

CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 04/18/2019

Contract/Lease Control #: L19-0475-AP

Procurement#: NA

Contract/Lease Type: LEASE

Award To/Lessee: ALLEGIANT AIR, LLC

Owner/Lessor: OKALOOSA COUNTY

Effective Date: 04/16/2019

Expiration Date: 09/30/2026

Description of Contract/Lease: DESTIN-FORT WALTON BEACH AIRPORT REIMBURSEMENT AGREEMENT AND SPACE LEASE

Department: AP

Department Monitor: STAGE

Monitor's Telephone #: 850-651-7150

Monitor's FAX # or E-mail: TSTAGE@MYOKALOOSA.COM

Closed:

Cc: Finance Department Contracts & Grants Office



Alliant Insurance Services, Inc.
 9 E River Park Place East, Suite 310
 Fresno, CA 93720
 Main: 559-374-3560
 Fax: 559-374-3699
 License #0C36861

CERTIFICATE OF INSURANCE AA-21-180

This is to certify to: Okaloosa County
 5479 A Old Bethel Road
 Crestview, FL 32536

That: Allegiant Travel Company, Allegiant Air, LLC, Sunrise Asset Management, LLC and any firm or corporation affiliated to, subsidiary to, associated with or under the same management as any corporation herein named as now existing or as shall hereafter be created
 1201 N. Town Center Drive
 Las Vegas, NV 89144

As of this date, has arranged for the following insurance coverage(s) for the period and with underwriters as identified on the attached Security Sheet.

COVERAGES:

COMPREHENSIVE AIRLINE LIABILITY INSURANCE	Combined Single Limit
Including but not limited to: Comprehensive General Liability, Bodily Injury and Property Damage to Third Parties, Passenger Liability, Personal Injury Liability, Contractual Liability, Passengers' Checked and Unchecked Baggage Liability, Premises, Products, Ground Hangarkeepers and Completed Operations Liabilities, Liquor Liability, On Airport Automobile, Off Airport Excess Automobile, Employers' and Cargo Legal Liabilities.	Each Occurrence* USD \$500,000,000
AVN52E Aviation War Risk Liability sublimit of	USD \$350,000,000
Excess AVN 52E War Risk Liability limit of	USD \$900,000,000
Personal Injury & Advertisers Liability (except passengers): Limited to \$25,000,000 any one offense, in the aggregate annually.	
Excess Automobile and Employers' Legal Liabilities: This insurance shall act as excess of underlying policy limits Up to a Maximum Limit of Liability of \$25,000,000 any one occurrence.	

*REFER TO THE POLICY. AN ANNUAL AGGREGATE LIMIT APPLIES TO SOME COVERAGES.

GEOGRAPHICAL LIMITS: Worldwide

CONTRACT(S):

AIRCRAFT INSURED: Any Aircraft owned, used, maintained and/or operated by the Named Insured.

OTHER COVERAGES/CONDITIONS/REMARKS

Subject always to the scope of the attached policies and all the policies' declarations, insuring agreements, terms, conditions, limitations, exclusions, deductibles, warranties and endorsements thereof remaining paramount: Solely as respects: (i) The Coverage(s) noted above; (ii) the Contract(s) (and then only to the extent of the Named Insured's obligation to provide insurance under the terms of the Contract(s); and (iii) the operations of the Named Insured; the policies are endorsed to include the following provision(s):

Okaloosa County, their Directors, Officers, Members, Employees and Agents are named as Additional Insured with respect to liability arising out of the activities performed by or on behalf of the Named Insured.

This policy is Primary and Non-Contributory with respect to any and all insurance policies purchased by the City of Aurora.

In the event of cancellation or material changes of the policies by insurers which would adversely affect the interests of the Additional Insureds. Insurers agree to provide 30 days (ten (10) days in the event of cancellation for non-payment of premiums) prior written notice to the Certificate Holder(s).

This Certificate of Insurance is issued as summary of the Insurances under the policies noted above and confers no rights upon the Certificate Holders as regards the Insurances other than those provided by the policies. The undersigned has been authorized by the above Insurers to issue this certificate on their behalf and is not an Insurer and has no liability of any sort under the above policies as a result of this certification.

CONTRACT#: L19-0475-AP
ALLEGiant AIR, LLC
DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT & SPACE LEASE
EXPIRES: 09/30/2026



Alliant Insurance Services, Inc.
9 E River Park Place East, Suite 310
Fresno, CA 93720
Main: 559-374-3560
Fax: 559-374-3699
License #0C36861

CERTIFICATE OF INSURANCE AA-21-180

This certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all terms, exclusions, limitations and conditions of such policies (including, but not limited to an Electronic Date Recognition Exclusion Clause, and a related Electronic Date Recognition Exclusion Limited Coverage Endorsement; copies of which will be made available on request).

A handwritten signature in black ink, appearing to read "M. L. Matthews", is written over a horizontal line.

Authorized Representative

10/1/2021
Date



Alliant Insurance Services, Inc.
 9 E River Park Place East, Suite 310
 Fresno, CA 93720
 Main: 559-374-3560
 Fax: 559-374-3699
 License #OC36861

CERTIFICATE OF INSURANCE AA-21-180

SECURITY SHEET

POLICY TERM: October 1, 2021 to October 1, 2022, on both dates at 12:01 AM Local Standard Time at the address of the Named Insured.

<u>INSURER</u>	<u>POLICY NUMBER</u>	<u>PERCENTAGE SHARE</u>
Starr Surplus Lines Insurance Company Per Starr Aviation Agency, Inc	SASLAMR63603618-08	16.25%
Allianz Global Risks US Insurance Company	A1AL000004418AM	10.00%
XL Specialty Insurance Company	UA000011117AV18A	8.50%
QBE North America	QAVC000366	5.00%
Air Centurion	TBD	1.50%
Various carriers per Gallagher Aviation	TBD	58.75%

La Reunion Aerieenne
 Munich Re
 Swiss Re
 AXIS
 Sirius
 Helvetia
 Airline One Convex
 Airline One Fidelis
 Airline One Starr
 Airline One Mapfre
 Partner Re
 Convex
 Travelers
 Chubb

POLICY TERM: October 1, 2021 to October 1, 2022, on both dates at 12:01 AM Local Standard Time at the address of the Named Insured.

<u>HULL WAR, HI-JACKING & OTHER PERILS INSURERS</u>	<u>POLICY NUMBER</u>
Underwriters at Lloyds of London and other Licensed Companies per Gallagher Aviation.	J51816718
Liberty Syndicate Services Ltd. LIB 4472	
Castel Underwriting Agencies trading as Altitude Risk Partners	

POLICY TERM: October 1, 2021 to October 1, 2022, on both dates at 12:01 AM Local Standard Time at the address of the Named Insured.

<u>EXCESS AVN52E AVIATION LIABILITIES INSURERS</u>	<u>POLICY NUMBER</u>
Underwriters at Lloyds of London and other Licensed Companies per Gallagher Aviation.	J51818719
Talbot Underwriting Services (US) LTD / Lloyds Syndicate 4472 LIB	J51816720
Talbot Underwriting Services (US) LTD / Lloyds Syndicate 1183 TAL	
Lloyds Syndicate 510 KLN / Lloyds Syndicate 510 KLN	
Lloyds Syndicate 4000 PEM / Lloyds Syndicate 4000 PEM	
Torus Insurance (Europe) AG	
Canopus Underwriting Agency, Inc. / Lloyds Syndicate 4444 CNP	
Canopus Underwriting Agency, Inc. / Lloyds Syndicate 958 CNP	
Lloyds Syndicate 1225 AES	
Lloyds Syndicate 2015 CHN	

SEVERAL LIABILITY NOTICE



Alliant Insurance Services, Inc.
9 E River Park Place East, Suite 310
Fresno, CA 93720
Main: 559-374-3560
Fax: 559-374-3699
License #0C36861

CERTIFICATE OF INSURANCE AA-21-180

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations. LSW 1001 (Insurance)

**DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT AND SPACE LEASE**

AMENDMENT NO. 2

CONTRACT#: L19-0475-AP
ALLEGiant AIR, LLC
DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT & SPACE LEASE
EXPIRES: 09/30/2026

**DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT AND SPACE LEASE
AMENDMENT NO. 2**

This Reimbursement Agreement and Space Lease Amendment No. 2, hereinafter referred to as "Amendment", is entered into this 6th day of July, 2021, by and between Okaloosa County, Florida, hereinafter referred to as "County" and Allegiant Air, LLC, a corporation organized, existing and doing business under and by virtue of the laws of the State of Nevada who is certified to conduct business in the State of Florida, hereinafter referred to as "Allegiant Air" or "Airline".

WHEREAS, County and Allegiant Air have entered into that Signatory Airline Operating Agreement and Terminal Building Lease effective October 1, 2016 ("Signatory Lease");

WHEREAS, that Signatory Lease provides the covenant not to grant more favorable terms does not apply to a special facility agreement, and that a reimbursement agreement and space lease constitutes a special facility agreement;

WHEREAS, County and Allegiant Air have entered into that Reimbursement Agreement and Space Lease dated April 16, 2019, as amended February 2, 2021, hereinafter referred to as "Agreement" regarding the funding, design, construction, and leasing associated with Concourse C; and

WHEREAS, County and Allegiant Air wish to modify certain provisions of the Agreement to provide for the ultimate footprint of the facility and apron in one phase, to increase the financing provided and the premises leased by Allegiant Air, and to extend the duration for Agreement expiration and reimbursement period.

NOW, THEREFORE, the parties hereto, for, and in consideration of the rents, covenants, and agreements contained herein, agree as follows:

1. **Term of the Agreement** (Section 4.01) shall be modified by extending the expiration date to ten (10) years from the Date of Beneficial Occupancy.
2. **Capital Project** (Section 1.01) and **Capital Project Scope** (Section 7.01) shall be clarified such that the Concourse C project shall be completed in one phase, meeting the ultimate footprint of the facility and apron.
3. **Project Cost** (Section 1.01) and **Funding and Payment** (Section 7.03.D) shall be clarified such that Allegiant Air shall fund the full cost of the Capital Project, except for amounts paid through FDOT (state) grants and the required grant airport local match. Project Costs will be equivalent to Capital Cost. Allegiant Air will provide establish a third party held escrow account to include all Project Costs plus the ten percent (%) contingency for future change orders.

4. Capital Credits for Airline Space (Section 1.01) and Capital Credits for Non-Airline Space (Section 1.01) shall be modified to extend until the revised Term of the Agreement. Each provision referencing reimbursement by Capital Credits for Airline Space or Capital Credits for Non-Airline Space to Allegiant Air on a straight-line basis, amortization, or depreciation shall be modified to a ten (10) year period from DBO.

5. Leased Premises (Section 1.01) shall be clarified to be equivalent to Airline Space (or Airline space).

6. Concourse C Closure (Section 10.02) shall be deleted.

7. Exhibits C and D shall be modified to account for expanded Leased Premises by Allegiant Air, resulting in the preferential use of five (5) gate holdrooms with associated Aircraft Parking Apron as well as any additional airline operations or office areas. These Leased Premises will be updated in the calculation of Capital Credits.

8. Exhibit F shall be deleted.

All capitalized terms shall have the meanings as set forth in the Agreement. All other terms and conditions of the Agreement shall remain in full force and effect.

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

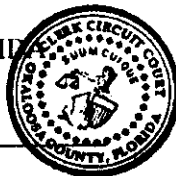
OKALOOSA COUNTY, FLORIDA

BY: Carolyn N. Ketchel
Carolyn N. Ketchel
Chairman, Board of County Commissioners
Date: JUL 06 2021




ATTESTS:

CLERK OF CIRCUIT COURT
OKALOOSA COUNTY, FLORIDA



J.D. Peachock II
Clerk of Circuit Court
Date: JUL 06 2021

ALLEGIANT AIR, LLC

BY: 

Printed Name: GREG ANDERSON

Title: EVP, CFO

Date: 6/9/21

ATTESTS:



Signature

Thayne Klingler

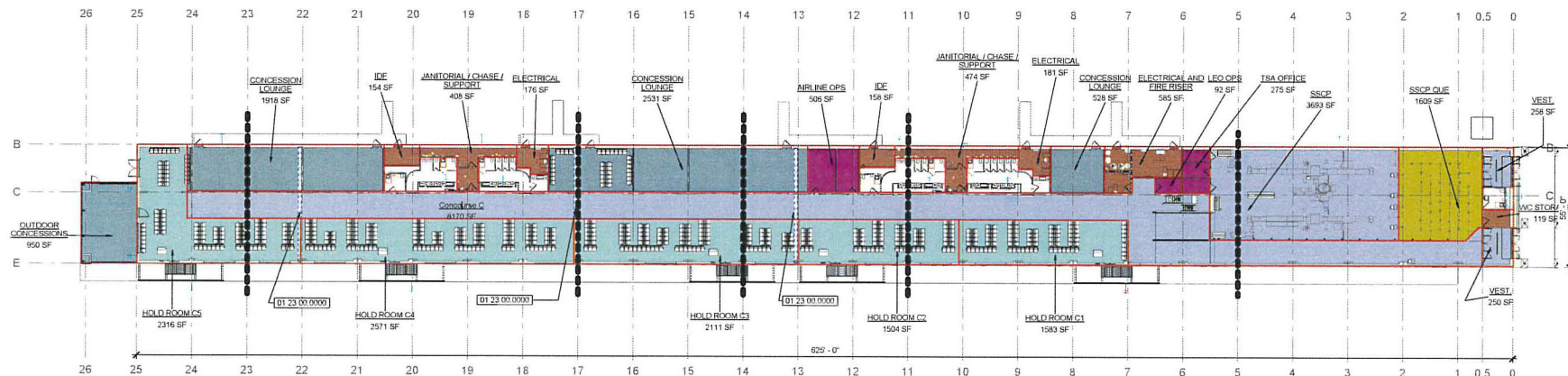
Print Name

Date: 6/9/21

CORPORATE SEAL:



Exhibit C



D1 OVERALL OCCUPANCY FUNCTION PLAN
1" = 20'-0"



FUNCTION LEGEND

- 300 SF Accessory storage areas, mechanical equipment room
- 100 SF Business Areas
- 100 SF Concourse
- 5 SF Standing Space Concentrated
- 15 SF Unconcentrated (tables and chairs)
- 15 SF Waiting areas

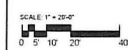
OCCUPANT LOAD (FBC TABLE 1004.1.2)

Name	Area	Occ Function	Occ Load Factor	Occupant Count
HOLD ROOM C5	2316 SF	Waiting areas	15 SF	155
HOLD ROOM C4	2571 SF	Waiting areas	15 SF	172
HOLD ROOM C3	2111 SF	Waiting areas	15 SF	141
HOLD ROOM C2	1504 SF	Waiting areas	15 SF	101
HOLD ROOM C1	1583 SF	Waiting areas	15 SF	106
AIRLINE OPS	506 SF	Business Areas	100 SF	6
LEO OPS	92 SF	Business Areas	100 SF	1
CONCESSION LOUNGE	2531 SF	Unconcentrated (tables and chairs)	15 SF	169
CONCESSION LOUNGE	528 SF	Unconcentrated (tables and chairs)	15 SF	36
Concourse C	8170 SF	Concourse	100 SF	82
SSCP QUE	1609 SF	Standing Space Concentrated	5 SF	323
ICE	154 SF	Accessory storage areas, mechanical equipment room	300 SF	1
ICE	158 SF	Accessory storage areas, mechanical equipment room	300 SF	1
SSCP	3693 SF	Concourse	100 SF	37
ELECTRICAL AND FIRE RISER	595 SF	Accessory storage areas, mechanical equipment room	300 SF	2
LMO STORAGE	119 SF	Accessory storage areas, mechanical equipment room	300 SF	1
VEST	256 SF	Concourse	100 SF	3
VEST	250 SF	Concourse	100 SF	3
TSA OFFICE	275 SF	Business Areas	100 SF	3

