, Fees and Charges if it meets any of the following:

- (1) Any project or improvement for which neither the capital cost nor the Maintenance and Operation Expenses are included in the Airline Cost Centers;
- (2) Any project or improvement with a Total Project Cost of not more than \$1,000,000 net of PFCs, and federal, state, and local grants-in-aid;
- (3) Replacements or repairs of existing facilities due to fire, natural disaster, acts of God, or other accidental destruction, provided that the Signatory Airlines are notified of the project and the extent to which its costs are not covered by insurance proceeds;

- (4) Projects or improvements reasonably necessary to comply with a rule, regulation, or order of any federal, state, or other governmental agency (excluding the OIAA) that has jurisdiction over the operation of the Airport;
- (5) Projects or improvements that permit the continued operation and maintenance of the Airport when its operation is affected by unanticipated or unusual circumstances of an emergency nature, provided that the OIAA documents in writing the basis for such emergency determination and provides notice thereof to the Signatory Airlines within ten (10) days after the emergency has been addressed;
- (6) Projects required to accommodate a Requesting Airline pursuant to Section 3.14(e); and
- (7) Improvements or projects to the extent financed by PFCs or PFC-backed bonds.

The amounts shown in Section 6.03(a) are expressed in 2025 dollars. Such amounts for subsequent Fiscal Years will be the Fiscal Year 2026 amounts adjusted for changes in the CPI-U for the Los Angeles-Anaheim-Riverside CMSA, or a similar index in the event the CPI- U is discontinued, during the intervening period.

Section 6.04 Grants-In-Aid. The OIAA will use its best efforts to obtain maximum federal, state and local airport development grants-in-aid for the Airport.

Section 6.05 Airline Technical Representative.

(a) At the request of the Signatory Airlines, the OIAA agrees to engage an airline technical representative (“Airline Technical Representative” or “ATR”) that will serve as a central point of contact for the Signatory Airlines for major capital projects, will collect and

coordinate input and comments from the Signatory Airlines, and will perform such other service related to major capital projects reasonably requested by the Signatory Airlines.

(b) Subject to applicable law, including without limitation local and state procurement requirements, the Airline Technical Representative will be jointly selected by the OIAA and the Signatory Airlines, acting through the Chair of the AAAC; provided, however, both the organization and principal individual designated as the project leader for the ATR must in any event be acceptable to both the OIAA and the Signatory Airlines. The OIAA will contract with the selected ATR and pay the fees and expenses of the ATR. To the extent consistent with applicable accounting rules, the costs associated with the ATR will be capitalized as part of the major capital project(s) for which the ATR is retained; otherwise, the costs associated with the ATR shall be allocated to Airfield and Terminal Cost Centers consistent with the major capital project(s) for which the ATR is retained.

ARTICLE VII. MAINTENANCE OBLIGATIONS

Section 7.01 Maintenance Responsibilities Exhibit.

The areas of responsibility of the OIAA, ONT-TEC, and Airline for maintenance (including janitorial) and repairs within the Terminals, including the Premises and other Airport facilities, are set forth in Exhibit “H”, as such exhibit may be updated and replaced from time to time, with the agreement of the parties (as expressed by the Signatory Airlines through the Ontario International Airport Airline Affairs Committee) but without the need for a formal amendment, to reflect: (i) the responsibilities for new or modified space, (ii) modifications to one or more of the agreements between the OIAA and ONT-TEC pursuant to which ONT-TEC has assumed certain maintenance, janitorial and/or repair responsibilities, or (iii) the creation or addition of new consortia pursuant to Section 7.15. For the avoidance of doubt, areas marked as the OIAA’s responsibility on said Exhibit “H” may be the responsibility of third parties to whom the OIAA

has delegated its responsibility under separate agreements between those third parties and the OIAA. The OIAA and the Airport Airline Affairs Committee shall meet at least annually to discuss any potential changes to Exhibit “H”. The OIAA will provide to Airline a copy of any such updated or replaced Exhibit “H”. Unless otherwise expressly set forth herein or in Exhibit “H”, an obligation of maintenance or repair imposed on either ONT-TEC, Airline, or the Signatory Airlines does not extend to or include an obligation of such party to make any capital improvements.

Section 7.02 Airline Maintenance Responsibilities.

(a) Where maintenance is identified in Exhibit “H” as the responsibility of the Airline, Airline at its sole cost and expense agrees to maintain the Premises (including, without limitation, all fixtures, equipment or appurtenances) in good working order, condition and repair, and in safe, clean, sanitary, and working condition in compliance with all applicable laws. Airline agrees to keep its maintenance responsibility areas free and clear of weeds, wastepaper, discarded plastic, graffiti, discarded pallets, and all other trash and debris of any kind at all times. Airline, in accordance with Exhibit “H”, shall be responsible to make all necessary repairs required to maintain the Premises and improvements in good condition. All repairs and any improvements made by Airline shall be in compliance with all current federal, state, local laws, regulations, ordinances and building codes, and all Airport Rules and Regulations. Any additions, alterations, repairs and changes of use or occupancy in the Premises shall, to the extent set forth in said codes or in this Agreement, comply with the provisions for new buildings and structures. All devices or safeguards that are required by the Rules and Regulations shall be maintained in conformance with the edition of the Rules under which it was installed.

(b) The CEO shall have the right to enter upon and inspect the Airline’s Premises and other Airport facilities at any time for cleanliness, safety, and compliance with maintenance obligations as set out herein. The CEO shall provide reasonable notice (at least 24

hours in advance except in the event of an emergency) prior to entering Airline's Premises. In the exercise of its rights, the OIAA, its officers, employees, agents, and contractors shall not unreasonably interfere with the conduct of Airline's business on the Premises as herein authorized.

(c) To the extent specifically required to comply with any code, regulatory, fire, or environmental requirement, or as specified in this Agreement, Airline shall document preventative maintenance, testing, and inspection sufficient to demonstrate such compliance and provide a copy of such documentation to the OIAA upon request.

(d) If Airline fails to maintain its identified areas of responsibility within the Premises as set forth in Exhibit "H", the OIAA may, with or without declaring a default under Section 10.01, serve a "Notice to Cure" upon Airline. Said Notice shall prescribe the work to be accomplished by Airline in order to correct the maintenance deficiencies and shall state the number of calendar days Airline shall have to complete the work as prescribed in the Notice. The period of calendar days in said Notice shall commence seven (7) days following the OIAA's deposit of said Notice in the mail, except where an emergency situation requires a shorter notice period. In addition, a copy of the "Notice to Cure" shall be posted on the demised Premises in a conspicuous place. If the work prescribed in the "Notice to Cure" is not completed by Airline in a manner reasonably satisfactory to the CEO, and Airline fails to correct such work within the time specified by the OIAA in the mailed Notice (or, for work that cannot reasonably be completed in such time, including as a result of delays associated with any permit/approval requirement, if the Airline fails to commence such work within the time specified by the OIAA or fails thereafter to diligently proceed to complete the work), the OIAA may, at the OIAA's sole discretion, and at Airline's sole cost and expense, enter upon the Premises and perform whatever work may, in the opinion of CEO,

be required to correct the maintenance deficiencies. If the OIAA exercises this option, Airline shall pay to the OIAA a sum equal to the direct cost of labor and materials expended for said work.

(e) Airline shall immediately notify the CEO and the Ontario Police and Fire Department of any known emergency posing a threat to the safety or security of any persons or property at the Airport, including but not limited to any fire, accident, serious injury or property damage, or spill or Release of fuel, lubricants, solvents, sewage, Hazardous Substances, or any non-storm water discharge.

Section 7.03 ONT-TEC Maintenance Responsibilities.

(a) ONT-TECs maintenance responsibilities are as set forth in the ONT-TEC Agreement. ONT-TEC is not a party to this Agreement and nothing herein shall be understood to alter or amend ONT-TEC's responsibilities, as set forth in the ONT-TEC Agreement.

(b) To support ONT-TEC's performance of its obligations under the ONT-TEC Agreement, Airline agrees that Airline, if an ONT-TEC Air Carrier Consortium member, shall conduct its operations and activities at the Airport related to or reasonably affecting any maintenance obligations imposed on ONT-TEC under the ONT-TEC Agreement in a manner that conforms to requirements for operation and use under the ONT-TEC Agreement, including any rules, regulations, orders or directives validly issued by ONT-TEC pursuant thereto; and if not a member of the ONT-TEC Air Carrier Consortium, shall conduct its operations and activities at the Airport in a manner that conforms to requirements for operation and use under the Equipment Use Agreement. For convenience in this Section 7.03, Airline's operations and activities at the Airport related to or reasonably affecting ONT-TEC's maintenance obligations under the ONT-TEC Agreement are considered "Airline's Ancillary ONT-TEC Obligations."

(c) Each Air Carrier Consortium member shall be liable for any damages, destruction, or violation of Environmental Laws directly arising from such member's acts,

omissions, or non-compliance with Airline’s Ancillary ONT-TEC Obligations. This liability shall apply to any harm caused to property, persons, or the environment directly resulting from actions or failures to act that are attributable to that Air Carrier Consortium member. Air Carrier Consortium members shall indemnify and hold harmless the OIAA from and against any claims, losses, or expenses incurred as a result of such damages, destruction, or violation of Environmental Laws to the extent they directly result from non-compliance with Airline’s Ancillary ONT-TEC Obligations.

(d) Airline acknowledges and agrees that in the event that the OIAA is required to pay for any cost as a result of ONT-TEC’s breach of the ONT-TEC Agreement and is unable to recover such costs from ONT-TEC, the OIAA shall have the right to recover such costs through the Airline Rents, Fees and Charges charged to all Air Carriers for the use of the Airport under this Agreement.

Section 7.04 OIAA Maintenance Responsibilities.

(a) The OIAA shall operate, maintain and keep in good repair the airfield, Terminal and other facilities at the Airport. The OIAA’s maintenance responsibilities are further described in Exhibit “H”.