Name	Area	Occ Function	Occ Load Factor	Occupant Count
ELECTRICAL	181 SF	Accessory storage areas, mechanical equipment room	300 SF	1
JANITORIAL / CHASE / SUPPORT	474 SF	Accessory storage areas, mechanical equipment room	300 SF	2
ELECTRICAL	176 SF	Accessory storage areas, mechanical equipment room	300 SF	1
JANITORIAL / CHASE / SUPPORT	408 SF	Accessory storage areas, mechanical equipment room	300 SF	2
CONCESSION LOUNGE	1918 SF	Unconcentrated (tables and chairs)	15 SF	138
OUTDOOR CONCESSIONS	990 SF	Unconcentrated (tables and chairs)	15 SF	64
TOTAL	33118 SF			1540

KEYNOTES

NO. 01 23 00 0000 LIMITS OF ALTERNATE WORK, SEE SPECIFICATIONS FOR MORE INFORMATION



Construction of Satellite Concourse 'C'



MIGUEL ANTONIO MARTIN
FL AR-88279

SEAL

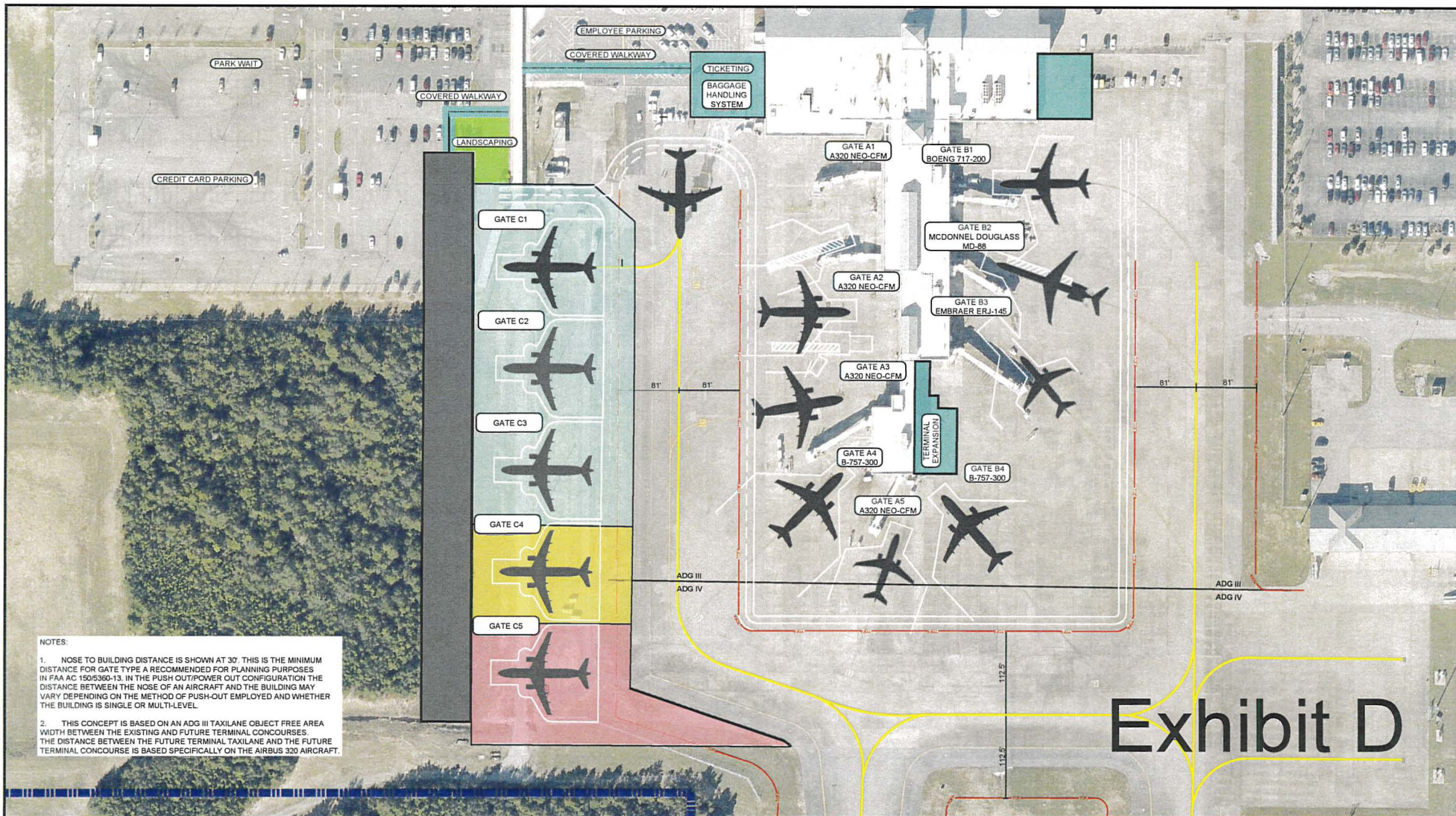
Revisions

No.	Date	Description

Project No.: MLM-19672
 Designed By: MLM, MAM
 Drawn By: ST, CC, DM, CB
 Checked By: MAM
 Issue Date: 30-NOV-2020
 Drawing Scale: 1" = 20'-0"

LIFE SAFETY OCCUPANT LOAD PLAN
 BID DOCUMENTS

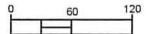
Sheet No.: AL111



NOTES:

1. NOSE TO BUILDING DISTANCE IS SHOWN AT 30'. THIS IS THE MINIMUM DISTANCE FOR GATE TYPE A RECOMMENDED FOR PLANNING PURPOSES IN FAA AC 150/5360-13. IN THE PUSH OUT/POWER OUT CONFIGURATION THE DISTANCE BETWEEN THE NOSE OF AN AIRCRAFT AND THE BUILDING MAY VARY DEPENDING ON THE METHOD OF PUSH-OUT EMPLOYED AND WHETHER THE BUILDING IS SINGLE OR MULTI-LEVEL.
2. THIS CONCEPT IS BASED ON AN ADG III TAXILANE OBJECT FREE AREA WIDTH BETWEEN THE EXISTING AND FUTURE TERMINAL CONCOURSES. THE DISTANCE BETWEEN THE FUTURE TERMINAL TAXILANE AND THE FUTURE TERMINAL CONCOURSE IS BASED SPECIFICALLY ON THE AIRBUS 320 AIRCRAFT.

Exhibit D



**PROCUREMENT/CONTRACT/LEASE
INTERNAL COORDINATION SHEET**

Procurement/Contract/Lease Number: L19-0475-AP Tracking Number: 4202-21
Procurement/Contractor/Lessee Name: Allegiant Grant Funded: YES ___ NO X
Purpose: amendment
Date/Term: 9-30-2026
Department #: _____
Account #: _____
Amount: _____
1. GREATER THAN \$100,000
2. GREATER THAN \$50,000
3. \$50,000 OR LESS
Department: airport Dept. Monitor Name: Stacy

Purchasing Review

Procurement or Contract/Lease requirements are met:
DeRita Mason Date: 1-11-2021
Purchasing Manager or designee Jeff Hyde, DeRita Mason, Jessica Darr, Angela Etheridge

2CFR Compliance Review (if required)

Approved as written: \$80 Federal feds Grant Name: _____
Date: _____
Grants Coordinator Gillian Gordon

Risk Management Review

Approved as written: see email attached Date: 7-14-21
Risk Manager or designee Lisa Price

County Attorney Review

Approved as written: see email attached Date: 1-11-2021
County Attorney Lynn Hoshihara, Kerry Parsons or Designee

Department Funding Review

Approved as written: _____ Date: _____

IT Review (if applicable)

Approved as written: _____ Date: _____

DeRita Mason

From: Lynn Hoshihara
Sent: Friday, January 8, 2021 10:43 AM
To: Tracy Stage; Parsons, Kerry
Cc: Craig Coffey; Allyson Oury; DeRita Mason
Subject: Re: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review

This amendment is approved as to legal sufficiency.

Lynn M. Hoshihara
County Attorney
Okaloosa County, Florida

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

From: Tracy Stage
Sent: Wednesday, January 6, 2021 6:33:34 PM
To: Lynn Hoshihara; Parsons, Kerry
Cc: Craig Coffey; Allyson Oury
Subject: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review

Hello Lynn, Kerry (I know your on vacation and hope you are having a great time),

We are now moving full steam ahead on the Concourse C project in partnership with Allegiant Air. The project was shelved the same week we opened bids and COVID hit the US and collapsed the airline industry.

Please provide legal review of the attached Amendment No. 1 to the original agreement. This amendment simplifies the agreement in terms of reimbursement on Allegiant's investment in the way of rent credits vs direct funds. The Destin-Fort Walton Beach Airport Reimbursement Agreement and Space Lease is located at the below link.

<http://www.co.okaloosa.fl.us/sites/default/files/contracts/contract/L19-0475-AP.pdf>

Thank you and please let me know if you have any questions.

Thank you,
TS

Tracy Stage, A.A.E.
Airports Director

Okaloosa County Airports
1701 State Rd 85 N
Eglin AFB, FL 32542-1498
O 850-651-7160 Ext. 4 | M 850-585-7086
tstage@myokaloosa.com

**DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT AND SPACE LEASE
AMENDMENT NO. 1**

This Reimbursement Agreement and Space Lease Amendment No. 1, hereinafter referred to as "Amendment", is entered into this 02 day of FEB, 2021, by and between Okaloosa County, Florida, hereinafter referred to as "County" and Allegiant Air, LLC, a corporation organized, existing and doing business under and by virtue of the laws of the State of Nevada who is certified to conduct business in the State of Florida, hereinafter referred to as "Allegiant Air" or "Airline".

WHEREAS, County and Allegiant Air have entered into that Reimbursement Agreement and Space Lease dated April 16, 2019, hereinafter referred to as "Agreement" regarding the funding, design, construction, and leasing associated with Concourse C; and

WHEREAS, County and Allegiant Air wish to modify certain provisions of the Agreement to simplify the reimbursement process through Allegiant Air's funding its cost of the Concourse C development in exchange for fixed credits.

NOW, THEREFORE, the parties hereto, for, and in consideration of the rents, covenants, and agreements contained herein, agree as follows:

A. Deletions from the Agreement

The following sections within the below articles are deleted from the Agreement in their entirety:

1. Article 1, Definitions: "Capital Cost", "Capital Credits for Airline Space", "Capital Credits for Non-Airline Space", "Eligible Enplaned Airline Passengers".
2. Article 5, Rentals, Fees, and Charges: B. Airline Rental Rate Calculation, C.2 Capital Credits for Non-Airline Space, D. Passenger Based Capital Credits- Airline Space, F. regarding Airline reimbursement of remaining capital credits.
3. Article 6, Payment of Rentals: B. Amounts due County shall be payable.
4. Article 7, Capital Project, Definition, Timing, Funding, Payment and Reservations: 7.02 Project Timeline.

B. Additions to the Agreement

The following sections are added to the Agreement in their entirety:

DeRita Mason

From: Lisa Price
Sent: Thursday, January 14, 2021 12:48 PM
To: DeRita Mason
Subject: RE: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review

This is approved, no insurance element.

Lisa Price
Public Records & Contracts Specialist
302 N Wilson Street, Suite 301
Crestview, FL. 32536
(850) 689-5979
lprice@myokaloosa.com



"Kindness is the language which the deaf can hear and the blind can see"
Mark Twain

For all things Wellness please visit:
<http://www.myokaloosa.com/wellness>

Due to Florida's very broad public records laws, most written communications to or from county employees regarding county business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

From: DeRita Mason <dmason@myokaloosa.com>
Sent: Monday, January 11, 2021 8:20 AM
To: Lisa Price <lprice@myokaloosa.com>
Subject: FW: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review
Importance: High

Good morning,

Please review and approve the attached.

Thank you,

DeRita Mason

**DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT AND SPACE LEASE
AMENDMENT NO. 1**

This Reimbursement Agreement and Space Lease Amendment No. 1, hereinafter referred to as "Amendment", is entered into this 02 day of FEB, 2021, by and between Okaloosa County, Florida, hereinafter referred to as "County" and Allegiant Air, LLC, a corporation organized, existing and doing business under and by virtue of the laws of the State of Nevada who is certified to conduct business in the State of Florida, hereinafter referred to as "Allegiant Air" or "Airline".

WHEREAS, County and Allegiant Air have entered into that Reimbursement Agreement and Space Lease dated April 16, 2019, hereinafter referred to as "Agreement" regarding the funding, design, construction, and leasing associated with Concourse C; and

WHEREAS, County and Allegiant Air wish to modify certain provisions of the Agreement to simplify the reimbursement process through Allegiant Air's funding its cost of the Concourse C development in exchange for fixed credits.

NOW, THEREFORE, the parties hereto, for, and in consideration of the rents, covenants, and agreements contained herein, agree as follows:

A. Deletions from the Agreement

The following sections within the below articles are deleted from the Agreement in their entirety:

1. Article 1, Definitions: "Capital Cost", "Capital Credits for Airline Space", "Capital Credits for Non-Airline Space", "Eligible Enplaned Airline Passengers".

2. Article 5, Rentals, Fees, and Charges: B. Airline Rental Rate Calculation, C.2 Capital Credits for Non-Airline Space, D. Passenger Based Capital Credits- Airline Space, F. regarding Airline reimbursement of remaining capital credits.

3. Article 6, Payment of Rentals: B. Amounts due County shall be payable.

4. Article 7, Capital Project, Definition, Timing, Funding, Payment and Reservations: 7.02 Project Timeline.

B. Additions to the Agreement

The following sections are added to the Agreement in their entirety:

1. Section 1.01 Definitions:

“Capital Cost” means the Project Costs funded by Allegiant Air for the project.

“Capital Credits for Airline Space” means the monthly fixed revenue credit issued by the County to Allegiant Air for the airline space capital component. Such monthly revenue credit is determined by County utilizing the total authorized investment by Allegiant Air divided equally by the number of months from the DBO through September 30, 2026.

“Capital Credits for Non-Airline Space” means the space in Concourse C that is not leased to Allegiant Air that supports the processing of passengers, including but not limited to, circulation space, restrooms, concession space, mechanical and electrical space, and storage space. Allegiant Air will be issued by County a fixed monthly credit based upon a straight-line amortization for the authorized Capital Costs to be included in the Airline Rental Rate requirement calculation. Capital Credits for Non-Airline Space will be calculated by taking the total amount of funding provided by Allegiant Air and dividing it by the number of months from the DBO through September 30, 2026 to arrive at a fixed monthly credit. No further credits will be due following the termination of the Agreement.

2. Section 5.B. Airline Rental Rate Calculation

A separate Cost Center will be established for the Concourse C space included in this Agreement. The Airline Rental Rate that will include a Capital Costs component and an operating cost component will be established for the Cost Center the first year and the operating cost component will be reviewed and recalculated effective on October 1st for each subsequent fiscal year during the Term of the Agreement. The Capital Costs will be a fixed amount depreciated on a straight-line basis for the period from the DBO through September 30, 2026. Allegiant Air will be credited monthly for the Capital Costs contained in the Concourse C Terminal Rental Rate under the terms outlined below.

3. Section 5.C.2. Capital Credits

Attached as **Exhibit F** is an estimated cost based on the anticipated DBO. The County will issue a fixed monthly credit for capital costs based on an amortization on a straight-line basis from the DBO through September 30, 2026.

4. Section 5.F. regarding Allegiant reimbursement of remaining capital credits

The applicable credits as called for in this Article shall be issued by the County to Allegiant monthly. The credits shall be applied against the corresponding invoice for Concourse C rentals (or other Allegiant Air amounts due County) and Allegiant shall be responsible to pay any remaining amounts due in excess of the credited amount.

5. Section 6.B. Amounts due County shall be payable

All rental invoices for Concourse C will be due and payable, without set off, within thirty (30) calendar days from the date of invoice. The Airline Rental Rate will be calculated annually at the start of each Fiscal Year based on the formula contained herein.

6. Section 7.02 Project Timeline

The project is designed and the project bid package consists of a base bid and five (5) alternates. The County will proceed with the project for competitive advertisement upon the execution of this Amendment and will award the construction contract for the Capital Project in coordination with Allegiant Air based on the base bid and any additional alternates Allegiant agrees to be awarded. Any additional alternates not considered by Allegiant Air could be awarded and funded by and at the County's discretion. The project will be completed and available for use on a schedule agreed to by the parties.

All capitalized terms shall have the meanings as set forth in the Agreement. All other terms and conditions of the Agreement shall remain in full force and effect.

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

OKALOOSA COUNTY, FLORIDA

BY: Carolyn N. Ketchel
Carolyn N. Ketchel
Chairman, Board of County Commissioners
Date: FEB 02, 2021



ATTESTS:

CLERK OF CIRCUIT COURT
OKALOOSA COUNTY, FLORIDA

J.D. Peacock II

J.D. Peacock II
Clerk of Circuit Court
Date: FEB 02, 2021



ALLEGIANT AIR, LLC

BY: 


Printed Name:

Greg Anderson

Title: Chief Financial Officer

Date: 01 / 22 / 2021

ATTESTS:

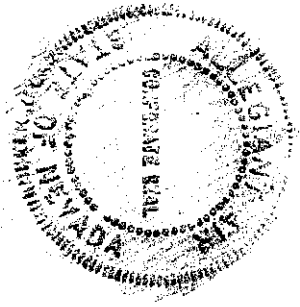

Signature

SCOTT STEEDON

Print Name

Date: 1 / 25 / 21

CORPORATE SEAL:



**PROCUREMENT/CONTRACT/LEASE
INTERNAL COORDINATION SHEET**

Procurement/Contract/Lease Number: L19-0475-11P Tracking Number: 42022
 Procurement/Contractor/Lessee Name: Allegiant Grant Funded: YES ___ NO X
 Purpose: Amendment
 Date/Term: 9-30-2026
 Department #: _____
 Account #: _____
 Amount: _____
 Department: Airport Dept. Monitor Name: Stoye

1. GREATER THAN \$100,000
 2. GREATER THAN \$50,000
 3. \$50,000 OR LESS

Purchasing Review

Procurement or Contract/Lease requirements are met:
Wanda Bae Date: 1-11-2021
 Purchasing Manager or designee Jeff Hyde, DeRita Mason, Jessica Darr, Angela Etheridge

2CFR Compliance Review (if required)

Approved as written: \$10 Federal fids Grant Name: _____
 _____ Date: _____
 Grants Coordinator Gillian Gordon

Risk Management Review

Approved as written: see email attached Date: 1/4/21

 Risk Manager or designee Lisa Price

County Attorney Review

Approved as written: see email attached Date: 1-11-2021

 County Attorney Lynn Hoshihara, Kerry Parsons or Designee

Department Funding Review

Approved as written: _____ Date: _____

IT Review (if applicable)

Approved as written: _____ Date: _____

DeRita Mason

From: Lynn Hoshihara
Sent: Friday, January 8, 2021 10:43 AM
To: Tracy Stage; Parsons, Kerry
Cc: Craig Coffey; Allyson Oury; DeRita Mason
Subject: Re: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review

This amendment is approved as to legal sufficiency.

Lynn M. Hoshihara
County Attorney
Okaloosa County, Florida

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

From: Tracy Stage
Sent: Wednesday, January 6, 2021 6:33:34 PM
To: Lynn Hoshihara; Parsons, Kerry
Cc: Craig Coffey; Allyson Oury
Subject: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review

Hello Lynn, Kerry (I know your on vacation and hope you are having a great time),

We are now moving full steam ahead on the Concourse C project in partnership with Allegiant Air. The project was shelved the same week we opened bids and COVID hit the US and collapsed the airline industry.

Please provide legal review of the attached Amendment No. 1 to the original agreement. This amendment simplifies the agreement in terms of reimbursement on Allegiant's investment in the way of rent credits vs direct funds. The Destin-Fort Walton Beach Airport Reimbursement Agreement and Space Lease is located at the below link.

<http://www.co.okaloosa.fl.us/sites/default/files/contracts/contract/L19-0475-AP.pdf>

Thank you and please let me know if you have any questions.

Thank you,
TS

Tracy Stage, A.A.E.
Airports Director

Okaloosa County Airports
1701 State Rd 85 N
Eglin AFB, FL 32542-1498
O 850-651-7160 Ext. 4 | M 850-585-7086
tstage@myokaloosa.com

DeRita Mason

From: Lisa Price
Sent: Thursday, January 14, 2021 12:48 PM
To: DeRita Mason
Subject: RE: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review

This is approved, no insurance element.

Lisa Price
Public Records & Contracts Specialist
302 N Wilson Street, Suite 301
Crestview, FL. 32536
(850) 689-5979
lprice@myokaloosa.com



"Kindness is the language which the deaf can hear and the blind can see"
Mark Twain

For all things Wellness please visit:
<http://www.myokaloosa.com/wellness>

Due to Florida's very broad public records laws, most written communications to or from county employees regarding county business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

From: DeRita Mason <dmason@myokaloosa.com>
Sent: Monday, January 11, 2021 8:20 AM
To: Lisa Price <lprice@myokaloosa.com>
Subject: FW: Amendment No.1 to Allegiant Air L19-0475-AP - Legal Review
Importance: High

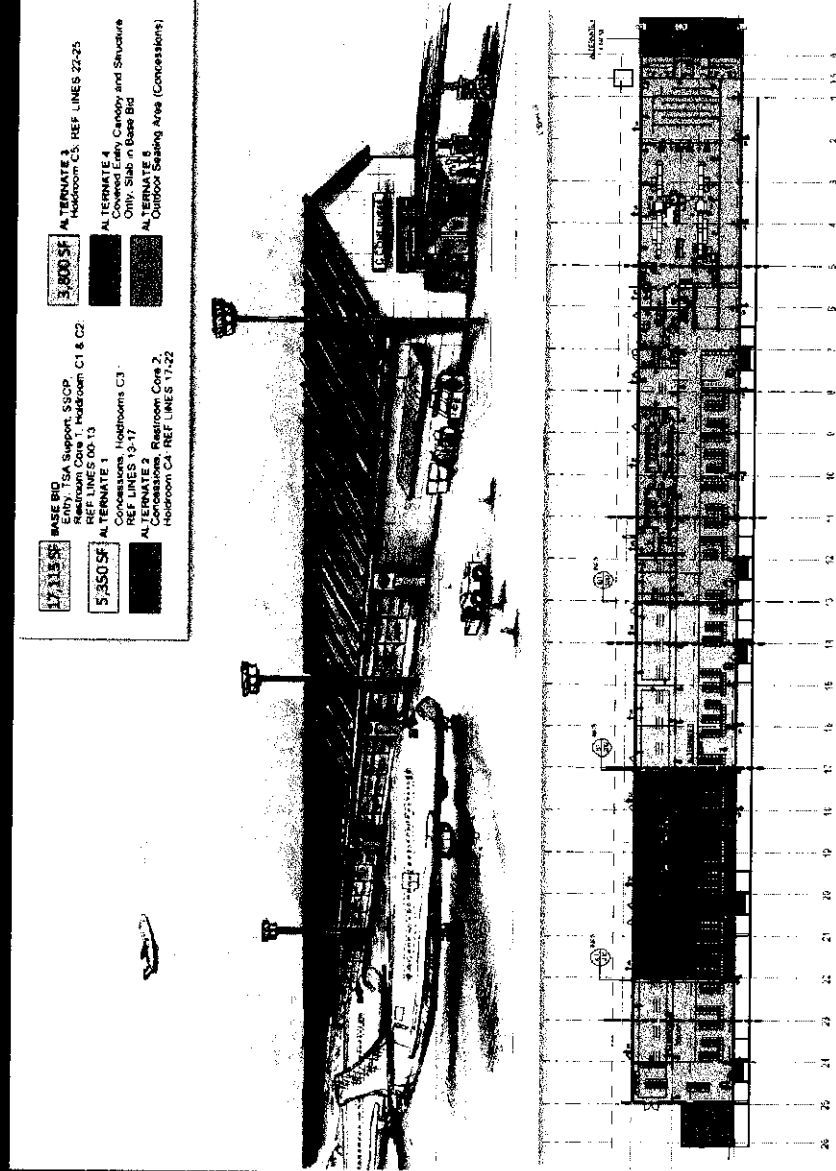
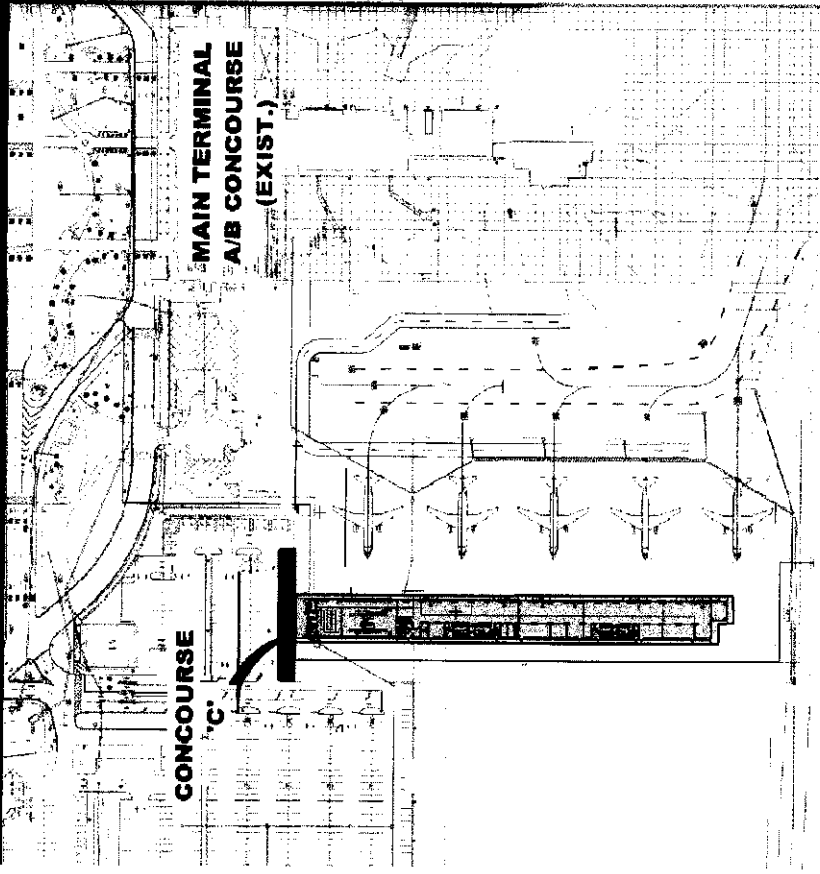
Good morning,

Please review and approve the attached.

Thank you,

DeRita Mason

Destin-Fort Walton Beach Airport Concourse C



- BASE BID 17,315 SF
- ENTRY, TSA Support, SSOP, Restroom Core 1, Holdroom C1 & C2 REF LINES 00-13
- ALTERNATE 1 5,350 SF
- ALTERNATE 2
- ALTERNATE 3 3,800 SF
- ALTERNATE 4
- ALTERNATE 5
- ALTERNATE 6

- ALTERNATE 3 Holdroom C5, REF LINES 22-25
- ALTERNATE 4 Concessions, Entry, Concessions, Restroom Core 1, Only, Shop in Base Bld
- ALTERNATE 5 Concessions, Restroom Core 2, Holdroom C4, REF LINES 17/22
- ALTERNATE 6 Outdoor Seating Area (Concessions)



FLY VPS
DESTIN FORT WALTON BEACH
AIRPORT



Alliant Insurance Services, Inc.
 9 E River Park Place East, Suite 310
 Fresno, CA 93720
 Main: 559-374-3560
 Fax: 559-374-3699
 License #0C36861

CERTIFICATE OF INSURANCE AA-20-180

This is to certify to: Okaloosa County
 5479 A Old Bethel Road
 Crestview, FL 32536

That: Allegiant Travel Company, Allegiant Air, LLC, Sunrise Asset Management, LLC and any firm or corporation affiliated to, subsidiary to, associated with or under the same management as any corporation herein named as now existing or as shall hereafter be created
 1201 N. Town Center Drive
 Las Vegas, NV 89144

As of this date, has arranged for the following insurance coverage(s) for the period and with underwriters as identified on the attached Security Sheet.

COVERAGES:

COMPREHENSIVE AIRLINE LIABILITY INSURANCE

Including but not limited to: Comprehensive General Liability, Bodily Injury and Property Damage to Third Parties, Passenger Liability, Personal Injury Liability, Contractual Liability, Passengers' Checked and Unchecked Baggage Liability, Premises, Products, Ground Hangarkeepers and Completed Operations Liabilities, Liquor Liability, On Airport Automobile, Off Airport Excess Automobile, Employers' and Cargo Legal Liabilities.

Combined Single Limit

Each Occurrence*
 USD \$500,000,000

AVN52E Aviation War Risk Liability sublimit of

USD \$350,000,000

Excess AVN 52E War Risk Liability limit of

USD \$900,000,000

Personal Injury & Advertisers Liability (except passengers): Limited to \$25,000,000 any one offense, in the aggregate annually.

Excess Automobile and Employers' Legal Liabilities: This insurance shall act as excess of underlying policy limits Up to a Maximum Limit of Liability of \$25,000,000 any one occurrence.

*REFER TO THE POLICY. AN ANNUAL AGGREGATE LIMIT APPLIES TO SOME COVERAGES.

GEOGRAPHICAL LIMITS: Worldwide

CONTRACT(S):

AIRCRAFT INSURED: Any Aircraft owned, used, maintained and/or operated by the Named Insured.

OTHER COVERAGES/CONDITIONS/REMARKS

Subject always to the scope of the attached policies and all the policies' declarations, insuring agreements, terms, conditions, limitations, exclusions, deductibles, warranties and endorsements thereof remaining paramount: Solely as respects: (i) The Coverage(s) noted above; (ii) the Contract(s) (and then only to the extent of the Named Insured's obligation to provide insurance under the terms of the Contract(s); and (iii) the operations of the Named Insured; the policies are endorsed to include the following provision(s):

Okaloosa County, their Directors, Officers, Members, Employees and Agents are named as Additional Insured with respect to liability arising out of the activities performed by or on behalf of the Named Insured.