(b) The OIAA shall operate and maintain the Airport in a reasonably prudent manner and in accordance with the rules, regulations and orders of any federal or state agency having jurisdiction with respect thereto.

(c) The OIAA shall supply airfield lighting, including adequate landing lights, flood lights, beacons and other field lighting.

(d) The OIAA may, from time to time, temporarily or permanently close down roadways, ramp and apron areas, doorways and any other areas in the Airport for the purposes of facilitating necessary construction, maintenance, debris removal, or repairs of facilities, so long as

reasonable means of ingress and egress to and from the Terminal and airfield facilities remain available.

(e) Except as otherwise agreed to in Exhibit “H”, the OIAA shall maintain and repair the Common Use Systems. The OIAA’s liability for failure to maintain or repair Common Use Systems shall be limited in accordance with Section 7.04(i).

(f) The OIAA shall promptly and diligently respond to technical difficulties with the Common Use Systems, after the OIAA has been notified of such difficulties (whether such notification is by Airline or any other Air Carrier), in a manner and process which shall be prescribed by the OIAA and consistent with the timeframes, manner and process established with any third-party vendors hired by the OIAA to manage, operate or maintain Common Use Systems. Airline shall ensure the same level of responsiveness and assistance to the OIAA to identify and resolve Airline or Airline-vendor issues relating to Airline’s applications that run in conjunction with the Common Use Systems. Airline will work cooperatively with the OIAA in the implementation of other new technologies to improve the efficiency of the Airport.

(g) The OIAA or a third-party provider approved by the OIAA shall provide the consumable stock (i.e., boarding pass receipts and bag tag stock), necessary for the operation of common use self-service kiosks, both free-standing and those installed in ticket or curbside passenger check-in counters. Airline may only install proprietary stock in (i) proprietary gate and ticket counter equipment, including self-service kiosks, and (ii) other Ticket Counter locations as approved by the OIAA. The OIAA shall also provide the printer paper and ribbons for document control printers provided by the OIAA.

(h) To the extent Airline provides consumable stock for any Common Use Systems, such stock shall be consistent with IATA stock specifications and subject to approval by

the OIAA, which approval will not be unreasonably withheld, conditioned, or delayed. In the event that the OIAA deems the consumable stock provided by Airline to be injurious to the Common Use Systems, Airline will immediately cease usage of the offending consumable stock upon such receipt of notice by the OIAA. The OIAA reserves the right to sell advertising on and collect the applicable advertising revenues that may be generated from the reverse side of any OIAA-supplied consumable stock.

(i) Except where, and to the extent, caused by any willful and wanton act of the OIAA, its agents, employees, contractors, officers, directors or predecessors in interest, the OIAA shall not be liable to Airline for failure to repair or maintain any equipment, supplies or systems or furnish any services, including the provision of Common Use Systems, under this Section 7.04, whether due to mechanical breakdown or any other causes, and Airline expressly waives all Claims against the OIAA for damages arising or resulting from any such failure and said failure shall not constitute a constructive eviction. In no event shall the OIAA be liable to Airline for any indirect or consequential damages under this Section 7.04.

Section 7.05 Maintenance of Aprons, Ramps and Gate Positions. Airline shall require its personnel and employees to maintain and keep those portions of the apron(s), ramp(s) and gate position(s) used by it in the loading and unloading of passengers or cargo in a neat, clean and orderly condition in accordance with the Rules and Regulations, free from litter, debris, refuse, liquids, petroleum products or grease that may accumulate thereon as a result of the use of said areas by Airline, its passengers or cargo, or the servicing of its Aircraft thereon by its personnel,

employees or contractors. Airline is responsible for the clean-up of all oil and fuel spills and Releases resulting from its operations.

Section 7.06 Improvements and Alterations.

(a) Airline shall make no alterations or improvements, nor erect, construct, or place any sign upon the Premises, nor install any fixtures (other than trade fixtures and equipment) without prior written approval from the OIAA, which approval will not be unreasonably withheld, conditioned, or delayed. If any request is made, such request shall be made by following the OIAA's "Project Request" protocol currently available at www.flyontario.com/corporate/project-request. The OIAA reserves the right to periodically update any project request protocol from time to time and Airline agrees to follow any such modifications.

(1) Prohibited Alterations. Airline shall not erect or allow anyone to erect any structure or object on or about its Premises or permit the growth of any tree on or about its Premises above the mean sea level elevation obstruction contours on file with the OIAA. If this provision is breached, the OIAA reserves the right to remove or modify the offending object, all at the sole cost and expense of Airline.

(2) FAA Compliance for Alterations. To the extent Airline is subject to Federal Aviation Regulation Part 77 (49 CFR Part 77), Objects Affecting Navigable Airspace, of the Federal Aviation Administration (FAA) Regulations, (See, also 49 U.S.C. Section 44718), Airline agrees to comply with the notification and review requirements covered in Part 77 for any planned structure or building at the Premises. Airline shall be responsible for filing Form 7460-1, Notice of Proposed Construction or Alteration, for any construction and/or height of construction equipment, if required.

(3) Ownership of Alterations. The OIAA shall own all alterations made to and fixtures (other than trade fixtures and equipment) installed in the Premises. At expiration or

earlier termination of this Agreement, all alterations to the Premises shall be left in place (without compensation to the Airline), unless the OIAA requests the Airline, in connection with and at the time of the above-required approvals, to remove the alterations, in which case the Airline shall promptly remove them and restore the Premises to its original condition (normal wear and tear excepted) at the Airline's sole cost and expense. Airline shall have the right to remove its personal property, specifically including any trade fixtures and equipment, at any time and shall remove the same upon expiration or earlier termination of this Agreement. Any personal property remaining at the Premises upon termination or expiration of this Agreement shall be deemed abandoned and shall, at the OIAA's election: (i) be disposed of in any manner selected by the OIAA, at Airline's expense; or (ii) become the property of the OIAA.

(b) Subject to the provisions of Article VI of this Agreement, the OIAA reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Airline, and without interference or hindrance. If any such development or improvement interferes substantially with Airline's use and occupancy of the Premises herein, Airline shall be entitled to an appropriate reduction in rental or termination of this Agreement.

Section 7.07 Public Address System. Airline shall not install, cause to be installed or use any other public address system without the prior approval of the Chief Executive Officer, which approval will not be unreasonably withheld, conditioned, or delayed.

Section 7.08 Employees of Airline. Airline shall require all of its employees, subcontractors, or independent contractors hired by Airline working at the Airport to wear, considering the nature of the role, appropriate attire and identification including any required airport badges and to comply with all applicable provisions of the Rules and Regulations. Employees of Airline and Airline Entities shall not utilize the Airport and public areas thereof in

a manner which would cause unreasonable interference to passengers' ability to utilize the same.

Section 7.09 Taxes, Charges and License Fees.

(a) Subject to its rights to contest the validity or applicability of any tax, Airline shall pay all taxes of any character whatsoever that may be levied or charged against any and all types of taxable property, real or personal, that Airline may own or use in connection with the operation of its Air Transportation Business, including, without limitation, Airline's improvements, fixtures and equipment in any real property Airline may occupy under this Agreement or any other lease or contract that Airline may enter into with the OIAA for the occupation or use of property or facilities on the Airport. Airline shall also pay all regulatory license or permit fees necessary or required by law for the conduct of its operations hereunder.

(b) If a claim is made against the OIAA for any of the above charges, the OIAA shall promptly notify Airline in writing; provided, however, that failure by the OIAA to give such notice shall not constitute a waiver of Airline's obligation to pay such taxes, license and/or permit fees.

(c) In addition, by executing this Agreement and accepting the benefits thereof, a property interest may be created known as a "possessory interest". If such possessory interest is created, Airline, as the party in whom the possessory interest is vested, shall be subject to the payment of the property taxes levied upon such interest.

Section 7.10 Passenger Facility Charges.

(a) The OIAA reserves the right to assess and collect Passenger Facility Charges in accordance with 49 U.S.C. § 40117 and the PFC Regulations. Airline shall hold in trust for the OIAA the net principal amount of all PFCs that are collected by Airline or its agents on behalf of the OIAA pursuant to 49 U.S.C. § 40117 and the PFC Regulations. For purposes of this Section 7.10, "net principal amount" shall mean the total principal amount of all PFCs that are

collected by Airline or its agents on behalf of the OIAA, reduced by any amount that Airline is permitted to retain pursuant to § 158.53(a) of the PFC Regulations. PFCs collected by Airline shall be remitted to the OIAA along with rentals in the manner provided in Article V, or at such other place as the Chief Executive Officer may from time to time designate in writing.

(b) Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall either expand or impair the authority of the OIAA to impose a Passenger Facility Charge or to use the Passenger Facility Charge revenue as provided in the PFC Regulations.

(c) Airline acknowledges that the OIAA has given to the United States of America, acting by and through the FAA, certain assurances set forth in the PFC Regulations, and Airline agrees that this Agreement shall be subordinate and subject to said PFC assurances.

(d) In the event that the FAA requires any modifications or changes in this Agreement as a condition precedent to the collection of PFCs or otherwise complying with the PFC Regulations, Airline shall not withhold its consent to such amendments, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Agreement as may reasonably be required to collect PFCs or comply with the PFC Regulations. The OIAA agrees to provide Airline with advance written notice of any provisions that would adversely modify material terms of this Agreement.

Section 7.11 Disabled and Abandoned Aircraft.

(a) Should any Aircraft owned or operated by Airline, through accident or for any other reason, become disabled or be abandoned in any area on the Airport which could interfere with the continuous, normal operations of any landing and field facilities, Airline shall:

(1) Immediately remove such Aircraft to such location as shall be designated by Chief Executive Officer unless such Aircraft is required to remain in place pending investigation by the appropriate regulatory agencies of the federal government; and

(2) In the event of any accident where federal investigation in place is required, immediately, upon receiving clearance to do so from the appropriate federal agency investigating such accident, remove said Aircraft and any wreckage or debris resulting therefrom to the area(s) designated by the federal agency authorizing such removal; otherwise such Aircraft wreckage and debris shall be immediately removed from the Airport and stored at a location approved by Chief Executive Officer at cost to Airline.