This policy is Primary and Non-Contributory with respect to any and all insurance policies purchased by the City of Aurora.

In the event of cancellation or material changes of the policies by insurers which would adversely affect the interests of the Additional Insureds. Insurers agree to provide 30 days (ten (10) days in the event of cancellation for non-payment of premiums) prior written notice to the Certificate Holder(s).

This Certificate of Insurance is issued as summary of the Insurances under the policies noted above and confers no rights upon the Certificate Holders as regards the Insurances other than those provided by the policies. The undersigned has been authorized by the above Insurers to issue this certificate on their behalf and is not an Insurer and has no liability of any sort under the above policies as a result of this certifi

**CONTRACT#: L19-0475-AP
 ALLEGIANT AIR, LLC
 DESTIN-FORT WALTON BEACH AIRPORT
 REIMBURSEMENT AGREEMENT & SPACE LEASE
 EXPIRES: 09/30/2026**



Alliant Insurance Services, Inc.
9 E River Park Place East, Suite 310
Fresno, CA 93720
Main: 559-374-3560
Fax: 559-374-3699
License #0C36861

CERTIFICATE OF INSURANCE AA-20-180

This certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all terms, exclusions, limitations and conditions of such policies (including, but not limited to an Electronic Date Recognition Exclusion Clause, and a related Electronic Date Recognition Exclusion Limited Coverage Endorsement; copies of which will be made available on request).

A handwritten signature in black ink, appearing to read 'M. L. Mathew', is written over a horizontal line.

Authorized Representative

10/1/2020

Date



Alliant Insurance Services, Inc.
 9 E River Park Place East, Suite 310
 Fresno, CA 93720
 Main: 559-374-3560
 Fax: 559-374-3699
 License #0C36861

CERTIFICATE OF INSURANCE AA-20-180

SECURITY SHEET

POLICY TERM: October 1, 2020 to October 1, 2021, on both dates at 12:01 AM Local Standard Time at the address of the Named Insured.

<u>INSURER</u>	<u>POLICY NUMBER</u>	<u>PERCENTAGE SHARE</u>
Starr Surplus Lines Insurance Company Per Starr Aviation Agency, Inc	SASLAMR63603618-08	16.25%
Allianz Global Risks US Insurance Company	A1AL000004418AM	10.00%
XL Specialty Insurance Company	UA000011117AV18A	8.50%
QBE North America	QAVC000366	5.00%
Air Centurion	TBD	1.50%
Various carriers per Gallagher Aviation	TBD	58.75%

La Reunion Aerieenne
 Munich Re
 Swiss Re
 AXIS
 Sirius
 Helvetia
 Airline One Convex
 Airline One Fidelis
 Airline One Starr
 Airline One Mapfre
 Partner Re
 Convex
 Travelers
 Chubb

POLICY TERM: October 1, 2020 to October 1, 2021, on both dates at 12:01 AM Local Standard Time at the address of the Named Insured.

HULL WAR, HI-JACKING & OTHER PERILS INSURERS

Underwriters at Lloyds of London and other Licensed Companies per Gallagher Aviation.
 Liberty Syndicate Services Ltd. LIB 4472
 Castel Underwriting Agencies trading as Altitude Risk Partners

POLICY NUMBER

J51816718

POLICY TERM: October 1, 2020 to October 1, 2021, on both dates at 12:01 AM Local Standard Time at the address of the Named Insured.

EXCESS AVIATION LIABILITIES INSURERS

Underwriters at Lloyds of London and other Licensed Companies per Gallagher Aviation.
 Talbot Underwriting Services (US) LTD / Lloyds Syndicate 4472 LIB
 Talbot Underwriting Services (US) LTD / Lloyds Syndicate 1183 TAL
 Lloyds Syndicate 510 KLN / Lloyds Syndicate 510 KLN
 Lloyds Syndicate 4000 PEM / Lloyds Syndicate 4000 PEM
 Torus Insurance (Europe) AG
 Canopus Underwriting Agency, Inc. / Lloyds Syndicate 4444 CNP
 Canopus Underwriting Agency, Inc. / Lloyds Syndicate 958 CNP
 Lloyds Syndicate 1225 AES
 Lloyds Syndicate 2015 CHN

POLICY NUMBER

J51818719

J51816720

SEVERAL LIABILITY NOTICE



Alliant Insurance Services, Inc.
9 E River Park Place East, Suite 310
Fresno, CA 93720
Main: 559-374-3560
Fax: 559-374-3699
License #0C36861

CERTIFICATE OF INSURANCE AA-20-180

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations. LSW 1001 (Insurance)



CONTRACT#: L19-0475-AP
ALLEGiant AIR, LLC
DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT & SPACE LEASE
EXPIRES: 09/30/2026

Fresno, CA 93720
 Main: 559-374-3560
 Fax: 559-374-3699
 License #0C36861

CERTIFICATE OF INSURANCE AA-18-179

This is to certify to: Okaloosa County
 5479 A Old Bethel Road
 Crestview, FL 32536

That: Allegiant Travel Company, Allegiant Air, LLC, Sunrise Asset Management, LLC and any firm or corporation affiliated to, subsidiary to, associated with or under the same management as any corporation herein named as now existing or as shall hereafter be created
 1201 N. Town Center Drive
 Las Vegas, NV 89144

As of this date, has arranged for the following Insurance coverage(s) for the period and with underwriters as identified on the attached Security Sheet.

COVERAGES:

COMPREHENSIVE AIRLINE LIABILITY INSURANCE

Including but not limited to: Comprehensive General Liability, Bodily Injury and Property Damage to Third Parties, Passenger Liability, Personal Injury Liability, Contractual Liability, Passengers' Checked and Unchecked Baggage Liability, Premises, Products, Ground Hangarkeepers and Completed Operations Liabilities, Liquor Liability, On Airport Automobile, Off Airport Excess Automobile, Employers' and Cargo Legal Liabilities. Liability Insurance Includes explosion, collapse, underground property damages and mobile and ground equipment.
 AVN52E Aviation War Risk Liability sublimit of

Combined Single Limit
Each Occurrence*
 USD \$500,000,000

Excess AVN 52E War Risk Liability limit of

USD \$350,000,000
 USD \$900,000,000

Personal Injury & Advertisers Liability (except passengers): Limited to \$25,000,000 any one offense, in the aggregate annually.

Excess Automobile and Employers' Legal Liabilities: This insurance shall act as excess of underlying policy limits Up to a Maximum Limit of Liability of \$25,000,000 any one occurrence.

*REFER TO THE POLICY. AN ANNUAL AGGREGATE LIMIT APPLIES TO SOME COVERAGES.

GEOGRAPHICAL LIMITS: Worldwide

CONTRACT(S):

AIRCRAFT INSURED: Any Aircraft owned, used, maintained and/or operated by the Named Insured.

OTHER COVERAGES/CONDITIONS/REMARKS

Subject always to the scope of the attached policies and all the policies' declarations, insuring agreements, terms, conditions, limitations, exclusions, deductibles, warranties and endorsements thereof remaining paramount: Solely as respects: (i) The Coverage(s) noted above; (ii) the Contract(s) (and then only to the extent of the Named Insured's obligation to provide insurance under the terms of the Contract(s); and (iii) the operations of the Named Insured; the policies are endorsed to include the following provision(s):

Okaloosa County, their Directors, Officers, Members, Employees and Agents are named as Additional Insured with respect to liability arising out of the activities performed by or on behalf of the Named Insured.

This policy is Primary and Non-Contributory with respect to any and all insurance policies purchased by the City of Aurora.

In the event of cancellation or material changes of the policies by insurers which would adversely affect the interests of the Additional Insureds. Insurers agree to provide 30 days (ten (10) days in the event of cancellation for non-payment of premiums) prior written notice to the Certificate Holder(s).

This Certificate of Insurance is issued as summary of the Insurances under the policies noted above and confers no rights upon the Certificate Holders as regards the Insurances other than those provided by the policies. The undersigned has been authorized by the above Insurers to issue this certificate on their behalf and is not an insurer and has no liability of any sort under the above policies as a result of this certification.



Alliant Insurance Services, Inc.
9 E River Park Place East, Suite 310
Fresno, CA 93720
Main: 559-374-3560
Fax: 559-374-3699
License #OC36861

CERTIFICATE OF INSURANCE AA-18-179

SECURITY SHEET

POLICY TERM: October 1, 2018 to October 1, 2019, on both dates at 12:01 AM Local Standard Time at the address of the Named Insured.

<u>INSURER</u>	<u>POLICY NUMBER</u>	<u>PERCENTAGE SHARE</u>
Starr Surplus Lines Insurance Company Per Starr Aviation Agency, Inc	SASLAMR63603618-08	16.25%
Allianz Global Risks US Insurance Company	A1AL000004418AM	10.00%
XL Specialty Insurance Company	UA000011117AV18A	7.50%
QBE North America	QAVC000366	5.00%
Alr Centurion Insurance Services, LLC	ACQA-17-00083-01	3.00%
Old Republic Insurance Services	RAL 00002702	4.00%
Various carriers per JLT Specialty Ltd.	J51816717	54.25%

SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of Insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations. LSW 1001 (Insurance)



ALLEAIR-01

MSTEITZ

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/28/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Fresno CSG-Alliant Insurance Services, Inc. 9 E River Park Place East Ste 310 Fresno, CA 93720	CONTACT NAME: PHONE (A/C, No, Ext): (559) 374-3560	FAX (A/C, No):
	E-MAIL ADDRESS:	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Starr Indemnity & Liability Company		38318
INSURER B: Travelers Casualty and Surety Company of America		31194
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED

Allegiant Air, LLC
 1201 N. Town Center Drive
 Las Vegas, NV 89144

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		X	SASLAMR8360361808	10/01/2018	10/01/2019	EACH OCCURRENCE \$ 500,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 500,000,000 PERSONAL & ADV INJURY \$ 500,000,000 GENERAL AGGREGATE \$ 500,000,000 PRODUCTS - COMP/OP AGG \$ 500,000,000 HANGARKEEPERS L \$ 500,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		X	BA1908B27118HPR	05/05/2018	05/05/2019	EACH OCCURRENCE \$ AGGREGATE \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		X	1000001591	01/01/2019	01/01/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER **CANCELLATION**

Okaloosa County 5479 A Old Bethel Road Crestview, FL 32536	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--

Dave Miner

From: Allyson Oury
Sent: Monday, April 8, 2019 12:59 PM
To: Dave Miner
Subject: FW: Airports Term Sheet Allegiant Concourse C

This is the legal approval.

Allyson Oury, CPA
Airports Deputy Director – Finance
Okaloosa County

From: Parsons, Kerry <KParsons@ngn-tally.com>
Sent: Friday, April 5, 2019 2:25 PM
To: Allyson Oury <aoury@myokaloosa.com>
Cc: Greg Stewart <gstewart@myokaloosa.com>; Lynn Hoshihara <lhoshihara@myokaloosa.com>; Tracy Stage <tstage@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Yes, your revisions looked good

Kerry A. Parsons, Esq.
Nabors
Giblin &
Nickerson
1500 Mahan Dr. Ste. 200
Tallahassee, FL 32308
T. (850) 224-4070
Kparsons@ngn-tally.com

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From: Allyson Oury <aoury@myokaloosa.com>
Sent: Friday, April 5, 2019 3:04 PM
To: Parsons, Kerry <KParsons@ngn-tally.com>
Cc: Greg Stewart <gstewart@myokaloosa.com>; Lynn Hoshihara <lhoshihara@myokaloosa.com>; Tracy Stage <tstage@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Kerry,

And you are comfortable, too, that we have addressed all your initial comments? We are prepping this to go to Allegiant for signature.

Thank you,

Allyson Oury, CPA
Airports Deputy Director – Finance
Okaloosa County

From: Parsons, Kerry <KParsons@ngn-tally.com>
Sent: Friday, April 5, 2019 1:24 PM
To: Allyson Oury <aoury@myokaloosa.com>
Cc: Greg Stewart <gstewart@myokaloosa.com>; Lynn Hoshihara <lhoshihara@myokaloosa.com>; Tracy Stage <tstage@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

I'm fine with most of their revisions, except for under Article 13, see my comment and revision. The County will not indemnify the airline

Kerry A. Parsons, Esq.

**Nabors
Giblin &
Nickerson**

1500 Mahan Dr. Ste. 200
Tallahassee, FL 32308
T. (850) 224-4070
Kparsons@ngn-tally.com

The information contained in this e-mail message is intended for the personal and confidential use of the recipient(s) named above. This message and its attachments may be an attorney-client communication and, as such, is privileged and confidential. If the reader of this message is not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error and that any review, dissemination, distribution, or copying of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone or e-mail and delete the original message. Thank you!

From: Allyson Oury <aoury@myokaloosa.com>
Sent: Wednesday, April 3, 2019 12:06 PM
To: Parsons, Kerry <KParsons@ngn-tally.com>
Cc: Greg Stewart <gstewart@myokaloosa.com>; Lynn Hoshihara <lhoshihara@myokaloosa.com>; Tracy Stage <tstage@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Kerry,

Your comments have been addressed in the attached, and we have also incorporated the comments/additions from the Allegiant attorneys. Please review and let us know if you are comfortable with how your notes were addressed, as well as providing your legal approval for the changes proposed by Allegiant. We are now targeting this agreement for the April 16th BCC meeting, so we need to get it out to Allegiant for signature as soon as possible.

If there are pending or unresolved issues, let's get on a quick call to address so we can keep this one moving. Let us know a time that works for you and we will do our best to accommodate.

Thank you for your help!

Allyson Oury, CPA
Airports Deputy Director – Finance
Okaloosa County

From: Tracy Stage <tstage@myokaloosa.com>
Sent: Wednesday, March 27, 2019 9:31 PM
To: 'Parsons, Kerry' <KParsons@ngn-tally.com>
Cc: Greg Kisela <gkisela@myokaloosa.com>; Allyson Oury <aoury@myokaloosa.com>; Greg Stewart <gstewart@myokaloosa.com>; Mike Stenson <mstenson@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Hello Kerry,

Allegiant has returned their legal review comments on the agreement attached. Please incorporate your comments in tracked or however you prefer and I will send it over for final review and signature/s when we are on better ground. No target meeting, so no hurry.

Thank you,
TS

From: Tracy Stage
Sent: Friday, March 22, 2019 10:15 AM
To: 'Parsons, Kerry' <KParsons@ngn-tally.com>
Cc: Greg Kisela <gkisela@myokaloosa.com>; Allyson Oury <aoury@myokaloosa.com>; Greg Stewart <gstewart@myokaloosa.com>; Mike Stenson <mstenson@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Good morning Kerry,

Due to very recent developments, we are no longer targeting the April 2nd with this agreement. Thank you for your efforts and I apologize.

Have a great weekend.

TS

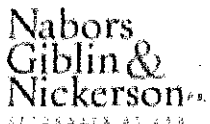
From: Parsons, Kerry <KParsons@ngn-tally.com>
Sent: Friday, March 22, 2019 10:01 AM
To: Tracy Stage <tstage@myokaloosa.com>
Cc: Greg Kisela <gkisela@myokaloosa.com>; Allyson Oury <aoury@myokaloosa.com>; Edith Gibson <egibson@myokaloosa.com>; Greg Stewart <gstewart@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Tracy:

Attached please find my revisions and comments.

Have a good day,
Kerry

Kerry A. Parsons, Esq.



1500 Mahan Dr. Ste. 200
Tallahassee, FL 32308
T. (850) 224-4070
Kparsons@ngn-tally.com

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From: Tracy Stage <ttstage@myokaloosa.com>
Sent: Wednesday, March 13, 2019 3:37 PM
To: Greg Stewart <gstewart@myokaloosa.com>; Parsons, Kerry <KParsons@ngn-tally.com>
Cc: Greg Kisela <gkisela@myokaloosa.com>; Allyson Oury <aoury@myokaloosa.com>; Edith Gibson <egibson@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Hello Greg, Kerry,

Please find the finalized attached Destin-fort Walton Beach Airport Reimbursement Agreement and Space Lease to include Exhibits A-F for your review. Risk Mgt has previously reviewed and following further discussion, all insurance requirements have been removed with coordination attached.

Allegiant legal staff are also reviewing the same attachments with a request for any comments returned in tracked to hopefully compile and return for their signature. We are targeting the April 2 BOCC meeting requesting approval with a MT upload deadline of March 26th.

Please let me know if you have any questions.

Thank you,
TS

From: Tracy Stage
Sent: Wednesday, March 6, 2019 1:05 PM
To: Greg Stewart <gstewart@myokaloosa.com>; Edith Gibson <egibson@myokaloosa.com>
Cc: Greg Kisela <gkisela@myokaloosa.com>; 'Parsons, Kerry' <KParsons@ngn-tally.com>; Allyson Oury <aoury@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Hello Greg,

As I'm sure you are aware, we were successful with Allegiant and gained their signature of the "Term Sheet" (attached for ref only). We have now completed a formal "Destin-Fort Walton Beach Airport Reimbursement Agreement and Space Lease", incorporating the terms.

Allegiant is very interested in this agreement and moving forward with the design and construction of the new Concourse as soon as possible. Therefore, we have also asked Allegiant to review and provide tracked comments to hopefully consolidate comments and one final round of reviews prior to Allegiant's signature and our subsequent BOCC review/approval.

Edith, please provide your review of insurance and return any comments/changes in tracked.

Thank you,
TS

From: Greg Stewart <gstewart@myokaloosa.com>
Sent: Monday, February 4, 2019 4:56 PM
To: Tracy Stage <tstage@myokaloosa.com>; Allyson Oury <aoury@myokaloosa.com>
Cc: Greg Kisela <gkisela@myokaloosa.com>; 'Parsons, Kerry' <KParsons@ngn-tally.com>; Kay Godwin <kgodwin@myokaloosa.com>; Edith Gibson <egibson@myokaloosa.com>
Subject: FW: Airports Term Sheet Allegiant Concourse C
Importance: High

Tracy and Allyson – I have reviewed the Concourse C Summary and it is acceptable to legal. However, I would note that the document is not a binding document but merely sets forth the general structure for the establishment of a Concourse C, subject to negotiation. Therefore, I do not view the Concourse Terms as binding term sheet.

As to the airport hospitality memo, I agree with Kerry and Greg Kisela's analysis that the providing of meals does not fall within the definition of a promotion and therefore they may not be funded. However, the County has been exploring a purchasing policy amendment that would allow the provision of some beverages and meals under certain defined circumstances. To see if that policy might be a way that you could provide the meals under this particular circumstance, I reached out to Kay Godwin. Per my discussion with Kay, though that might be something that you could utilize in the future, that policy has not been implemented as of yet. It is anticipated that it may be adopted in April of this year when the next round of purchasing updates are proposed to be implemented.

Finally, on the Silver Airlines issues, I separately forwarded the AOA and Lease to Edith Gibson to take a look at the insurance amounts as they varied from our standard. I will get back to you once we have been able to finalize that. Otherwise it has been approved by legal.

Let me know if there is anything further that you need

Gregory T. Stewart
County Attorney
Okaloosa County, Florida

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From: Tracy Stage <tstage@myokaloosa.com>
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Cc: Allyson Oury <aoury@myokaloosa.com>; Greg Kisela <gkisela@myokaloosa.com>
Subject: FW: Airports Term Sheet Allegiant Concourse C
Importance: High

Hello Greg,

I inquired with Kerry on the status of the below item and the attached items. Do you have time to discuss each?

- G4 Term Sheet (below and attached)
- Aviation Board meeting lunch request
- Silver Airways coordination

Thanks,
TS

From: Tracy Stage
Sent: Friday, February 1, 2019 11:40 AM
To: 'Parsons, Kerry' <KParsons@ngn-tally.com>; Allyson Oury <aoury@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Hey Kerry,

This is a complex term sheet and yes, if agreed to, will be followed up with a formalized BOCC approved agreement. Yes, we have had some issues with bidding projects in the past with less than desirable engineering recommendations. That said, we recently used the below language and it worked well awarding a project. It would be much easier to explain on a call. We know Allegiant wants to build up to a 2-holdroom concourse however, the design will be for a full buildout of up to 5 hold rooms and ancillary space requirements (TSA Checkpoints, etc..). The base bid will be 2 hold rooms and alternate 1, 2 and 3 will be the remaining hold rooms. If we obtain fair pricing on alternative 1, the airport will move to fund and build the additional hold room (we are currently at 100% capacity).

We do not have fixed base operators at VPS so I'm a little confused by your question. The term sheet, constructed with the assistance of Landrum & Brown (Aviation Finance Consultants), is crafted to ensure we are not providing any subsidy or violating any FAA regulations or grant assurances (all 29). In fact, if successful, this will be the only agreement of its kind that we know of. The airline will be funding 100% of the construction and be repaid (with no interest on their investment) depending on the enplaned passengers they serve in the concourse. Therefore, it incentivizes them to grow beyond their baseline and grow to be repaid their investment in the construction of the concourse. Again, industry leading effort that I assure you will all be presented to the BOCC attached to a formal agreement.

Again, it would be easier to walk through it with you on the phone if needed however, the aforementioned is a high level overview.

"BASIS OF AWARD: The Contract shall be awarded to the lowest responsive bidder based on the total Base Bid or the Base Bid plus a combination of Additive Alternates, whichever combination is awarded by the County at the County's discretion."

Would you like to jump on a call to discuss?

Thanks,
TS

From: Parsons, Kerry <KParsons@ngn-tally.com>
Sent: Friday, February 1, 2019 7:47 AM
To: Allyson Oury <aoury@myokaloosa.com>
Cc: Tracy Stage <tstage@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

It would need to be stressed that the parties would need to enter into a formalized agreement. That nothing is binding at this time and everything is subject to Board approval. With regards to the bidding – I would call it “procurement” not bid – the alternatives are tricky and in the past have worked to the determinant of the Airport where it was required to

rebid projects (I don't necessarily recommend proceeding that way). Also, how does this impact the treatment of Allegiant versus the other fixed base operators for the purposes of FAA matters?

Kerry A. Parsons, Esq.

**Nabors
Giblin &
Nickerson**

1500 Mahan Dr. Ste. 200
Tallahassee, FL 32308
T. (850) 224-4070
Kparsons@ngn-tally.com

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From: Allyson Oury <aoury@myokaloosa.com>
Sent: Thursday, January 31, 2019 12:33 PM
To: Parsons, Kerry <KParsons@ngn-tally.com>
Cc: Tracy Stage <tstage@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Hi Kerry,

Following up on your review of this term sheet.

We are leaving on Wednesday to attend the meeting with Allegiant, so please let us know if there are any concerns that need to be addressed.

Thanks.

Allyson Oury, CPA
Airports Deputy Director – Finance
Okaloosa County

From: Allyson Oury
Sent: Thursday, January 24, 2019 1:43 PM
To: 'Parsons, Kerry' <KParsons@ngn-tally.com>
Cc: Tracy Stage <tstage@myokaloosa.com>
Subject: Airports Term Sheet Allegiant Concourse C

Kerry,

Please find attached for legal review a draft term sheet related to negotiations with Allegiant to fund the construction of a satellite terminal at VPS.

We have a meeting scheduled with Allegiant on February 7th with the expectation of finalizing the deal, obtaining signature on the term sheet and moving immediately forward with the coordination of the actual contract/lease agreement(s) and design of the project.

Tracy and I are happy to get on the phone with you when/if needed to answer any questions.

Thank you,

Allyson Oury, CPA
Airports Deputy Director - Finance
Okaloosa County
(850) 651-7160 Ext. 4
<http://www.flyvps.com>

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Dave Miner

From: Allyson Oury
Sent: Monday, April 8, 2019 12:59 PM
To: Dave Miner
Subject: FW: Airports Term Sheet Allegiant Concourse C

This is the risk/insurance approval.

Allyson Oury, CPA
Airports Deputy Director – Finance
Okaloosa County

-----Original Message-----

From: Tracy Stage <tstage@myokaloosa.com>
Sent: Friday, March 8, 2019 1:51 PM
To: Allyson Oury <aoury@myokaloosa.com>
Subject: FW: Airports Term Sheet Allegiant Concourse C

-----Original Message-----

From: Karen Donaldson <kdonaldson@myokaloosa.com>
Sent: Friday, March 8, 2019 1:50 PM
To: Tracy Stage <tstage@myokaloosa.com>
Cc: Edith Gibson <egibson@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Tracy

Yes, this is correct.

Thank you

Karen Donaldson

Karen Donaldson
Public Records and Contracts Specialist
Okaloosa County Risk Management
5479-B Old Bethel Rd.
Crestview, Fl. 32536
850.683.6207
KDonaldson@myokaloosa.com

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-----Original Message-----

From: Tracy Stage <tstage@myokaloosa.com>
Sent: Friday, March 8, 2019 1:44 PM
To: Karen Donaldson <kdonaldson@myokaloosa.com>
Cc: Edith Gibson <egibson@myokaloosa.com>; Allyson Oury <aoury@myokaloosa.com>
Subject: RE: Airports Term Sheet Allegiant Concourse C

Hello Edith, Karen,

Per our conversation, we will continue with no additional insurance requirements for this subject agreement as Allegiant has coverages within their current Airline Operating Agreement (Signatory Agreement). Through the construction contract process, the contractor will be required to carry all insurances as you deem appropriate in the coordination. At the completion of the construction of the new concourse, the County will add this facility to its current policy and we will revise Allegiant's existing Sig agreement to include the additional space/location at the end of the term of this new space lease agreement.

Do I have this correct, missing anything, good to go?

Thanks!
TS

-----Original Message-----

From: Tracy Stage <tstage@myokaloosa.com>
Sent: Thursday, March 7, 2019 8:02 PM
To: Karen Donaldson <kdonaldson@myokaloosa.com>
Cc: Edith Gibson <egibson@myokaloosa.com>; Allyson Oury <aoury@myokaloosa.com>
Subject: Re: Airports Term Sheet Allegiant Concourse C

Thank you Karen and Edith!

Although the airline will be providing the funding for the construction of this facility, it will be built and owned by the County and space rented back to the airline. Does that change anything on insurance requirements? Just curious.

Also, please help me understand the need for grounding insurance with OC listed? This type of coverage is typically involved should the FAA ground an entire fleet of aircraft which, OC does not own the aircraft nor do we provide parts for aircraft that could be liable or involved in a fleet grounding. We also would not be harmed should an entire fleet of aircraft was to be grounded by the FAA. Perhaps there is another string I'm not aware of however, none of our Signatory Agreements have or require Grounding Insurance. Thank you in advance for schooling me!

The facility construction cost in total is roughly estimated between \$4.7M to \$7.5 if we fully buildout.

Thank you again for your quick turn.

Tracy Stage, A.A.E.
Airports Director
Okaloosa County

*Please note, my email address has changed to: tstage@myokaloosa.com

> On Mar 7, 2019, at 10:35 AM, Karen Donaldson <kdonaldson@myokaloosa.com> wrote:
>

> Tracy,
>
> I met with Edith in reference to the insurance on this contract.
> Everything looks fine however we need to add the following coverage
>
> Fire Damage \$ 5,000,000
> Grounding Ins \$125,000,000
>
> Please insure that all policies require Okaloosa County BOCC as the Additional Insured and a waiver of Subrogation on all policies when applicable.
>
> Thanks,
>
> Karen Donaldson
> Public Records and Contracts Specialist Okaloosa County Risk
> Management 5479-B Old Bethel Rd.
> Crestview, FL 32536
> Office: 850-683-6207
> kdonaldson@myokaloosa.com<mailto:kdonaldson@myokaloosa.com>
>
>
> [logo]
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> <tstage@myokaloosa.com<mailto:tstage@myokaloosa.com>>
> Sent: Wednesday, March 6, 2019 1:05 PM
> To: Greg Stewart
> <gstewart@myokaloosa.com<mailto:gstewart@myokaloosa.com>>; Edith
> Gibson <egibson@myokaloosa.com<mailto:egibson@myokaloosa.com>>
> Cc: Greg Kisela
> <gkisela@myokaloosa.com<mailto:gkisela@myokaloosa.com>>; 'Parsons,
> Kerry' <KParsons@ngn-tally.com<mailto:KParsons@ngn-tally.com>>;
> Allyson Oury <aoury@myokaloosa.com<mailto:aoury@myokaloosa.com>>
> Subject: RE: Airports Term Sheet Allegiant Concourse C
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> Sent: Monday, February 4, 2019 4:56 PM
> To: Tracy Stage <tstage@myokaloosa.com<mailto:tstage@myokaloosa.com>>;
> Allyson Oury <aoury@myokaloosa.com<mailto:aoury@myokaloosa.com>>
> Cc: Greg Kisela
> <gkisela@myokaloosa.com<mailto:gkisela@myokaloosa.com>>; 'Parsons,
> Kerry' <KParsons@ngn-tally.com<mailto:KParsons@ngn-tally.com>>; Kay
> Godwin <kgodwin@myokaloosa.com<mailto:kgodwin@myokaloosa.com>>; Edith
> Gibson <egibson@myokaloosa.com<mailto:egibson@myokaloosa.com>>
> Subject: FW: Airports Term Sheet Allegiant Concourse C
> Importance: High

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> To: Greg Stewart
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> Kerry <KParsons@ngn-tally.com<mailto:KParsons@ngn-tally.com>>
> Cc: Allyson Oury <aoury@myokaloosa.com<mailto:aoury@myokaloosa.com>>;
> Greg Kisela <gkisela@myokaloosa.com<mailto:gkisela@myokaloosa.com>>

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>
> Kerry A. Parsons, Esq.
> [cid:image001.png@01D4987C.C65198F0]
> 1500 Mahan Dr. Ste. 200
> Tallahassee, FL 32308
> T. (850) 224-4070
> Kparsons@ngn-tally.com<mailto:kparsons@ngn-tally.com>
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> Airports Deputy Director – Finance
> Okaloosa County
>
> From: Allyson Oury
> Sent: Thursday, January 24, 2019 1:43 PM
> To: 'Parsons, Kerry'

> <KParsons@ngn-tally.com<mailto:KParsons@ngn-tally.com>>
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>
>
> <Allegiant Reimbursement Agreement and Space Lease Draft for
> Coordination.docx> <image001.png>
> <G4 Term Sheet.pdf>
> <image002.png>

**CONTRACT#: L19-0475-AP
ALLEGiant AIR, LLC
DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT & SPACE LEASE
EXPIRES: 09/30/2026**

**DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT AND SPACE LEASE**

APRIL 2019

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LIST OF EXHIBITS

- Exhibit A Eglin Leased Area
- Exhibit B Airport System Cost Centers
- Exhibit C *Terminal Space Plan for Concourse C
- Exhibit D *Apron Layout for Concourse C
- Exhibit E General Civil Rights Provisions
- Exhibit F *Sample Calculation for Capital Credits

*Final Exhibits will be updated upon completion and substituted into this Agreement without the need for an amendment. See also Section 1.03.