(b) Should Airline fail to proceed immediately to remove such disabled Aircraft as hereinabove provided, or should Aircraft owned or operated by Airline be abandoned on the Airport, the OIAA shall have the right to remove such Aircraft by any means the OIAA deems necessary under the circumstances, and Airline shall indemnify, defend, keep and hold the OIAA, the City of Ontario, the Commission, and their officers, agents, servants and employees free and harmless from any and all costs, liability, damage or expense (including costs of suit and reasonable expenses of legal services) incurred by the OIAA or claimed by anyone by reason of removal of said Aircraft, injury to persons or property, or damages to such Aircraft caused by such removal, as well as reasonable and actual storage costs therefor, unless caused by any OIAA Indemnitee's negligence or willful misconduct.

Section 7.12 Performance Guarantee.

(a) In order to guarantee the payment of all fees and charges associated with this Agreement, Airline shall remit for the benefit of the OIAA, a performance guarantee in the amount of Ten Thousand Dollars (\$10,000) or three (3) times the estimated monthly Landing Fees

and rent for said Airline, whichever total amount is greater, as determined by the Chief Executive Officer. The performance guarantee shall not be in cash but shall take the form of a bond, non-revocable letter of credit, or such other form as is deemed acceptable by the Chief Executive Officer, all to be approved as to form by the OIAA. The documents evidencing this deposit must provide that the same shall remain in full force and effect during the term of this Agreement and for a period of sixty (60) days following termination or cancellation.

(b) Airline shall furnish such performance guarantee to the Chief Executive Officer or designee upon commencement of the term hereof or, if applicable, thirty (30) days following adjustment of the guarantee amount. If, for any reason, said performance guarantee is not provided by Airline and/or is not thereafter maintained in sufficient amount throughout the term hereof, the OIAA may terminate this Agreement in accordance with the provisions of Article X upon giving Airline a thirty (30) day advance, written notice. Upon the expiration or earlier termination of this Agreement, and if Airline has satisfied all of its obligations to the OIAA hereunder, the OIAA shall relinquish to Airline said performance guarantee not later than sixty (60) days following such expiration or earlier termination.

Section 7.13 Signs. No identification signs pertaining to Airline's operations shall be installed or placed in or on the Premises or Airport until Airline has submitted to Chief Executive Officer, for approval in writing, drawings, sketches, design dimensions, and type and character of such signs, which approval will not be unreasonably withheld, conditioned, or delayed.

Airline shall not install, place, or maintain any type of advertising or promotional materials on the Premises, without previous written approval of Chief Executive Officer, which approval will not be unreasonably withheld, conditioned, or delayed.

Notwithstanding the foregoing, Airline shall not be entitled to place any signage, advertising or promotional material in or on the Premises that is not compliant with the OIAA's Rules and Regulations, including, without limitation the OIAA's Signage and Wayfinding Policy and advertising guidelines as amended from time to time.

Noncompliance by Airline with this provision shall result, following a three (3) day written notice by the OIAA to Airline, in the OIAA's right to remove said unauthorized signs, advertising, or other written materials and to store same at Airline's expense.

Section 7.14 Disabled Access. Airline, within its Exclusive Use Space and Preferential Use Gates shall be solely responsible for fully complying with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws, and orders of any federal, state, and/or local governmental entity and court regarding disabled access to improvements on the Airline's Exclusive Use Space and Preferential Use Gates (except in case where a Requesting Airline's operations have been accommodated on Airline's Preferential Use Gates) related to any services, programs, activities provided, or improvements installed at the Airport by Airline. Airline shall be solely responsible for any and all damages caused by, and/or penalties levied as the result of, Airline's noncompliance. Further, Airline agrees to cooperate fully with the OIAA in its efforts to comply with all applicable provisions of the Americans With Disabilities Act of 1990 as amended. The OIAA represents and warrants that, to the best of its knowledge, on the Effective Date, there are no violations in any of the laws, regulations or other legal requirements applicable to the Airport or any portion thereof (including the Premises), and if any such violation is

subsequently discovered and shown to have existed on the Effective Date, the expense of rectifying same shall be the sole responsibility of the OIAA.

Section 7.15 Additional Consortia. The OIAA and the Signatory Airlines may decide from time-to-time that it would be in their mutual best interest that additional Air Carrier Consortia not approved by the OIAA prior to the Effective Date be created. When either the Signatory Airlines or the OIAA determine that they would like to create an Air Carrier Consortium, the party interested in creating the consortium will notify the other party in writing and a meeting will be held to decide if a consortium is appropriate. The party proposing a consortium must specify the proposed services, the business case for providing the services through an Air Carrier Consortium, the estimated costs of providing the service, the mechanism for recovering costs including recovery through rates and charges (which may be approved by the OIAA without amendment to this Agreement), an operational plan and any other information reasonably requested by the OIAA. The OIAA and the AAAC shall then determine, each in their discretion, whether, and on what terms, the formation of a consortium is appropriate.

Section 7.16 Waiver of Visual Artists Rights.

Airline shall not install any object in Premises that constitutes a work of visual art under the Visual Artists Rights Act of 1990 (“VARA”) unless and until Airline has (a) obtained the prior written approval of the Chief Executive Officer and (b) provided the OIAA (i) with a written waiver from the author of such work of visual art, in form and substance reasonably satisfactory to the OIAA, which waiver shall identify specifically the work of visual art and the uses of that work to which the waiver applies in accordance with 17 U.S.C. § 106A(e)(1) and that specifies that installation of the work may subject the work to destruction, distortion, mutilation, or other modification, by reason of its removal in accordance with 17 U.S.C. § 113(d)(1)(B), or (ii) a consent signed by the author of such work of visual art that specifies that installation of the work

may subject the work to destruction, distortion, mutilation, or other modification, by reason of its removal in accordance with 17 U.S.C. § 113(d).

ARTICLE VIII. DAMAGES OR DESTRUCTION

Section 8.01 Damage or Destruction of Facilities at Ontario International Airport.

(a) If by reason of any cause the terminal facilities are damaged to such an extent that it is untenable in whole or in substantial part, then:

- (1) If the repairs and rebuilding necessary to restore the terminal facilities to its condition prior to the occurrence of the damage can in the reasonable judgment of the OIAA be completed within ninety (90) days from the date on which the damage occurred, the OIAA shall notify the Airline in writing and shall proceed promptly with such repairs and rebuilding, and in such event the rental for the terminal facilities provided in Article V shall be abated pro rata for the period from the date of the occurrence of such damage to the date upon which such repairs and rebuilding are completed.
- (2) If such repairs and rebuilding cannot, in the reasonable judgment of the OIAA, be completed within ninety (90) days, the OIAA, at its sole discretion, to be evidenced by notice in writing to Airline, may either: (i) proceed promptly with said repairs and rebuilding, in which event the said rental shall be abated as aforesaid; or (ii) terminate the lease of the terminal facilities, in which event the said rent therefore provided in Article V shall be abated from and after the date of the occurrence of the damage.

(3) In the event such damage to the terminal facilities renders the Premises untenable, the OIAA will make its best efforts to provide substitute facilities, or space which the Airline may occupy. Substitute space within the terminal facilities will be made available to the Airline in accordance with the schedule of rentals, fees and charges for the use of the Airport as then established by the OIAA. Temporary suitable substitute facilities or space outside the terminal facilities will be made available to the Airline in accordance with a schedule of charges to be determined at that time based on the OIAA's cost to provide such temporary facilities or space. Airline will be under no obligation to accept such substitute facilities; if Airline declines to accept such facilities, the OIAA shall be under no obligation to provide them. If the OIAA is unable to provide substitute space, repair, rebuilding and abatement shall proceed as provided under Section 8.01(a)(1).

(b) The obligations contained hereinabove shall not be construed to impose upon the OIAA any obligations with respect to Airline's personal property or leasehold improvements installed by the Airline.

ARTICLE IX. INSURANCE

Section 9.01 Insurance.

(a) Required Insurance. Airline shall procure at its sole cost and expense and maintain in effect at all times the types and amounts of insurance specified on Exhibit "I." The specified insurance shall also, either by provisions in the policies, by the OIAA's own endorsement form, or by other endorsement attached to such policies, include and list the OIAA, the OIAA's

Commission, and the OIAA's officers, directors, members, employees, volunteers, agents, successors and assigns, as additional insureds, against the areas of risk identified on Exhibit "I" with respect to Airline's or Airline Entity's acts or omissions in its operations and/or use of the Airport property and/or the Premises, and other related functions performed by or on behalf of Airline or an Airline Entity in, on, or about the Premises and Airport property. The inclusion of the OIAA, the OIAA's Commission, and the OIAA's officers, directors, members, employees, volunteers, agents, successors and assigns as additional insureds shall not increase the Airline's liability beyond that which exists under applicable law or this Agreement.

(b) **Severability.** Each specified insurance policy (other than workers' compensation and employers' liability and fire and extended coverages) shall contain a severability of interest (cross liability) clause which has language similar to: "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and provide that the insurance afforded by Airline's policy applies to liability assumed by the insured under this Agreement.

(c) **Primary Insurance.** All such insurance shall be primary and noncontributing with any other insurance held by the OIAA or for the benefit of the OIAA where liability arises out of or results from the acts or omissions of Airline or an Airline Entity, including Airline's assigns or any person or entity acting for or on behalf of Airline. Such policies may provide for reasonable deductibles and/or retentions.