**DESTIN-FORT WALTON BEACH AIRPORT
REIMBURSEMENT AGREEMENT AND SPACE LEASE**

This Reimbursement Agreement and Space Lease, hereinafter referred to as "Agreement", is entered into this 16 day of APR, 2019, by and between Okaloosa County, Florida, hereinafter referred to as "County" and Allegiant Air, LLC, a corporation organized, existing and doing business under and by virtue of the laws of the State of Nevada who is certified to conduct business in the State of Florida, hereinafter referred to as "Airline".

WITNESSETH:

WHEREAS, County has established and operates the Destin-Fort Walton Beach Airport at Eglin Air Force Base in Okaloosa County, Florida, hereinafter defined as the "Airport", pursuant to the terms of a Lease and a Joint Use Agreement with the United States of America, dated July 30, 2007 and February 27, 2001, respectively, which documents as they now exist or as they may be hereafter amended or supplemented are incorporated herein by reference as unlettered exhibits to this Agreement; and

WHEREAS, pursuant to the Signatory Lease, the United States of America has (i) leased to the County certain premises shown on attached Exhibit A for the purposes of operating and maintaining an aircraft apron, taxiways, a terminal building, parking facilities, and certain other appurtenant landside facilities, (ii) granted the County the right to use the runways, taxiways and certain other aircraft flying facilities of Eglin Air Force Base, hereinafter referred to as the "Eglin Airfield Facilities", to conduct a fixed number of daily operations thereon and (iii) agreed to provide certain air traffic control and aircraft rescue and firefighting support services for said operations and certain other Airport facilities; and

WHEREAS, Airline is engaged in the business of commercial transportation by air of persons, property, cargo, and/or mail to and from the Airport, hereinafter referred to as Airline's "Air Transportation Business" and desires in conjunction with the operation of said Air Transportation Business to use, lease and/or be assigned certain current space within the Airport Terminal Building Concourse C, as hereinafter defined, from the County, obtain the assignment of certain aircraft parking positions and other areas on the Airport terminal apron of Concourse C and obtain from County the right to conduct aircraft operations upon the Eglin Airfield Facilities; and

WHEREAS, County is willing to sublease (for purposes of this Agreement "lease") and assign the above referenced premises and facilities to Airline and to grant Airline the right to conduct aircraft operations upon the Eglin Airfield Facilities and the Airport, for and in consideration of Airline's conducting its Air Transportation Business at the Airport, conducting the aircraft operations at the Eglin Airfield Facilities and the Airport pursuant to the rights herein granted and paying all rentals, fees and charges as prescribed herein; and

WHEREAS, Allegiant Air, LLC has executed a Signatory Lease Agreement with the County and is in compliance with the terms and conditions of that Agreement.

WHEREAS, Allegiant Air, LLC desires that the County design and develop additional gate capacity as agreed to by the parties on a new Concourse C to allow Allegiant to expand its service at the Airport;

WHEREAS, Allegiant Air, LLC is willing to fund the cost of the expansion in exchange for a credit to be applied to incremental passengers as described herein;

WHEREAS, Allegiant Air, LLC will lease the Premises from the County and pay the applicable rental rate in exchange for the preferential rights to operate its aircraft from the gates and agreed to aircraft for other airlines

NOW, THEREFORE, the parties hereto, for, and in consideration of the rents, covenants, and agreements contained herein, agree as follows:

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ARTICLE 1 DEFINITIONS

Section 1.01 Definitions

Except as otherwise clearly indicated by the context, the words and phrases defined in this section shall have the following meanings when used elsewhere in this Agreement.

“Aircraft Parking Apron” means the paved parking apron adjacent to Concourse C that shall be used for parking aircraft being served by the Concourse C gates.

“Airline” means Allegiant Air, LLC.

“Airline Rental Rate” means for any Fiscal Year the rentals for Concourse C calculated pursuant to Article 6 and payable pursuant to Section 7.01 of Article 7.

“Airlines” means Airline and all other certificated operators of aircraft providing air transportation of passengers, cargo, property or mail, or any combination thereof, by air to and from the Airport and using the Airport Terminal Building to enplane and deplane passengers.

“Airport” means Destin-Fort Walton Beach Airport as named currently or as may otherwise be named in the future as shown on Exhibit A, together with any additions thereto, or improvements or enlargements thereof hereafter made and those rights of use to the Eglin Airfield Facilities, as currently or hereafter provided or extended under the Eglin Agreements.

“Airports Director” means the Airports Director of the County or that person authorized by the Airports Director to act for or on behalf of the Airports Director with respect to any particular matter under this Agreement.

“Airport Terminal Building” or **“Terminal Building”** means the existing Terminal Building together with any additions thereto, or improvements or enlargements thereof, hereafter made.

“Beneficial Occupancy” means the issuance of a certificate of occupancy by the County for the Leased Premises.

“Capital Cost” means the Project Costs funded by Airline for the project. Once capital credits are reimbursed in full for the investment made by Airline to fund the Capital Costs, the capital credits will terminate.

“Capital Credits for Airline Space” means the monthly credit based on revenue enplanements for the airline space capital component of the rental rate until such time as the capital investment has been satisfied through the application of the credits and/or any other airline fees applied.

“Capital Credits for Non-Airline Space” means the space in Concourse C that is not leased to Airline that supports for the processing of passengers, including, but not limited to, circulation space, restrooms, concession space, mechanical and electrical space, and storage space. Airline will be issued a fixed monthly credit for the Project Costs calculated based on a five (5) year straight-line amortization for the Project Costs to be included in the Airline Rental Rate requirement calculation commencing on March 1, 2021. Capital credits calculated will accrue on an equal monthly basis commencing March 1, 2021. Payments for the accrued credits will not be paid to Airline until after the Date of Beneficial Occupancy at which time, the accrued credits will be paid to Airline and future credits will be applied to Airline on a monthly basis until the Capital Credits for Non-Airline Space due Airline has been fully recovered by Airline.

“Capital Project” means The Concourse C project which will consist of the development of a connector to the main terminal, a security checkpoint capable of accommodating a minimum of 2 passenger processing lanes, holdroom(s) sized to accommodate Group 3 aircraft, concessions/retail, restrooms sufficient to support the planned occupancy load (planning standard of 65% of the seat capacity for two Group 3 aircraft), and operations space for ground personnel. The project will include a roll down gate at the entrance to the concourse that will be able to be activated to secure the concourse during periods of non-use. There will be a minimum of two (2) “gate” door positions to board aircraft that will not include passenger loading bridges. Interior finishes will be similar to the existing finishes in Concourse A&B. In addition, to accommodate potential expansion, all electrical, plumbing, sewer, communications/internet, and mechanical infrastructure, all infrastructure will initially be sized to accommodate the buildout of the Concourse to its ultimate 5 parking position footprint to include support space. The facility will be slab on grade with a roof system that will complement the existing terminal. The exterior will include windows and the walls will be designed to withstand jet blast from a Group 3 aircraft. Passenger screening equipment will be provided by the TSA and the project will provide all required electrical service for the checkpoint and support areas. The project will include gate podiums/inserts, backwalls, passenger seating, and electrical outlets (for passenger use) similar to what is in place in Concourses A&B at each gate position. The project will fund the infrastructure to accommodate wireless access and cellular phone connectivity. The project will fund the footprint for the concession space including electrical and plumbing/sewer service to the space to support the intended buildout. The County/concessionaire will fund the tenant build out and equipment and will operate the concession. The airline operations office will include a finished ceiling, painted sheetrock walls, tile and carpeted floors with phone/data/electrical and any other infrastructure to support the tenant’s needs. The mechanical system will be zoned to allow for adjustment during periods of non-use. Lighting will include zoned motion sensors to provide for minimal lighting during periods of non-use and emergency lighting. The space will include a fire protection system and required fire extinguishers. The project will include a public address system that will be zoned for Concourse C with a connection to the main terminal PA system to provide for emergency announcements and will include all necessary way finding signage and identification signs.

“Concourse C Terminal Rental Rate” means all utility costs for Concourse C that will be separately metered or allocated on a pro rata basis and charged to the cost center; all direct and indirect maintenance and operating expenses for Concourse C and allocated to the cost center; and the Capital Cost associated with the Concourse C Capital Project. The Concourse C Terminal Rental Rate will be established by taking the direct and indirect operating and maintenance expenses and

Capital Cost for the space and dividing the space by the gross square footage measured from the interior of the wall to arrive at a cost per square foot to be charged for the Airline space.

"DBO" or "Date of Beneficial Occupancy" means the date upon which County notifies Airline that the Concourse C project is substantially complete and available for use and occupancy, as reasonably determined by the County. Airline shall have the right and ability to begin to move in to the Leased Premises and/or install items deemed necessary for its operations a minimum of thirty (30) calendar days prior to DBO.

"Direct Cost Centers" means those Cost Centers described as such in Exhibit B.

"Eligible Enplaned Airline Passengers" means Enplaned Passengers of Airline at the Airport in any Fiscal Year that exceed the previous twelve (12) month benchmark revenue Enplaned Passenger total established as of February 28, 2019 (193,008) for purposes of calculating the Capital Credits for Airline Space.

"Enplaned Passengers" means all revenue and non-revenue originating passengers of Airline enplaning at the Terminal Building.

"Federal Aviation Administration" or "FAA" means the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any successor agency thereto.

"Federal Bankruptcy Code" means 11 U.S.C. § 101 et seq., or any successor statute thereto.

"Fiscal Year" means the period from October 1st of one calendar year through September 30th of the immediately following calendar year or such other fiscal year as may hereafter be adopted by the County.

"Grants-in-Aid" means aviation funds from the State of Florida Department of Transportation made available to County for the County's design and construction management of the Capital Project. Any costs related to County's design and construction management not funded by Grants will be added to the Project Cost.

"Leased Premises" means those areas in Concourse C and the Aircraft Parking Apron which, pursuant to Article 3, are leased to Airline as depicted in Exhibit C.

"Non-Airline Space" means that space in Concourse C described and depicted on Exhibit B that is included in the Capital Cost but not leased to Airline.

"Project Cost" means the total costs related to construction, soft costs, and contingency of the Capital Project in accordance with the final construction drawings and request for proposals as issued by the County. TSA checkpoint equipment, concessionaire tenant improvements, and airline specific finishes, fixtures, furniture and equipment will not be included. The general scope identified will be the basis for the final approved construction documents to arrive at the Total Project Cost.

The Project Cost will include any related soft costs, permits, County's design and construction management net of Grants- in-Aid, mobilization, inspections, and commissioning costs (including the checkpoint with the equipment provided by the TSA).

"Project Management" means that the design and construction for the project will be under the direction of the County. The County will contract with the design team and will coordinate all design elements with the Airline designated point of contact prior to accepting the final design. The design team will produce a 30%, 60%, 90% design package for intermediate review and a 100% final design package for final review and written approval by the parties which will also be converted to the bid package.

"Signatory Lease" means Signatory Airline Operating Agreement and Terminal Building Lease.

"Transportation Security Administration" or "TSA" means the Transportation Security Administration of the Department of Homeland Security, as amended, or any successor agency thereto.

Section 1.02 Interpretation

References in the text of this Agreement to articles, sections, paragraphs or exhibits pertain to articles, sections, paragraphs or exhibits of this Agreement, unless otherwise specified.

A. The terms "hereby," "herein," "hereof," "hereto," "hereunder" and any similar terms used in this Agreement refer to this Agreement.

B. Words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

C. Any headings preceding the text of the articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

D. Words importing the singular shall include the plural and vice versa.

Section 1.03 Incorporation of Exhibits

The following attached Exhibits are hereby made a part of this Agreement:

Exhibit A	Eglin Leased Area
Exhibit B	Airport System Cost Centers
Exhibit C	Terminal Space Plan for Concourse C*
Exhibit D	Apron Layout for Concourse C*
Exhibit E	General Civil Rights Provisions
Exhibit F	Sample Calculation for Capital Credits*

*Final Exhibits will be updated upon completion and substituted into this Agreement without the need for an amendment.

**ARTICLE 2
USES, RIGHTS AND PRIVILEGES**

Section 2.01 Use of the Airport

Subject to the terms of this Section 2.01 and those additional terms provided for elsewhere in this Agreement, including but not limited to terms regarding the payment of all Airline Rental payments required to be made by Airline to County under this Agreement, and the restrictions contained in Section 2.02, or elsewhere in this Agreement, including the Eglin Agreements, Airline shall have the right: to conduct its Air Transportation Business at the Airport; to use, in common with others so authorized, the Common Use Premises and public areas of the Airport (including common use facilities of the Airfield Area, including the Eglin Airfield Facilities to the extent permitted by the Eglin Agreements, and subject to the County's authorized operations permitted thereunder, and the public areas of the Terminal Building), in addition to the Leased Premises; and to perform all operations and functions as are necessary to the conduct of Airline's Air Transportation Business at the Airport; including, without limitation, the following:

A. To repair, maintain, condition, service, tow, test, park and store aircraft and other equipment of Airline on its Leased Premises in Concourse C and upon such other areas of the Airport as County may designate;

B. To train personnel of, to be employed by, contracted with, or under the direction of Airline; to train personnel of other air transportation companies, personnel of other aircraft operators and personnel of governmental agencies;

C. To sell, lease, transfer, dispose of or exchange Airline's aircraft, engines, accessories, parts, gasoline, oil, grease, and all other materials, equipment, supplies and articles or goods used by or acquired in connection with the conduct of Airline's Air Transportation Business at the Airport; but only as an incident to the conduct of its Air Transportation Business. Nothing contained herein shall authorize Airline to sell, transfer or exchange Airline's fuel at the Airport, except to a successor company to Airline;

D. To purchase or otherwise obtain services and personal property of any nature, including, but not limited to, aircraft, engines, accessories, parts, gasoline, oil, grease, lubricants, fuel, propellants, food, beverages, including food and beverages for consumption in flight, passenger supplies and all other materials, equipment, supplies and articles or goods used by Airline to conduct its Air Transportation Business at the Airport from any person it may choose; provided, however, that the purchase or obtaining of such services and personal property, including but not limited to, the purchase of gasoline, oil, grease, lubricants, fuel, propellants, food and beverages, including food and beverages intended for consumption in flight, and services from FBO's and similar service concessionaires located at the Airport or providing such services or personal property

through the Airport shall be subject to such Airport concession fees as may be imposed thereon by County from time to time under the terms of any current or future County written or published concession policy, rule or regulation. Airline may (i) provide food and beverages, at Airline's sole cost and expense, or install or maintain vending machines in its non-public Leased Premises of Concourse C for the sole use of Airline's employees, the type, kind, and locations subject to the approval of the Airports Director, (ii) provide for its own in-flight kitchen for catering services, excluding snacks and beverages, to its passengers and crews for consumption aboard aircraft, and (iii) provide light snacks and non-alcoholic beverages to its customers and guests during irregular operations or emergencies within Airline's Leased Premises on Concourse C.

E. To land, take off, fly, taxi, tow, park, load and unload Airline's aircraft and other equipment of Airline used in the operation of scheduled, and other County approved flights, including, but not limited to, the right to load Airline's aircraft upon its Aircraft Parking Apron;

F. To transport, load and unload, passengers, cargo, baggage, property and mail to, from and at the Airport by such loading and unloading devices, and such other typical means of conveyance as Airline may choose or require in connection with its Air Transportation Business at the Airport; provided, however, that any of the above mentioned services provided through service operated by Airport concessionaires shall be subject to such Airport concession fees on such services as County may establish from time to time under the terms of any current or future County written or published concession policy, rule or regulation;

G. To install, subject to the prior approval of the Airports Director, and to maintain and operate, alone or in conjunction with any other air transportation company or companies, or through a nominee, such radio, communications, meteorological and aerial navigation equipment, facilities and associated wiring to the extent wiring is not available from the County, as may be necessary for the conduct of Airline's Air Transportation Business at the Airport, in or on Airline's Leased Premises, and at other locations at the Airport as may be approved by the Airports Director in writing subject at all times to such restrictions and reservations as are or may be imposed by the United States Air Force with respect to Eglin Air Force Base. If so requested by County, Airline shall provide electronic flight arrival and departure information through data entry equipment provided by County installed systems and shall cooperate with County installation and maintenance of centralized and remote flight information displays; provided, however, that such flight arrival and departure information is currently available in Airline's system;

H. To use, in common with others so authorized, the public address system serving the Terminal Building and Concourse C;

I. To use water and electric power systems currently supplied by County at or adjacent to Airline's Leased Premises;

J. To have the right of ingress to and egress from the Airport including, without limitation to and from, Concourse C Airline's Leased Premises, and such right shall extend to

Airline's employees, agents, passengers, business invitees, suppliers of materials, authorized Ground Handler, and providers of service, and it's or their equipment, vehicles, machinery and other property; provided, however, Airline shall not use adjacent unleased space for its operations or customer service functions that otherwise should be performed in Airline's Leased Premises;

K. To use the areas designated by County as airline employee parking facilities for the parking of vehicles of employees of Airline or its authorized Ground Handler whose work site is the Airport, without charge, and for such other employees of Airline as County may authorize upon the payment of such reasonable fees therefor as County may establish and levy as a supplemental charge pursuant to the Signatory Lease. All said airline parking so provided by County shall be subject to such reasonable and nondiscriminatory terms and conditions as County may from time to time prescribe.

L. To station its employees, contractors, or authorized Ground Handler in Airline's Leased Premises and in other areas of the Airport as approved by the Airports Director to provide baggage check-in services;

M. Subject to County's written graphic standards for the Airport, as the same may from time to time be adopted, amended or altered, to install, maintain and use, signs in Airline's Premises with the prior written approval of the Airports Director, to install and maintain identifying signs in the Concourse C Leased Premises as customarily contain airline signage;

N. To install, maintain and operate, the Concourse C Leased Premises, operations offices; lockers, restrooms and related facilities for its employees; and storage facilities and equipment; provided however, that the particular Concourse C Leased Premises are designed to be used for said purpose or said use has been approved, in writing, by the Airports Director; and

O. To process Enplaned Passengers and Deplaned Passengers, handle reservations, ticketing, billing and manifesting of passengers, and handle baggage, express mail and other express shipments, cargo, property and mail, in Airline's Leased Premises and Common Use Premises provided for such purpose;

Section 2.02 Exercise of Rights by and for Third Parties including Ground Handlers

A. Subject to Section 15.01 with respect to handling agreements, and subject to the provisions of Paragraph B of Section 2.02 and the restrictions provided in Sections 2.01 and 2.02, the rights and privileges granted to Airline pursuant to this Article 2 may be exercised on behalf of Airline by other air transportation companies or contractors, and Airline may, except as otherwise restricted by Paragraph B of this Section 2.02, exercise on behalf of any other air transportation company providing air transportation to and from the Airport, any of the rights granted Airline herein.

B. If at any time, the Airports Director shall reasonably determine that the air transportation companies, or authorized Ground Handlers, or contractors exercising the rights and

privileges granted to Airline pursuant to this Article 2 are exercising such rights and privileges (1) in a manner which unreasonable interferes with (a) the operation of the Airport whereby other airlines operating at the airport cannot process passengers in an expedient manner or (b) the maintenance of the Airport such that the same cannot be accomplished in a complete and timely manner; (2) in a manner which adversely affects the health or safety of the public or other users of the Airport; or (3) in a manner which fails to comply with the rules and regulations of the Airport as described in Section 11.01 or terms of this Agreement, the Airports Director shall notify Airline in writing of such determination including the specific reasons therefore. Airline shall promptly commence and diligently pursue action necessary to correct the conditions or actions specified in such notice. If such conditions or actions are not, in the reasonable opinion of the Airports Director, promptly corrected after receipt of such notice or if such conditions or actions required corrective action over a period of time, and Airline has not, in the reasonable opinion of the Airports Director, commenced and diligently pursued all such corrective action, then upon sixty (60) days written notice from the Airports Director to Airline, the Airports Director may terminate Airline's right to use said air transportation company, authorized Ground Handler, or contractor pursuant to Paragraph A above and may terminate said company's or contractor's access to the Airport. Notwithstanding the foregoing provision, the Airports Director shall have the right, upon thirty (30) days prior written notice to Airline, to suspend operations of said air transportation companies, authorized Ground Handlers, or contractors in the event that he deems such action necessary to protect the health or safety of the public or other users of the Airport or in emergency situations. Thirty (30) day written notice to suspend operations of said air transportation companies, authorized Ground Handlers, or contractors may be waived if immediate action is required by a federal government agency, the USAF, State of Florida agency, or other local government agency.

Section 2.03 Restrictions and Reservations

A. The grant of any right and privilege under this Article 2 does not authorize Airline to conduct a separate business on Concourse C at the Airport but permits Airline to conduct such activities only insofar as they are necessary or related to the conduct of its Air Transportation Business on Concourse C at the Airport and to the conduct of authorized Ground Handlers approved pursuant to Section 15.01.

B. Except as herein expressly provided, nothing contained herein is intended or shall be construed to authorize or permit Airline directly, or through the use of any supplier or provider of service, to engage in any activity at or through Concourse C at the Airport which is classified by County as an Airport concession activity pursuant to any County policy, rule or regulation as may be amended from time to time.

C. County specifically reserves and retains all rights with respect to licensing or contracting for concessions, consumer services and FBO and related aviation services on Concourse C at the Airport, including but not limited to food, beverage, retail, advertising, vending, pay telephones, television, automated teller machines (ATM), telecommunications, etc. within Concourse C. County will not license or authorize concession or consumer services in Airline's

Concourse C Leased Premises used for offices, operations, passenger holdrooms, or restricted access areas without Airline's written consent. Notwithstanding the foregoing, Airline may, with County's prior written consent, install vending machines, solely to serve its employees, in areas of its Concourse C Leased Premises as are routinely occupied by said employees and are not visible to the general public.

ARTICLE 3 AIRLINE'S LEASED PREMISES

Section 3.01 Leased Premises in Concourse C

Airline shall have the use of the Concourse C Leased Premises. Airline shall be allowed to provide the space to other airlines, at Airline's sole discretion, and charge a fee for such use which shall be no greater than the direct cost that the County charges Airline for the space plus a fifty percent (50%) administrative fee.

Section 3.02 Preferential Assignment of Concourse C Aircraft Parking Apron associated with the C Concourse Leased Premises

County grants to Airline, and Airline hereby accepts from County, the Concourse C Aircraft Parking Apron as shown on Exhibit D.

Section 3.03 Substitution of Exhibits for Leased Premises upon DBO

At such times as may be required under this Agreement, County shall prepare revised Exhibits C, D, and F based on "as built construction drawings" and final project costs reflecting revised the Airlines' Leased Premises, as constructed, and said exhibits shall be substituted for the current Exhibits C, D and F to this Agreement without formal amendment to this Agreement.

ARTICLE 4 TERM

Section 4.01 Term of Agreement

The Term of this Agreement shall commence on the date of approval and full execution of this Agreement by all parties and, unless sooner terminated pursuant to the provisions of this Agreement, shall expire on September 30, 2026.

Section 4.02 Holding Over

If Airline remains in possession of all or any portion of its Leased Premises after the expiration or termination of this Agreement, by lapse of time or otherwise, without specific notice from County indicating its intention to have Airline quit and vacate the Leased Premises as of that date, such holding over shall constitute the creation of a tenancy at sufferance, terminable by County at any

time upon thirty (30) days written notice. Terminal Rentals will be established by the County at its sole discretion.

ARTICLE 5 RENTALS, FEES, AND CHARGES

A. Rental Rate Effective Date

The Airline Rental Rate requirement shall be effective on the Date of Beneficial Occupancy based on the calculation for the Concourse C Cost Center for the Fiscal Year of Date of Beneficial Occupancy. If the Date of Beneficial Occupancy is a date other than the first of the month, the Airline Rental Rate requirement for that month will be pro-rated as a percent of that date to the total days of that month.

B. Airline Rental Rate Calculation

A separate Cost Center will be established for the Concourse C space included in this Agreement. The Airline Rental Rate will be established for the Cost Center the first year and reviewed and recalculated for each subsequent fiscal year during the Term of the Agreement. The Project Costs funded by Airline for the project (i.e. Capital Costs) will be depreciated on a straight-line basis over a five (5) year period commencing March 1, 2021. Airline will be credited monthly for the capital cost contained in the Concourse C Terminal Rental Rate under the terms outlined below. Once capital credits are reimbursed in full for the investment made by Airline, the capital credits will terminate.

C. Non-Passenger Based Credits Against Rental Rate

1. Other Airline ("OA") Use and Capital Credits- Each fiscal year, the County will establish a cost per turn rate ("Per Turn Rate") for use of Concourse C gates leased by Airline. The projected Per Turn Rate will be based on the Airline Rental Rate times the total square footage for the space divided by the projected Airline operations on Concourse C gates for that month times one hundred fifty percent (150%). If Allegiant approves the use of the Leased Premises by another Airline, Allegiant shall report such use to the County and the County will invoice the other airline for the use, at the approved rate. Upon receipt of the payment of the Per Turn Rate, the County will credit Allegiant for the amount received in the next monthly billing cycle. The revenues from OA use will be credited to Airline against the Capital Credits for Airline Space obligation for Concourse C gates in the month following the OA use.

2. Capital Credits for Non-Airline Space- Attached as **Exhibit F** is an estimated cost and a sample payback calculation methodology. For the non-airline

portion of the space, similar to how it is calculated in **Exhibit F**, the County will issue a fixed monthly credit for non-airline capital costs based on a five (5) year straight-line amortization for the capital component included in the Airline Rentals. Capital credits calculated on an equal monthly basis commencing March 1, 2021 will not be paid to Airline until the Date of Beneficial Occupancy at which time, the accrued credits will be paid to Airline. Once the capital investment is fully reimbursed, no further credits will be due Airline.

D. Passenger Based Capital Credits- Airline Space

1. During the Term of the Agreement, for the Airline portion of the space, Airline will be credited \$9.00 per revenue Enplanement to be applied as Capital Credits- Airline Space. Attached as **Exhibit F** is an estimated cost and a sample payback calculation methodology. This is for illustration purposes only and the amounts and square footage will be adjusted once the final design is complete and the Total Project Cost determined. For the airline portion of the space, similar to how it is calculated in **Exhibit F**, the County will issue a credit monthly based on revenue Enplanements as described for the airline space capital component of the rental rate until such time as the capital investment has been satisfied through the application of the credits and/or any OA fees applied. Once the Project Cost is fully reimbursed, no further credits will be due Airline.

2. The initial payment of the accrued credits will not be paid to Airline until the Date of Beneficial Occupancy of the project improvements. In the event that the Capital Credits- Airline Space have fully reimbursed Airline for the investment associated with the Airline Space, the Parties agree that if there is a remaining balance in the Capital Credit- Non-Airline Space account, additional earned Capital Credits- Airline Space may be applied and reimbursed to Airline in addition to the monthly Capital Credit- Non-Airline Space Credit until such time that the total balance of the Capital Credit- Non-Airline Space is fully paid. At that point, no further credits will be due to Airline.

E. Notwithstanding Sections 5, Paragraphs A, B, and C above, County expressly reserves the right to assess and collect fees from any and all Airport concessionaires and providers of services, including but not limited to concessionaires and operators providing food/beverage, retail, telephone, telecommunications, advertising, in-flight catering, and vending.

F. Provided Airline is in compliance with this Agreement and the Signatory Lease, if there are any remaining capital credits due Airline for eligible Capital Costs at the expiration of this Agreement, the County agrees to reimburse Airline for the remaining balance due within thirty (30)

days following termination.

**ARTICLE 6
PAYMENT OF RENTALS**

Section 6.01 Manner of Payment

A. Airline agrees to pay all sums due under this Agreement in lawful money of the United States of America, upon invoice, unless invoicing is otherwise excluded hereunder, without further notice or demand, without deduction or set off by check or wire transfer, made payable to Okaloosa County. Payment made by check shall be delivered postage or other charges prepaid to:

By U.S. Mail: Office of Airports Director
 Destin-Fort Walton Beach Airport
 1701 State Road 85 North
 Eglin Air Force Base, FL 32542

By Courier: Office of Airports Director
 Destin-Fort Walton Beach Airport
 1701 State Road 85 North
 Eglin Air Force Base, FL 32542

Payment made by wire transfer shall be made payable to Okaloosa County in accordance with instructions that shall be provided to the Airline after execution of this Agreement.

B. Amounts due County shall be payable as follows:

County shall calculate the Concourse C Airline Rental Rate requirement less the applicable Other Airline Use and Capital Credits, the Capital Credits for Non-Airline Space, and the Capital Credits for Airline Space each month following the reporting of revenue Enplanements by the Airline to the County within five (5) working days after the end of the month. The invoice will be due and payable, without set off, within thirty (30) calendar days from the date of invoice. The Airline Rental Rate will be calculated annually at the start of each Fiscal Year based on the formula contained herein.

C. County shall have the right to set off any past due amount(s) owed County by Airline unless charges in question are being contested by Airline and under review by both the Airline and the County by applying all or a portion of Airline's current payments to such past due amount(s). In the event County exercises its right of set-off, as aforesaid, it shall notify Airline of the set-off, including the amount thereof. Airline shall then promptly make payment to County of such sum as

is needed to satisfy current amounts due.

Section 6.02 Airline Financial Reports

Airline shall complete and file with the Airports Director no later than the fifth (5th) business day of each month, on forms provided by County, reports summarizing statistics and information for Airline's prior month operations at the Airport necessary for the computation of the Airline Rental Rate and such other statistical data as is necessary, including but not limited to the following data:

1. A report of Airline's aircraft operations at the Airport by gate, including Revenue Aircraft Arrivals, Revenue Aircraft Departures by aircraft by gate operated at, other aircraft arrivals and departures by gate, and the Maximum Gross Landed Weight of all Revenue Aircraft Arrivals, by aircraft type.
2. Airline's enplaned and deplaned revenue passengers with non-revenue enplanements separately identified.
3. The amount (in pounds) of cargo, freight, mail and express handled by Airline for the month.

Section 6.03 Failure to Report

A. County shall have the right to rely on said activity reports in determining Airline's Rentals due hereunder. Airline shall have full responsibility for the accuracy of said reports. Late payments and payment deficiencies due to incomplete or inaccurate activity reports shall be subject to the late payment and late penalty charges as set forth in Section 6.01, Paragraph C hereof.