(d) **Premiums.** The OIAA shall have no liability for any premiums charged for such coverage(s). The inclusion of the OIAA, the OIAA's Commission, and all of the OIAA's officers, directors, members, employees, volunteers, agents, successors and assigns, as additional

insureds is not intended to, and shall not, make any of them a partner or joint venture with Airline or an Airline Entity in Airline's or such Airline Entity's operations at the Airport. In the event Airline fails to furnish the OIAA evidence of insurance and maintain the insurance as required, the OIAA, upon ten (10) days' prior written notice to comply, may (but shall not be required to) procure such insurance at the sole cost and expense of Airline, and Airline agrees to promptly reimburse the OIAA for the cost thereof plus fifteen percent (15%) for administrative overhead. Payment shall be made within thirty (30) days of an invoice date.

(e) **Documentation.** Within ten (10) days following the expiration date of the insurance policies, documentation showing that the insurance coverage has been renewed or extended shall be filed with the OIAA. If such coverage is canceled or reduced below the coverage required under this Agreement, Airline shall, within fifteen (15) days following such cancellation of coverage, file with the OIAA evidence that the required insurance has been reinstated or provided through another insurance company or companies.

(f) **Form and Content.** Airline shall provide to the OIAA commercially reasonable evidence of all specified insurance and related requirements. The documents shall contain the applicable policy number, the inclusive dates of policy coverages, and the insurance carrier's name, and shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, reduction in coverage, or nonrenewal except after written notice by certified mail, return receipt requested, to the OIAA at least thirty (30) days prior to the effective date thereof.

(g) **Policy Limits.** The OIAA and Airline agree that the insurance policy limits specified herein shall be reviewed for adequacy annually by the CEO who may, at his or her reasonable discretion and after providing the Signatory Airlines with a written explanation, require

Airline, on sixty (60) days' prior written notice, to adjust the amounts of insurance coverage to whatever reasonable amount the CEO deems appropriate based on insurance required at airports of similar size.

(h) **Self-Insurance upon Approval.** Subject to review and written approval of the OIAA and at the OIAA's discretion (which shall not be unreasonably withheld, conditioned, or delayed), the OIAA may allow Airline, or its parent company, to elect to self-insure some or all of the risks covered by the insurance that it is otherwise obligated to maintain under the terms of this Agreement, and upon the OIAA's written approval, Airline will be excused from its obligation to obtain third-party insurance for the self-insured risks set forth above. If Airline elects to self-insure, Airline's obligations to indemnify, protect, defend and hold harmless the OIAA and all other Indemnitees as defined from and against any and all risks as provided in this Agreement remain the same regardless of any self-insurance.

(i) **OIAA Insurance.** The OIAA shall procure and maintain in effect at all times all risk property insurance covering the full replacement cost of the Premises including, without limitation, the OIAA's owned improvements identified on Exhibit "I"

Section 9.02 Indemnity. To the fullest extent permitted by law, Airline agrees to indemnify, defend with counsel, keep, and hold the OIAA, the OIAA Commission, each member of the Commission, and the elected and appointed officials, officers, and employees of those entities ("OIAA Indemnitees"), harmless from any and all claims, demands, liabilities, fines, damages, losses, penalties, actions, proceedings, costs, and expenses (including costs of suit and fees, consultant fees, expert fees, executive and administrative expenses, and reasonable fees and costs of legal services) (collectively, "Claims") claimed by anyone, in law or equity, to the extent arising out of Airline's or Airline Entity's activities at the Premises or any Airport facility,

including without limitation, by reason of injury to or death of persons, including Airline, or damage to or destruction of property, including property of Airline, sustained in, on, or about the Airport to the extent arising out of Airline's or an Airline Entity's use of the Premises or any Airport facility, or to the extent arising out of the acts or omissions of Airline or any Airline Entity acting within the scope of their agency or employment, even if such claims are without merit, false, or fraudulent. Airline shall not, however, be obligated to defend, indemnify or hold the OIAA Indemnitees harmless under the terms of this provision for Claims caused by the negligence, willful misconduct, or violation of any law of/by the OIAA Indemnitees. The provisions of this Section 9.02 shall survive the expiration and/or termination of this Agreement. The duty to defend the OIAA Indemnitees shall require Airline to provide the applicable OIAA Indemnitees with counsel reasonably acceptable to the applicable OIAA Indemnitees (including, where reasonably necessary, separate counsel). .

ARTICLE X. TERMINATION AND CANCELLATION

Section 10.01 Default and Termination.

(a) Not Involving Rent. In the event Airline fails to abide by any of the terms and conditions of this Agreement, not involving the failure to pay any Airline Rents, Fees and Charges or remit PFCs, the OIAA shall give Airline written notice to correct the defect or default and if the same is not corrected, or substantial steps are not taken toward accomplishing such correction, within thirty (30) days after the OIAA's delivery of such notification, the OIAA may immediately terminate this Agreement without further notice. If compliance cannot reasonably be effected within thirty (30) days, Airline may have an additional period of time reasonably necessary to effectuate compliance, so long as it promptly commences and diligently prosecutes its cure efforts.

(b) Failure to Pay Rent or Other Payments. The failure of Airline to pay when due all Airline Rents, Fees and Charges not otherwise in dispute, or to timely remit PFCs, which failure continues for ten (10) days after written notice thereof from the OIAA is a breach of this Agreement for which the OIAA may terminate or take such other legal action as it deems necessary or appropriate. The OIAA expects all rent to be paid on time and Airline agrees to pay on time.

In the event Airline fails to pay the rent, or other required payments, as provided for under the terms and conditions of this Agreement, the OIAA shall give Airline a ten (10) day written notice to pay any and all amounts due, and if Airline fails to pay any such amounts within such ten-day period, the OIAA shall be permitted to terminate this Agreement or prohibit Airline from continuing its use of Airport facilities pursuant to the provisions of California Code of Civil Procedure Section 1161.

(c) Bankruptcy. In case of the bankruptcy of Airline, or the appointment of a receiver for Airline, or if a receiver is appointed to take possession of the Premises as a result of any act or omission of Airline, or if Airline makes an assignment of this Agreement for the benefit of creditors, or if possession of the Premises is taken by virtue of any attachment, execution, or the levy of any judicial process, and such appointment or taking is not discharged or terminated within sixty (60) days, the OIAA, at its election, may, without notice, terminate this Agreement.

(d) Liquidated Damages for Delinquent Payment. Without waiving any rights available under this Agreement or by law, in the event of late or delinquent payments, Airline recognizes that the OIAA will incur certain expenses, the amount of which is difficult to ascertain. Therefore, in addition to rental(s) owing, Airline agrees to pay the liquidated damages set forth below to compensate the OIAA for all expenses and/or damages and loss resulting from said late or delinquent payments by Airline.

The liquidated damages for late or delinquent payments shall be ten percent (10%) per annum, or that percent per annum equal to the prevailing rate on the 25th day of the month preceding the execution of this Agreement as established by the Federal Reserve Bank of San Francisco on advances to member banks under Sections 13 and 13a of the Federal Reserve Act plus four and one-half percent (4-1/2%) per annum, whichever is greater, on the balance of the unpaid monthly amount calculated from the date of the delinquency until the close of the business day upon which the delinquency payment is received by the OIAA. No liquidated damages shall be due during any period in which Airline is in good faith disputing the payment, provided that such liquidated damages shall be due in the event such disputed payments are determined to ultimately be due from the date first due.

ARTICLE XI. ASSIGNMENT OR SUBLEASE

Section 11.01 Assignment and Sublease. Airline shall not, in any manner, assign, transfer, or encumber this Agreement, or any portion thereof or any interest therein, without the prior written consent of the OIAA, nor sublet or sublease the whole or any part of the Premises, nor license or permit the use of the same, in whole or in part, without the prior written consent of the Chief Executive Officer. Notwithstanding the foregoing, Airline shall have the right, upon advance written notice to the Chief Executive Officer, to (a) sublet the Premises or permit occupancy of the Premises by an Affiliate or Airline Entity providing ground handling or other, similar services (whether above or below the wing) to Airline so long as Airline remains responsible for those portions of the Premises so sublet or occupied or (b) assign this Agreement to an entity with whom the Airline may merge or consolidate or to an entity that may succeed to all or substantially all of the Airline's assets. Consent to one assignment, subletting, use, or occupation shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use. This Agreement shall not, nor shall any interest therein, be assignable as to the

interest of Airline by operation of law without the prior written consent of the OIAA. A request by Airline for assignment or subletting shall be submitted to the OIAA in writing along with a fully executed copy of the proposed assignment or sublease.

When the proper consent has been received, this Agreement shall be binding upon and shall inure to the benefit of the heirs, successors, executors, administrators and assigns of the parties hereto.

Airline shall pay to the OIAA fifty percent (50%) of all rent or other consideration less improvement deductions received by Airline from subtenant(s) the value of which collectively exceeds the rent payable by Airline to the OIAA under this Agreement. Airline shall make such payments to the OIAA on or before the fifteenth (15th) day of each month following receipt of said rent or consideration and shall submit with each payment a report, on a form satisfactory to the Chief Executive Officer, of all subtenants and the rents or other consideration received by Airline from the subtenant(s) concerning the Premises. Within fifteen (15) days of receipt of a written request from the OIAA, Airline shall also provide the OIAA with a copy of all records relating to monies or other consideration paid by subtenant(s) to Airline concerning the Premises and/or services conducted or performed thereon for the purpose of verifying Airline's calculation of the sublease payments due the OIAA.

ARTICLE XII. ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION

Section 12.01 Compliance with Environmental Laws.

(a) Airline agrees that it shall abide by all applicable Environmental Laws and the Airport Rules and Regulations, and shall not engage in any activity on or about the Airport that violates any applicable Environmental Law. Airline shall not cause any Hazardous Substances to be brought upon, kept, used, stored, generated, treated, managed or disposed of in, on or about or transferred to or from the Airport, except to the extent that such Hazardous Substances are

(i) necessary for or useful to the Airline's Air Transportation Business; and (ii) used, kept and stored in a manner that complies with all applicable Environmental Laws, the Airport Rules and Regulations, and all other applicable laws. Any Hazardous Substances brought upon Airport Premises by Airline and kept, used, stored, generated, treated, managed or disposed of by the Airline or an Airline Entity shall remain the property of Airline and ownership of, or responsibility for, such Hazardous Substances shall not pass to the OIAA, except pursuant to the agreement of the OIAA and Airline. No fixed tanks, pumps, chemical or Hazardous Substances containers, pipelines, lines, and equipment or other such fixtures shall be installed by or on behalf of Airline or an Airline Entity without notification to, and the prior written consent of, the OIAA.

(b) In conducting its operations and maintenance on the Airport under this Agreement, Airline shall comply, and require each Airline Entity to comply, with all applicable Environmental Laws and regulations, including laws regarding storm water discharge requirements, whether the obligation for such compliance is placed on the owner of the land, owner of the improvements or user of the improvements.

(c) Airline shall, at its own expense, take all investigatory and remedial actions required or ordered by any governmental agency having jurisdiction or any applicable Environmental Law for clean-up and removal of any Hazardous Substances, the presence or Release of which was caused by Airline or Airline Entity. In conducting clean-up of a Hazardous Substance Release under this Agreement, Airline shall comply with applicable Environmental Laws. Any waste generated by Airline or Airline Entity shall be disposed of in accordance with applicable Environmental Laws and, if and to the extent applicable, under Airline's or Airline Entity's EPA ID number.

(d) Airline shall not, and may not permit any Airline Entity, to allow or cause the entry of any Hazardous Substances under its control into the Airport storm water drainage system unless authorized by applicable Environmental Law and the Airport's Storm Water Discharge Permit. Airline shall not, and may not permit any Airline Entity to, allow or cause the entry of any unauthorized non-storm water discharge that is under its control into the storm water drainage system of the Airport or into the storm water drainage system of any of its surrounding communities, unless such substances are first properly treated by equipment installed with the approval of the OIAA for that purpose, and Airline complies with the Airport's storm water discharge permit requirements. Airline shall bear all costs and any other expenses related to the prohibited entry or Release of such oil, fuel or other Hazardous Substances caused by Airline or Airline Entity into said drainage systems prohibited by any applicable Environmental Law.

(e) With respect to Airline's operations from the Premises, Airline shall provide, and require each Airline Entity to provide, all notices required pursuant to the SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986, CAL. HEALTH & SAF. CODE § 25249 *et seq.* and other applicable Environmental Laws. Airline shall provide prompt written notice to the OIAA within five (5) business days of receipt of all written notices of violation of any applicable Environmental Law received by the Airline or Airline Entity.

(f) Airline shall be, and shall ensure that Airline Entities are, responsible for the maintenance of any structural controls (above-ground or below-ground), as defined below, used to treat sanitary sewer waste and storm water runoff, which structural controls are operated by Airline or Airline Entities on the Premises during the Term. Maintenance frequencies for any such structural controls shall be established by Airline in a reasonable manner in accordance with industry standards and applicable Environmental Laws to ensure effective operation of such

controls and to prevent failures of such controls that could result in the Release of Hazardous Substances in violation of any applicable Environmental Laws. Airline shall ensure that environmental records required to be kept in accordance with Environmental Laws, including any applicable Storm Water Pollution Prevention Plan (SWPPP), are maintained to the extent required by Environmental Laws and made available to the OIAA upon request. Structural controls to be maintained by Airline may include, but are not limited to: oil/water separators (both storm and sanitary sewer), grease traps, sand traps, diversion valves, shut-off valves, storm sewer drain filters, trench drains and shall, unless readily identifiable on the Premises, be disclosed by the OIAA to Airline. Airline shall remove and properly dispose of any Hazardous Substances in said designated structural controls maintained by Airline prior to vacating the Premises, except when such equipment itself and any Hazardous Substances contained therein are removed from the Airport.

(g) Airline acknowledges that the OIAA is subject to certain National Pollution Discharge Elimination System (NPDES) permits, state and federal storm water regulations, federal and state effluent limitation guidelines for operations at the Airport. Airline shall conduct operations and activities at the Airport, including but not limited to de-icing, anti-icing, and construction, and shall ensure that Airline Entities conduct operations and activities at the Airport in compliance with applicable Environmental Laws. Airline acknowledges that its reasonable cooperation is necessary to ensure the Airport's compliance with any applicable NPDES storm water permits and effluent limitation guidelines under Environmental Laws. Airline further acknowledges that reasonable cooperation may include the preparation and submittal of a written site-specific SWPPP at the request of the OIAA. Airline shall not seek NPDES coverage under a separate mechanism unless so directed by the OIAA or if Environmental Laws require separate

coverage. Airline further acknowledges that any effluent limitation guidelines in any NPDES storm water discharge permit issued to the OIAA and timely provided to Airline are incorporated by reference into this Agreement to the extent such guidelines affect Airline's or Airline Entity's operations at or use of the Airport. The OIAA shall provide advance notice to Airline of and a reasonable opportunity to comment on, and shall otherwise endeavor to negotiate reasonable and cost effective terms and conditions of, any permits issued to the OIAA which may affect Airline's or Airline Entity's operations at or use of the Airport, or which may necessitate Airline's reasonable cooperation to assure the OIAA's compliance therewith.

(h) Airline understands and acknowledges that the OIAA's future capital projects at the Airport may require review or approval by the FAA, the United States Environmental Protection Agency ("USEPA") or the California Environmental Protection Agency ("Cal-EPA"), or other governmental agencies pursuant to requirements imposed upon the Airport or the OIAA. If requested by the OIAA, Airline shall, and shall cause Airline Entities to, reasonably cooperate with the OIAA in its preparation of such submittals as are required of the OIAA by FAA, USEPA, Cal-EPA, or other agencies with jurisdiction over the Airport, in connection with Airline's future capital projects or in connection with the OIAA's capital projects at the Airport.

Section 12.02 Spill Response Plan.

(a) Air Carriers at the Airport, including Airline, and fueling companies are required to provide (separately or collectively) a Local Spill Response Action Plan to address specific spill response management. Airline is encouraged to coordinate response efforts between itself, other Air Carriers and fueling contractors. At a minimum, the plan should address the following:

- (1) Response team organization, members, and responsibilities;

- (2) Release and spill response procedures (including notifications);
- (3) Personnel training;
- (4) Personal protective equipment; and
- (5) Spill kit inventory and management

(b) Airline shall immediately notify the Ontario Fire Department and ONT Airfield Operations of any emergency posing a threat to the safety or security of any persons or property at the Airport, including but not limited to any fire, accident, serious injury or property damage, or spill or Release of fuel, lubricants, solvents, sewage, Hazardous Substances, or any non-storm water discharge caused by, or the responsibility of, Airline. Airline is responsible for mitigating such spills and performing any remediation necessary to satisfy applicable Environmental Law. If OIAA personnel, OIAA equipment, or OIAA-procured third-party services are needed to support mitigation of such spills or Releases, the OIAA will be reimbursed by Airline for such labor, equipment, and third-party services actually provided. Said costs shall be paid by Airline within sixty (60) days of receipt of an invoice for costs from the OIAA.

Section 12.03 Environmental Indemnification.

(a) To the fullest extent authorized by law, Airline shall be liable to the OIAA for any and all claims, demands, damages, fines or penalties of any nature whatsoever which may be imposed upon the OIAA due to Airline's or Airline Entity's violation of any Environmental Laws related to Airline's or Airline Entity operation under this Agreement, including, but not limited to, the payment of any fines or penalties arising from any breach of security, fire, emergency, accident, or spill or Release of fuel, lubricants, solvents, sewage, Hazardous Substances, non-storm water discharge, or from any other violations caused directly or indirectly

by the act, omission, negligence, abuse or carelessness on the part of Airline or any Airline Entity related to Airline's operation under this Agreement.

(b) To the fullest extent authorized by law, Airline shall indemnify, defend, and hold the OIAA, its officers, and employees harmless from and against any and all applicable Environmental Law claims, judgments, damages, penalties, fines, costs, liabilities, losses, orders, and lawsuits to the extent arising out of any actions or wrongful inaction by Airline, Airline's operations at the Airport, or any action governed by this Agreement and arising from and involving Airline's officers, agents, subcontractors, and employees, including the cost of defense arising therefrom, including but not limited to the following:

(1) Airline's or Airline Entity's placing, disposing, allowing or Releasing of Hazardous Substances upon or within the Airport including any such claims, demands, liabilities or obligations related to Airline's or Airline Entity's release of Hazardous Substances on the Airport since the time Airline, or any of its corporate predecessors, first occupied the Airport.

(2) Airline's or Airline Entity's Release of Hazardous Substances upon or within the Airport in quantities and concentrations that result in a violation of applicable Environmental Law.

(3) Airline's or Airline Entity's violation of any applicable Environmental Law, except that Airline's obligations under this paragraph shall not extend to pre-existing conditions that were not caused or contributed to by Airline or any of its corporate predecessors, including those that are, as of the date of this Agreement, the subject of investigation and remediation by the OIAA or others, or remediation conditions that arise

from operations of third parties that are not affiliated with Airline. For purposes of this provision, a party shall be deemed to be affiliated with Airline if it is an Airline Entity or if it is controlled by or under common control with Airline.

(4) Airline's or Airline Entity's causing or allowing any discharge into the Airport drainage system that is prohibited by applicable Environmental Law.

(c) This indemnification includes, without limitation, reasonable attorney's fees and costs, expert and consultant costs, and any other costs incurred by the OIAA in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by applicable Environmental Law because of any Hazardous Substances being present or Released in the soil or groundwater under the Airport. However, Airline's indemnity obligation shall not apply in the event of any claims for any loss, damage or expense arising from the negligence, willful misconduct, or violation of any law of/by the OIAA or its agents, servants or independent contractors who are directly responsible to the OIAA.

(d) In the event the indemnitees described hereinabove are named as defendant or respondent in any lawsuit or administrative proceeding under circumstances otherwise triggering Airline's indemnification obligations, Airline shall, at the request of the OIAA, represent the indemnitee with qualified counsel approved in writing by the OIAA.

(e) In the event that a monetary judgment is awarded against the OIAA and Airline because of the concurrent negligence of the OIAA and Airline or an Airline Entity, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Both the OIAA and Airline agree that neither party shall request a jury apportionment. Nothing

stated in this Agreement and in this indemnity obligation shall be construed as authorizing any award of attorney's fees/costs in any action to enforce the terms of this Agreement.

(f) The rights and obligations set forth in this indemnification shall survive the termination of this Agreement.

Section 12.04 Conflict with Environmental Law Provisions.

In the event that any of the terms of these environmental requirements codified in this Article XII conflict with any other terms of this Agreement, the environmental requirements contained in this Article XII shall apply.

Section 12.05 Sustainability.

Subject to a right to maintain pre-existing facilities, all new Airline facilities and improvements shall meet the OIAA's Tenant Construction Requirements as referenced in the Airport Rules and Regulations, as may be amended from time to time, and the sustainability requirements as detailed in the Airport Design and Construction Handbook.

Section 12.06 Air Quality.

Airline shall comply, and require each Airline Entity to comply, with all applicable provisions of the Federal Clean Air Act and associated regulations, the California Clean Air Act, California State Implementation Plan (SIP), Rules and Regulation of the South Coast Air Quality Management District (SCAQMD), and other applicable air quality laws and certificates to the extent they pertain to Airline and its operations at the Airport, including airfield GSE and ground transportation vehicle operations. Airline shall reasonably cooperate with these agencies and with the OIAA to provide information necessary for the development and implementation of plan elements, policies, and programs within the state implementation plan (SIP), Air Quality Management Plan (AQMP), and other plans that may be promulgated in accordance with the above-referenced laws and regulations, except that Airline shall not be obligated to provide

privileged, confidential, or proprietary information. Nothing in the foregoing, however, shall limit Airline's ability to legally challenge the applicability of any such laws and regulations.

Section 12.07 Health and Safety.

(a) Airline shall comply, and require each Airline Entity to comply, with all applicable California Occupational Safety & Health Administration (Cal/OSHA) requirements, and all federal, state or local safety orders. Airline shall post on the Premises and at all construction sites a copy of "Construction Safety Orders" and "General Industry Safety Orders" issued by the California State Division of Industrial Safety and otherwise required to be posted under applicable law.

(b) Airline shall affirm in writing, within thirty (30) days after the execution of this Agreement, that it has a lawful Safety Program, including emergency response procedures, notification procedures, and personnel training procedures. Airline shall convene safety meetings at regularly scheduled times as described in its Safety Program and as required by Cal/OSHA. Airline shall likewise affirm in writing, prior to the start of any tenant improvements, that Airline has a required Cal/OSHA Safety Plan in place.

(c) Airline shall submit to the OIAA an annual report detailing the status of all permits required and issued to Airline by CAL OSHA or any other federal, state or local government agency with competent jurisdiction. Said report shall be due on or before January 31 of each calendar year.

ARTICLE XIII. GENERAL PROVISIONS

Section 13.01 Waiver. The failure of the OIAA or Airline to insist upon strict performance of any of the terms, covenants or conditions of this Agreement shall not be deemed a waiver of any right or remedy that the OIAA or Airline may have, and shall not be deemed a waiver of the right to require strict performance of all the terms, covenants and conditions of this

Agreement thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant or condition of this Agreement. Any waiver, in order to be effective, must be signed by the party whose right or remedy is being waived.

Section 13.02 Time. Time is of the essence in this Agreement.

Section 13.03 Attorney's Fees. In any action or proceeding to enforce or interpret any provision of this Agreement, or where any provision hereof is validly asserted as a defense, each party shall bear its own attorney's fees, costs and expenses.

Section 13.04 Airport Security.

(a) Airline shall comply, and require each Airline Entity to comply, with all current and applicable OIAA, FAA, TSA, Customs and Border Protection (CBP), security related rules, regulations, plans, and procedures. Airline is responsible for fines imposed by any regulatory agency to the extent they are a result of Airline's or Airline Entity's failure to comply with applicable rules, regulations, orders, plans, and procedures regarding airport security; provided, however, Airline shall have the right to negotiate and/or contest any such fine.

(b) Airline and Airline Entities shall be required to obtain Airport security clearance in order to perform work under this Agreement in compliance with the Airport Rules and Regulations. Airline and Airline Entities must attend all mandatory security-related exercises hosted by the OIAA.

(c) Airline shall be responsible for the security of gates or doors that are located on the Premises and that provide direct access to the apron or airfield area; provided, however, the foregoing obligation shall be limited to those periods of time that such Premises are being used by or are under the control of Airline. Said gates and doors on the Premises permitting entry to the restricted areas of the Airport shall be locked when not in use by Airline and under Airline's constant surveillance when in use by Airline; provided, however, Airline shall not be responsible

for access through such gates and/or doors by the OIAA or other third parties permitted to use such gates and doors by the OIAA. Airline shall exercise control over any person or vehicle escorted by Airline onto restricted or secure areas of the Airport, or to whom an Airport ID/Security Credential was issued by or at the request of Airline, and Airline shall ensure that such person or vehicle shall comply with all OIAA security regulations.

(d) The TSA provides for all passenger and baggage screening conducted at the Airport. If required by applicable law, Airline may be required to provide reasonable assistance to TSA in their efforts to carry out its federal mandates.

(e) Airline shall promptly pay any penalties for which Airline or Airline Entity is responsible. These penalties include but are not limited to, civil penalties or fines assessed against the OIAA, Airline, or an Airline Entity by the FAA, TSA or any other governmental agency for the violation of any security related laws, rules, policies or regulations by Airline or Airline Entity at the Airport. Notwithstanding the foregoing, Airline shall have the right to contest and/or negotiate any such fine, penalty, or fee.

(f) Prior to issuance of an Airport ID/Security Credential(s), designated Airline or Airline Entity representatives who will be working onsite and engaged in the performance of work under this Agreement, must pass and comply with the OIAA's background check and other requirements as set forth in the Airport Rules and Regulations. Airline should anticipate a minimum of fourteen (14) business days to complete the Airport ID/Security Credential process, but factors outside the OIAA's control can contribute to longer durations. If an applicant is applying for a CBP Security Seal due to their operational need to work international air service operations, this process may take longer. Authorized signatories must be in constant contact with the Airport's ID/Access Control Office. Airline's designated personnel must successfully complete the Airport

ID/Security Credential acquisition process, unless other arrangements have been approved by the OIAA. Airline shall be responsible for all reasonable and non-discriminatory fees and costs associated with the background checks and badging process. The amount of such fees is subject to change without notice.

(g) Each person issued an Airport ID/Security Credential shall be made aware of his/her responsibilities regarding the privilege of access to restricted areas of the Airport. Each person issued an Airport ID/Security Credential within an access-controlled area (AOA, SIDA, secured area or sterile area) is required to display on their person such Airport ID/Security Credential in the manner set forth by the Airport Rules and Regulations unless they are escorted by a properly Airport-credentialed individual with escort privileges. When working in a secure area, each Airport-credentialed person is responsible for challenging any individual who is not properly displaying an OIAA issued or approved and valid Airport ID/Security Credential. Any person who is not properly displaying or who cannot produce a valid Airport ID/Security Credential, unless they are being escorted, must immediately be referred to Ontario Police Dispatch or by calling 911 for proper handling.

(h) An Airport ID/Security Credential is the property of the OIAA and must be returned upon termination of Airline personnel employment and/or termination of this Agreement. The loss or theft of an Airport ID/Security Credential shall be reported immediately to the Security Badge Office in person, by phone, or by whatever means possible to ensure that the badge is immediately deactivated. The Ontario Police Dispatch shall be immediately notified at 909-986-3371 during Security Badge Office non-operational hours, on weekends, holidays, or when the Security Badge Office is otherwise unavailable. Airline or Airline Entity, on behalf of any of its credentialed persons who lose their Airport ID/Security Credential, shall be required to pay any

reasonable monetary fines, fees, or other costs before such credentialed person will receive a replacement Airport ID/Security Credential as set forth in the Airport Rules and Regulations. An Airport ID/Security Credential is nontransferable.

(i) In the event that an Airline credentialed person's Airport ID/Security Credential is not returned to the OIAA within two (2) business days after: (1) termination of credentialed person's employment, (2) such Airport ID badge expiration, or (3) termination of this Agreement; Airline shall be liable to the OIAA for reasonable administrative fines as set forth in the Airport Rules and Regulations in the reasonable amount established by the OIAA for unreturned Airport ID/Security Credentials. The amount of the fine is subject to change without notice. Airline's performance guarantee may be applied to cover the cost of the fine. If the performance guarantee is applied to cover the cost of the fine, Airline shall pay to replenish the performance guarantee to its full amount within ten (10) business days of receipt of an invoice from the OIAA for such payment.

(j) A detailed list of all requirements and responsibilities related to Airport ID/Security Credentials can be found in the Airport Rules and Regulations, as it may be amended from time to time.

Section 13.05 Use to Conform with Federal Aviation Regulations.

Airline agrees that Airline's use of the Premises, including all construction thereon, shall conform to applicable federal aviation regulations.

Section 13.06 Federal Law Preemption.

Notwithstanding any provisions of this Agreement to the contrary, and notwithstanding any provision of any other agreements, laws, or ordinances to the contrary, any requirement that is imposed on Airline in this Agreement, or any local authorities shall not apply to Airline to the

extent that such requirement is or would otherwise be preempted by federal law, including but not limited to the Airline Deregulation Act (49 U.S.C. § 41713).

Section 13.07 Reservation of Avigation Easement.

The OIAA hereby reserves for itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of Aircraft in the air space above the surface of the Premises, together with the right to cause in said air space such noise as may be inherent in the operation of Aircraft now known or hereafter used for navigation of, or flight in the air, using said air space, or landing at, taking off from, or operating at the Airport.

Section 13.08 Height Limitation of Structures.

Airline by accepting this Agreement expressly agrees for itself, its successors and assigns that it will not erect nor cause the erection of any structure or object nor permit the growth of any tree on Airline's Premises which would penetrate the imaginary surfaces as defined in Part 77 of the Federal Aviation Regulations(as same may be amended from time to time or as such regulation replacing Part 77 may be adopted by Federal authority) or such other lesser altitude as may be required by the OIAA. In the event the aforesaid covenants are breached, the OIAA reserves the right to enter upon Airline's Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Airline. Airline shall be responsible for filing Form 7460 for any construction and/or height of construction equipment with the FAA, if required under applicable law.

Section 13.09 Noninterference with Aircraft.

Airline by accepting this Agreement agrees for itself, its successors and assigns that it will not make use of the Premises in any manner which interferes with the landing and taking off of Aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is

breached, the OIAA reserves the right to enter upon the Premises and hereby cause the abatement of such interference at the expense of Airline.

Section 13.10 Reservations to OIAA.

Subject to the OIAA's ongoing maintenance and repair obligations set forth in this Agreement, the Premises are accepted "AS IS" and Airline is subject to any and all existing easements and encumbrances that do not materially limit the use of the Premises for their intended purposes. The OIAA reserves the right to install, lay, construct, maintain, repair and operate sanitary sewers, drains, storm water sewers, pipelines, manholes and connections; water, oil and gas pipelines; telephone and telegraph power lines; and the appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across, under and along the Premises or any part thereof; and (subject to reasonable, advance written notice under the circumstances) to enter the Premises for any and all such purposes. The OIAA also reserves the right to grant franchises, easements, rights of way and permits in, over, upon, through, across, under and along any and all portions of the Premises. No right reserved by the OIAA in this Section shall be so exercised as to interfere unreasonably with the Airline's operations hereunder or to impair the security of any secured creditor of the Airline and if the installation, etc. of any such item(s) substantially reduces the area of Airline's Premises, Airline's rentals for such space shall be proportionately reduced. The OIAA shall be liable to Airline for any damage to Airline's property or improvements resulting from the exercise of any such reserved rights.

The OIAA agrees that rights granted to third parties by reason of this Section shall contain provisions that the condition of the Premises shall be restored as nearly as practicable to its original condition upon the completion of any construction. The OIAA further agrees that should the exercise of these rights interfere with the use of any or all of the Premises by Airline, the OIAA will use commercially reasonable efforts to provide alternative space to mitigate such interference

to the extent such space is available and pay the reasonable costs and expenses of Airline temporarily to relocate and use such space for its operations, and Airline shall only be entitled to a reduction in the rent payable to the OIAA during the period of interference, which shall be reduced in proportion to the interference with the Airline 's use of the Premises. Airline shall not be entitled to any other form of economic compensation for the temporary interference.

Section 13.11 Recycling and Source Reduction. Airline shall cooperate with the OIAA in complying with California Public Resource Code Article 3, Section 47180 and any other applicable municipal ordinance.

Section 13.12 Governing Law and Venue. This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California and applicable federal law. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a state or federal court of competent jurisdiction located in or having jurisdiction over San Bernardino County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Subject to a recognized right to remove the action to a federal court having jurisdiction, the parties specifically agree to waive any and all rights to request that an action brought in state court be transferred for trial to another county.

Section 13.13 Interpretation.

(a) Exercise of Discretion. Except to the extent otherwise specifically indicated, any exercise of the OIAA's discretion shall be made reasonably.

(b) Amendments. This Agreement sets forth all of the agreements and understandings of the parties with regard to its subject matter and any modification must be written and properly executed by both parties.

(c) Subordination. This Agreement and all rights of Airline hereunder are expressly subordinate and subject to the terms, provisions, and requirements of the Master Trust Indenture. Interpretation of this Agreement shall be such that the requirements and covenants of the Master Trust Indenture are not violated. This Agreement is also subject and subordinate to the provisions of any agreement heretofore or hereafter made between the OIAA and the United States, including without limitation the terms of any “Sponsor’s Grant Assurances” or like agreement, the execution of which is required to enable or permit the transfer of rights or property to the OIAA for airport purposes, or the expenditure of federal grant funds for Airport improvement, maintenance, or development. Airline shall reasonably abide by the requirements of agreements entered into between the OIAA and the United States and shall consent to amendments and modifications of this Agreement to the extent required by such agreements or to the extent required as a condition of the OIAA’s entry into such agreements.

(d) Lease Organization. The various headings and numbers herein, the grouping of provisions of this Agreement into separate sections and paragraphs, and the organization hereof, are for the purpose of convenience only and shall not be considered otherwise.

(e) Void Provisions. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby; provided, however, the invalidity of such covenant, condition, or provision shall not materially prejudice either the OIAA or Airline in their respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement.

(f) Two Constructions. It is the intention of the parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

(g) Gender. The use of any gender herein shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.

(h) Section 308 Exclusivity. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to Airline to conduct aeronautical activities or provide aeronautical services to the public as prohibited by 49 U.S.C. § 40103(e) and 47107(a)(4), as amended from time to time, and the OIAA reserves the right to grant others the privilege and right of conducting any or all activities of an aeronautical nature.

(i) War or Emergency. This Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of the Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency. In addition, the OIAA CEO has the right to request (but not require) that Airline's employees aid in and use Airline's inventory of goods in an emergency to assist in maintaining the welfare of persons at or near the Airport. Airline shall, in such circumstances, be reimbursed by the OIAA for the cost of goods as soon as practicable at a rate not to exceed costs as existed immediately prior to the emergency.

Section 13.14 Notices. All notices pursuant to this Agreement shall be in writing and addressed to either party as set forth below and shall be delivered by: (i) personal delivery, (ii)

United States mail, duly registered or certified, return receipt requested with postage prepaid, or (iii) by a nationally recognized, overnight carrier service.

TO: OIAA

Ontario International Airport Authority
Attn: Airline Affairs & Properties
1923 E. Avion Street
Ontario, CA 91761

Ontario International Airport Authority
Attn: General Counsel
Gatzke Dillon & Ballance LLP
2762 Gateway Road
Carlsbad, CA 92009

with an electronic copy to: dobusinessatONT@flyontario.com

TO: AIRLINE

[ADDRESS]

with an electronic copy to: [EMAIL]

(b) Any notice or other communication provided by personal delivery shall be deemed given as of the date of delivery. Any notice or communication provided by certified mail shall be deemed given as of the date of delivery as indicated on the return receipt. Any notice or other communication provided by a nationally recognized overnight courier service shall be deemed given one (1) business day following the day upon which the notice or other communication was timely and properly delivered to the courier unless reasonable evidence has been provided by the receiving party of failure or delay with the delivery

(c) Either party hereto may from time to time, by written notice to the other in the method described above, designate a different address which shall be substituted for the one above specified. Any notice or other communication may be given on behalf of the OIAA or the

Airline by their respective attorneys, provided that the attorneys represent their capacity as such in the notice or other communication.

Section 13.15 Surrender of Possession. Within thirty (30) days after the expiration of this Agreement, or its earlier termination as herein provided, Airline shall remove all of its property from the Airport and shall surrender entire possession of the operating rights at the Airport to the OIAA.

Section 13.16 Civil Rights. In all its activities within the scope of its operation under this Agreement, Airline will comply with applicable and pertinent statutes, Executive Orders and such rules as are identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities, set forth in Section 13.19 (“Nondiscrimination Acts and Authorities”) to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Airline transfers its obligation to another, the transferee is obligated in the same manner as Airline. This provision obligates Airline for the period during which the property is owned, used, or possessed by Airline and the Airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

Section 13.17 Nondiscrimination and Affirmative Action Program. Airline for itself, its assignees, and successors in interest (hereinafter collectively referred to as the “Airline”) agrees as follows:

(a) **Compliance with Regulations.** Airline (hereinafter includes consultants) will comply with the Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

(b) Nondiscrimination. Airline, with regard to the work performed by it during this Agreement, will not discriminate on the grounds of race, color, or national origin (including limited English proficiency), creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Airline will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

(c) Solicitations for Subcontracts, including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding, or negotiation made by Airline for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Airline of the subcontractor's or supplier's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

(d) Information and Reports. Airline will provide all information and reports required by the Nondiscrimination Acts and Authorities, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the OIAA or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of Airline is in the exclusive possession of another who fails or refuses to furnish the information, Airline will so certify to the OIAA or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

(e) Sanctions for Noncompliance. In the event of Airline's noncompliance with the nondiscrimination provisions of this Agreement, the OIAA will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to: (1) withholding payments to Airline under this Agreement until Airline complies; and/or (2) Cancelling, terminating, or suspending this Agreement, in whole or in part.

(f) Incorporation of Provisions. Airline will include the provisions of paragraphs (a) through (f) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. Airline will take action with respect to any subcontract or procurement as the OIAA or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Airline becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Airline may request the OIAA to enter into any litigation to protect the interests of the OIAA. In addition, Airline may request the United States to enter into the litigation to protect the interests of the United States.

Section 13.18 Title VI Clauses.

(a) Airline, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: In the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which an FAA activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Airline will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds

of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

(b) With respect to this Agreement, in the event of breach of any of the above nondiscrimination covenants, the OIAA will have the right to terminate this Agreement and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Agreement had never been made or issued.

(c) Airline, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Airline will use the Premises in compliance with all other requirements imposed by or pursuant to the List of Nondiscrimination Acts and Authorities.

(d) With respect to this Agreement, in the event of breach of any of the above nondiscrimination covenants, the OIAA will have the right to terminate this Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if this Agreement had never been made or issued.

Section 13.19 Nondiscrimination Acts and Authorities. During the performance of this Agreement, Airline, for itself, its assignees, and successors in interest (hereinafter referred to

collectively as “Airline”) agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits Airline from discriminating because of sex in education programs or activities (20 USC 1681 et seq.).

Section 13.20 Americans with Disabilities Act.

Airline shall be solely and fully responsible for complying with the applicable provisions of Title III (28 CFR Part 36) of the Americans with Disabilities Act of 1990 (“ADA”), the Air Carrier Access Act (ACAA) (14 CFR Part 382); Section 504, Rehabilitation Act of 1973, as amended (49 CFR Part 27); 2010 Standards for Accessible Design, California Building Code (Title 24 California Code of Regulations; California Civil Code §51 (Unruh Civil Rights Act); the Airport Rules and Regulations that are consistent with the foregoing requirements; and such other statutes and regulations applicable to Airline in connection with: (a) Airline’s use of the Premises or any portion thereof and its operations thereon, Airline’s furnishings, trade fixtures and equipment; (b) removing physical barriers constructed by Airline, as necessary to comply with such statutes, regulations, and rules; (c) providing auxiliary aids and services for use of Airline’s furnishings, trade fixtures and equipment, where required to comply with such statutes, regulations, and rules; and (d) modifying its policies, practices and procedures to comply with the applicable provisions of the ADA. Failure to comply with the applicable provisions of the aforementioned statutes, regulations, and rules may result in punitive action by the OIAA up to and including termination of this Agreement. Airline agrees to indemnify, defend, and hold the OIAA harmless from and against any and all costs incurred by the OIAA with respect to the Airline’s failure to comply with the ADA in connection with its operations or any improvements made by Airline at the Airport.

Section 13.21 ADA Complaints.

Airline and the OIAA each agree to reasonably cooperate with the other in its reasonable efforts to comply with the provisions of the ADA, as amended, applicable to it and all applicable regulations mentioned in this Article XIII.

Section 13.22 Boarding Assistance for Aircraft.

In accordance with applicable provisions of 49 C.F.R. § 27.72, Airline shall ensure the provision of boarding equipment for passengers with mobility impairment, including, but not limited to, Aircraft boarding chairs used to transfer passengers from their wheelchair or other apparatus to their seat in the Aircraft cabin. Airline shall provide all related passenger assistance with this equipment as and to the extent required under applicable law. The equipment shall be provided and maintained by Airline in accordance with the applicable provisions of 49 C.F.R. § 27.72 and the applicable FAA Advisory Circulars, including the applicable provisions of AC 150/5220-21C.

Section 13.23 Development/Maintenance of Airport. The OIAA agrees that it will, with reasonable diligence, prudently develop, improve, and at all times maintain and operate the Airport in good repair, including all appurtenances, facilities, utility infrastructure, and services now or hereafter connected therewith as the same relate to Airline's Air Transportation Business; will keep the Airport and its aerial approaches free from obstruction and interference for the safe and proper use thereof by Airline; and will develop, maintain, and operate the Airport in all respects in a manner at least equal to the standards or rating established by the FAA and any other governmental agency having jurisdiction thereof, except for conditions beyond the control of the OIAA.

Subject to the terms and conditions of this Agreement, the OIAA otherwise reserves the right to further develop or improve the Airport as it reasonably sees fit; provided, however, in doing so, the OIAA shall not disrupt, interfere with, or hinder Airline operations and may not increase Airline rates and charges except as otherwise specifically allowed by this Agreement.

Section 13.24 Force Majeure.

(a) Neither the OIAA nor Airline shall be deemed to be in breach of this Agreement by reason of failure to perform any of its obligations hereunder to the extent that such failure is due to strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of God, acts of the public enemy, terrorism, acts of superior governmental authority, weather conditions, floods, riots, rebellion, pandemic or epidemic, sabotage or any other circumstances for which it is not responsible and which are not within its control. This provision shall not apply to failures by Airline to pay rents, fees, or charges, to make any other money payments, to complying with security safety or insurance requirements required this Agreement.

(b) Any party claiming Force Majeure shall notify the other in writing of the existence of the claimed Force Majeure event, of the probable duration of that event, of any efforts it is making to fulfill its obligations under this Agreement in spite of that event, and shall confirm in writing its intention to resume performance when reasonably possible.

Section 13.25 Permits and Licenses.

Airline shall be required to obtain any and all approvals, permits and licenses that may be required in connection with its operation at the Airport or out of the Premises as set out herein. No permit, approval or consent given hereunder by the OIAA in its governmental capacity shall affect or limit the Airline's obligations hereunder, nor shall any approvals or consents given by the OIAA as a party to this Agreement be deemed approval as to compliance or conformance with applicable governmental codes, laws, ordinances, rules, or regulations unless specifically set forth.

Section 13.26 Taxes.

This Agreement may create a possessory interest that is subject to the payment of taxes levied on such interest. It is understood and agreed that all taxes and assessments (including but not limited to said possessory interest tax) that become due and payable upon Airline's interest in

the Premises or upon fixtures, equipment or other property installed or constructed thereon by Airline, shall be the full responsibility of Airline, and Airline shall cause said taxes and assessments to be paid promptly. Airline may, at its expense, contest the amount or validity of any such tax or assessment or the inclusion of the Premises as taxable or assessable property directly against the taxing or assessing authority.

Section 13.27 Authority of Airline.

If Airline is a corporation, Airline represents and warrants that the individual executing this Agreement on behalf of said corporation is duly authorized to execute and deliver this Agreement on behalf of said corporation, in accordance with the by-laws of said corporation, and that this Agreement shall bind said corporation.

Section 13.28 Public Records.

Airline understands that written information submitted to or obtained by the OIAA from Airline related to this Agreement or the Premises, either pursuant to this Agreement or otherwise, may be open to inspection by or otherwise made available to the public pursuant to the California Public Records Act (Cal. Gov. Code §§6250 *et seq.*) (the “Act”) as now in force or hereafter amended, or any act in substitution thereof; provided, however, that to the extent permitted by the Act, the OIAA shall notify Airline of the potential disclosure and allow Airline to object to the same due to an exception under the Act.

Section 13.29 Relationship of Parties.

The relationship of the parties hereto is that of lessor and lessee, and it is expressly understood and agreed that the OIAA does not in any way or for any purpose become a partner of the Airline in the conduct of the Airline’s business or otherwise, or a joint venturer with the Airline. This Agreement is intended for the sole benefit of the parties hereto and their successors, and,

unless otherwise provided herein, or by law, no rights are created, or are intended to be created, for the benefit of, or enforceable by, any third parties.

Section 13.30 No Individual Liability.

No member, officer, agent, director, or employee of the OIAA or Airline shall be charged personally or held contractually liable by or to the other party under the terms or provisions of this Agreement or because of any breach thereof or because of its or their execution or attempted execution.

Section 13.31 Most-Favored Nation.

During the Term, the OIAA agrees that it has not entered and will not enter into any agreement with any other Air Carrier that conducts similar operations at the Airport after the date of this Agreement that contains more favorable terms and conditions, landing fees, space rentals or other charges than those provided in this Agreement, unless the OIAA also makes those more favorable terms available to Airline under the terms of this Agreement. Such “similar operations at the Airport” means regularly scheduled commercial service that shall be conducted at the Airport.

Section 13.32 Non-Superseding Agreement.

Notwithstanding anything in this Agreement to the contrary, any separate lease agreement that Airline has entered into with the OIAA or that Airline in the future enters into with the OIAA, shall be governed separately by the terms of the separate lease agreement, and the Premises under any such separate lease agreement (i) shall be separate and apart from the Premises or the Airport, as defined herein, for purposes of this Agreement, and (ii) shall be governed by that separate lease agreement.

Section 13.33 SEC Rule 15c2-12.

Airline, upon request by the OIAA, shall provide the OIAA with such information as the OIAA may reasonably request in writing to comply with the OIAA's continuing disclosure requirements under SEC Rule 15c2-12 as it may be amended from time to time, provided, however, that Airline may in lieu of providing the requested information direct the OIAA to an Airline or SEC website where the requested information is then currently available.

IN WITNESS WHEREOF, the OIAA has caused this Agreement to be executed by Chief Executive Officer and Airline has caused the same to be executed by its duly authorized officers and its corporate seal to be hereunto affixed, all as of the day and year first hereinabove written.

ONTARIO INTERNATIONAL
AIRPORT AUTHORITY

ATTEST (WITNESS):

By: _____
Commission Clerk (Signature)

By: _____
Chief Executive Officer
Ontario International Airport

(Print Name)

Date: _____

[SEAL]

ENTER COMPANY NAME HERE

ATTEST (WITNESS):

By: _____
(Signature)

By: _____
(Signature)

(Print Name)

(Print Name)

(Print Title)

List of Exhibits[**SUBJECT TO REVISION**]

Exhibit “A” Cost Center Map

[reference Section 1.01(k);Section 1.01(dd);Section 1.01(yyyy);Section 1.01(ssss)]

Exhibit “B” Airport Layout Plan

[reference Section 1.01(u)]

Exhibit “C” Airline Space Drawings (showing all the Exclusive Use and Preferential Use e Space in the Terminals

[reference Section 1.01(ww);Section 1.01(ddd);Section 1.01(eeee);Section 1.01(ffff)]

Exhibit “D” Location of RON Parking

[reference **Error! Reference source not found.**

Exhibit “E” Illustrative Calculation of Airline Rents, Fees and Charges and Allocations of Revenues and M&O Expenses to Cost Centers

[reference Section 5.02; Section 5.03;Section 5.15]

Exhibit “F” Base Gate Allocation

[reference Section 3.05]

Exhibit “G” Capital Improvements Consultation Protocols

Exhibit “H” Maintenance Responsibilities

[reference Section 7.01; Section 7.02; Section 7.04]

Exhibit “I” Insurance Requirements

[reference Section 9.01]