B. The acceptance by County of any Airline payment shall not preclude County from verifying the accuracy of Airline's reports or computations, or from recovering any additional payment actually due from Airline. Interest on any additional amount due shall accrue thereon from the date the payment was originally due, at the rate prescribed and calculated in Section 6.01, Paragraph C hereof. County shall provide notification and documentation to the Airline of such charges through its invoice.

C. Airline shall have the right to submit revised activity reports of the current Fiscal Year if determination is made within internal audit that an activity report previously submitted to County for Airline's rentals contained an error. Airline shall provide documentation to prove any inaccuracies in what was previously submitted to the County.

Section 6.04 Airline Records and Audit

A. Airline shall maintain, either at the Airport or elsewhere within Okaloosa County, such books, records and accounts, including computerized records, relevant to the determination and payment of any of Airline's rental payments due hereunder including, without limitation,

records of its aircraft arrivals and departures, Enplanements and Deplanements. Each such item of information shall be maintained for a period of at least three (3) years from the date of creation and longer if necessary for pending litigation. Airline shall promptly provide access to County and, for matters within the jurisdiction of the United States of America, the U.S. Comptroller General, all information requested by them with respect to such books, records and accounts, including computerized records. County and, where applicable, the U.S. Comptroller General, and such persons as may be designated by them, including their auditors and financial consultants, shall have the right, during normal business hours, within ten (10) business days of written notice to Airline, to examine, audit, make copies of, and take extracts from such books, records and accounts, including computerized records.

In lieu of Airline maintaining or providing the above referenced books, records and accounts, including computerized records, within Okaloosa County or at the Airport, Airline may maintain and provide access to said books, records and accounts, including computerized records, at its corporate headquarters. If such books, records and accounts, including computerized records, are made available to County at Airline's offices, Airline shall provide County adequate office working space and the use of on-site office equipment to make its examination or audit.

Except as otherwise provided, the cost of such examination or audit shall be borne by County; provided, however, the cost of such audit shall be reimbursed to County by Airline if (1) the audit reveals an underpayment by Airline of four percent (4%) or more for any Rental payment payable by Airline under this Agreement for any Fiscal Year, as determined by such audit, or (2) Airline has failed to maintain accurate and complete books, records and accounts in accordance with this Paragraph A.

B. In the event that Airline has failed to maintain true and complete books, records and accounts as required by Section 6.04, Paragraph A above, County shall recalculate the total amount of Rental payments due to County by Airline and Airline shall remit to County within fifteen (15) days of receipt of a written demand or invoice therefor from County the delinquent amount late payment charges prescribed under Section 6.01, Paragraph C hereof.

Section 6.05 Right to Contest; No Abatement or Set-off

A. The payment by Airline to County, and the acceptance by County from Airline, of any amount hereunder shall not bar either party from questioning the accuracy of any statement or the basis upon which such payment was made or preclude County from making any claim against Airline for any additional amount payable by Airline hereunder or preclude Airline from making any claim against County for credit for any excess amount paid by Airline hereunder.

Notwithstanding the foregoing, Airline shall not abate, suspend, postpone, set-off or discontinue any payments of Airline's Rentals hereunder unless fees in question are currently under review or being negotiated in good faith with the Airport.

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ARTICLE 7
CAPITAL PROJECT, DEFINITION, TIMING, FUNDING, PAYMENT, AND
RESERVATIONS

Section 7.01 Capital Project Scope

The Concourse C project will consist of the development of a connector to the main terminal, a security checkpoint capable of accommodating a minimum of two (2) passenger processing lanes, a holdroom sized to accommodate two Group 3 aircraft (2 direct parking positions), concessions/retail, restrooms sufficient to support the planned occupancy load (planning standard of 65% of the seat capacity for two Group 3 aircraft), and operations space for ground personnel. The project will include a roll down gate at the entrance to the concourse that will be able to be activated to secure the concourse during periods of non-use.

There will be a minimum of two (2) "gate" door positions to board aircraft that will not include passenger loading bridges. Interior finishes will be similar to the existing finishes in Concourse A&B. In addition, to accommodate potential expansion, all electrical, plumbing, sewer, communications/internet, and mechanical infrastructure will be sized to accommodate the buildout of the Concourse to its ultimate 5 parking position footprint to include support space. The facility will be slab on grade with a roof system that will complement the existing terminal. The exterior will include windows and the walls will be designed to withstand jet blast from a Group 3 aircraft.

Passenger screening equipment will be provided by the TSA and the project will provide all required electrical service for the checkpoint and support areas. The project will include gate podiums/inserts, backwalls, passenger seating, and electrical outlets (for passenger use) similar to what is in place in Concourses A&B at each gate position. The project will fund the infrastructure to accommodate wireless access.

The project will fund the footprint for the concession space including electrical and plumbing/sewer service to the space to support the intended buildout. The County/concessionaire will fund the tenant build out and equipment and will operate the concession. The airline operations office will include a finished ceiling, painted sheetrock walls, tile and carpeted floors, phone/data/electrical, and cellular phone service to support the tenant's and customer needs. The mechanical system will be zoned to allow for adjustment during periods of non-use. Lighting will include zoned motion sensors to provide for minimal lighting during periods of non-use and emergency lighting. The space will include a fire protection system and required fire extinguishers. The project will include a public address system that will be zoned for Concourse C with a connection to the main terminal PA system to provide for emergency announcements and will include all necessary way finding signage and identification signs.

Airline will establish a point of contact for the County and the point of contact will be authorized to make decisions on behalf of the Airline in a timeframe that allows the project to remain on schedule. Airline will provide, fund, and retain ownership of all proprietary computer and peripheral airline equipment required for operations outside of the project costs.

Section 7.02 Project Timeline

The County will issue a notice to proceed for the design of the project upon the execution of this Agreement and the award of the design contract for the Capital Project by the County. The project will be completed and available for use on a schedule agreed to by the parties.

Section 7.03 Investment and Funding Process

A. Okaloosa County

Okaloosa County will dedicate the \$1,290,000 grant received from FDOT (consisting of \$645,000 funded by FDOT and \$645,000 funded by Okaloosa County) for the design of the full buildout of the project and other construction related costs incurred by the County. The design package to be issued will be for the full 5 gate project. The bid packets will be broken into a base bid for the two-gate project and then three individual "add alternates" for three individual single gate expansions. Bids will be requested accordingly.

B. Airline

Airline will fund the project as described in Section 7.01 for costs related to construction, soft costs, and contingency. TSA checkpoint equipment, concessionaire tenant improvements, and airline specific finishes, fixtures, furniture and equipment will not be included. The general scope identified in this Term Sheet will be the basis for the design and development documents to arrive at the Total Project Cost. The design will be coordinated with the Airline designated point of contact based on the concepts agreed to in Section 7.01. The Total Project Cost will include any related soft costs, permits, construction management, mobilization, inspections, and commissioning costs (including the checkpoint with the equipment provided by the TSA).

C. Awarding of Contract

Once the Base Bid and the "add alternates" proposals are received, the County will assemble the submissions and evaluate the proposals received. The County will present the base bid to Airline for confirmation. In addition, the County will present the "add alternates" to Airline for Airline's consideration to be included in the project. Airline will have ten (10) working days to decide if any of the "add alternates" will be included. If any of the "add alternates" are not included in the project to be funded by Airline, the County will have the sole discretion to proceed and fund with County funds the unapproved add alternate(s) and not include them in the Agreement with Airline or to not proceed with the add alternate(s). The County will have the sole discretion to proceed at some future date based on terms and conditions to be determined at that time.

D. Funding and Payment

Once final design is completed for the scope of work as identified in Section 7.01 and agreed to by the parties, a final Project Cost will be determined. The parties agree that in addition to the scope and bid price accepted, there will be a contingency of ten percent

(10%) of the agreed to bid price added to the project cost to cover the unknowns that may be experienced and to cover change orders that will arise through the program to arrive at the Total Project Cost to be funded by Airline. In order to secure finding for the County, Airline will issue a letter of credit in the amount of the Total Project Cost to the benefit of the County prior to the issuance of the notice to proceed to the contractor for the project.

The County and the Airline point of contact will agree on any change orders prior to the notice to proceed with the contractor for any changes. If there are change orders that cause the project to exceed the Total Project Cost, the reimbursement schedule will be adjusted accordingly to arrive at the final rental rate including the Capital Credits. Airline will issue an additional letter of credit to the benefit of the County to cover all approved costs in excess of the Total Project Cost prior to the notice to proceed is issued to the contractor.

The County and Airline will agree and process approved payment requests as submitted minus a ten percent (10%) retainage amount. Airline will wire to County within five (5) working days the amount agreed to in the payment request. County will issue payment to the contractor for the agreed to amount and obtain the appropriate lien waivers.

Section 7.04 Management of Project

Airline will provide the County with a designated point of contact who has decision making authority so that any plan, budget or schedule issues may be quickly addressed. It is essential that the County and Airline collaborate such that the timeline and costs are managed as efficiently as possible. The project design, procurement and construction will be meet all local and federal regulatory agency requirements.

The design and construction for the project will be under the direction of the County. The County will contract with the design team and will coordinate all design elements with the Airline designated point of contact prior to accepting the final design. It is expected the design team will produce a 30%, 60%, 90% design package for intermediate review and a 100% final design package for final review and written approval by the parties which will also be converted to the bid package.

The County will issue all specifications initially for the project and receive all bids in order to ensure compliance with County procurement requirements for public buildings. The County will consult with the Airline designated point of contact in the award of contracts and on schedules to arrive at a mutually agreeable completion date. The County will lead the ongoing management of the project and advise the Airline designated point of contact of any variation from plan, budget, or schedule. In the event that there are variances, the County will coordinate with Airline for resolution.

Section 7.05 Budget, Contingency, and Change Orders

Once the Project Cost, including contingency, is determined, Airline will issue a letter of credit for the Project Cost amount, including contingency, to the benefit of the County. In the event that there is a change order request by the contractor or subcontractors, the County will review the request with the Airline designated point of contact and determine the status of the change order request. Airline will approve all change orders that will be included in the Project Cost. The County reserves

the right to accept change orders that are not approved by Airline and not include the change order in the Project Cost and fund the change order with County discretionary funds.

Section 7.06 Payment

The County will issue payments to the contractors and receive lien waivers upon receipt of payment. The County will lead the resolution for all liens. The County will provide monthly summary reports on payment requests and payments made to Airline.

Section 7.07 Reservations

The County reserves the right to proceed with any or all of the bid “add alternates” without the approval or funding from Airline. Should the County proceed, the County will be responsible for the project costs and maintain full control of the development. The space will not be included in the Airline Reimbursement and Space Lease Agreement and Airline will not be charged for the capital or operating costs of the space.

Section 7.08 Completion of Reimbursement Agreement

Upon termination of this Agreement, the County will merge Concourse C into the Signatory Lease, or its successor lease, and the separate C Concourse cost center will be eliminated, and the space will be treated the same as all other terminal space. Upon termination of this Agreement, as called for herein, the rights for gate access will be as called for in the applicable Signatory Lease.

Remainder of page left blank intentionally.

ARTICLE 8
OBLIGATIONS OF COUNTY

Section 8.01 Operation and Maintenance

A. County shall operate and maintain the Airport in a prudent manner and shall keep the Airport, including Concourse C, in good condition and repair. County shall have no obligation to operate or maintain the Eglin Airfield Facilities maintained by the United States Air Force. County's obligation with respect to Concourse C shall include responsibility for all roof maintenance and all structural maintenance and the maintenance of the heating, ventilating and air conditioning systems, the electrical system and the plumbing and sewage system up to their point of entry to Airline's Leased Premises or attachment to Airline's equipment, except for those parts of the Leased Premises and those maintenance obligations for which Airline is responsible pursuant to Section 9.01 of Article 9 hereof. County's maintenance obligation with respect to Concourse C shall also include custodial and general maintenance of the public areas. County shall maintain a centralized refuse removal system and contractor for the Airport and Airline shall pay its pro-rata share of the cost therefor. County shall also maintain the Airport's public address system and the public address system in Concourse C, the cost thereof being included within the Concourse C Rental Rate.

B. County shall cause electricity, air conditioning, heat, sewerage disposal and water to be supplied to Airline's Leased Premises and to such public areas of Concourse C programmed for said service in the Project. County shall not be responsible for disruptions in service due to failure of utility suppliers or other causes beyond County's control.

C. County shall be responsible for the maintenance and repair of County's taxiways, the Aircraft Parking Apron adjacent to Concourse C.

Section 8.02 Security Services

County shall provide public safety officers, in such numbers, at such times and at such locations which are at a minimum necessary for County's compliance with security measures (a) required of Airline by the FAA or the TSA or by the County in accordance with applicable requirements of the FAA or the TSA or their authorized successor(s) or (b) contained in any Airport master security plan approved by the FAA or the TSA or their authorized successor(s) The costs of providing such officers, and related support facilities, services and equipment shall be included in the Concourse C rental rate and allocated to the Concourse C Cost Center.

ARTICLE 9
OBLIGATIONS OF AIRLINE

Section 9.01 Maintenance, Replacement and Repair

A. Airline shall, at its own cost and expense, maintain and repair Airline's equipment, fixtures, and personal property installed or located in Airline's Leased Premises, any Airline-installed connections to County-installed utility systems and all Airline's equipment attached or connected to County utility systems whether or not any of the same is affixed or attached to such Leased Premises. Airline shall also provide cleaning, maintenance and refuse removal services on its aircraft.

B. Airline may, from time to time, request County to perform any given maintenance or repair work for which Airline is responsible pursuant to Section 9.01, or any alterations authorized pursuant to Section 9.02. County shall be under no obligation to perform any such services; however, if County does perform any such services, it shall do so on a work-order basis and shall invoice Airline therefor in an amount equal to County's reasonable cost of providing such services, which costs shall include all of County's direct and indirect costs, including but not limited to, all fringe and overhead rates.

Section 9.02 Alterations, Additions and Improvements

A. Except as expressly provided herein, Airline shall make no alterations, additions, or improvements to or installations on its Leased Premises (including, but not limited to, work which could affect utility or other systems for which County is responsible) or Aircraft Parking Apron without the prior written permission of the Airports Director.

B. Before the commencement of any such work, detailed plans and specifications, including any amendments thereto shall be filed with and approved, in writing, by the Airports Director and all governmental departments and authorities having jurisdiction thereof. Airline shall be responsible for obtaining and paying for all applicable permits for any such alterations and improvements. All such work shall be done subject to and in accordance with the requirements of applicable law and regulations of all such governmental departments and authorities, and, where required, each affected public utility company.

C. Such work shall be performed in a good and workmanlike manner and in accordance with the plans and specifications approved for the same. At all times during such work, Airline shall have on file with the Airports Director a copy of the approved plans and specifications on the construction site for inspection by County, if the same are herein required. Airline shall promptly commence to redo or replace and diligently pursue the same, at its sole cost and expense, prior to or after completion of such work, any work which is not done in accordance with such plans and specifications as approved by the Airports Director.

D. All permanent alterations, additions or improvements at any time placed upon its Leased Premises or Aircraft Parking Apron by Airline shall be deemed to be and become a part of the realty and the sole and absolute property of County upon completion, unless otherwise agreed

to in writing by County and Airline at the time of County's approval thereof pursuant to Section 9.02, Paragraph A above; and, upon completion, Airline shall inform the Airports Director in writing of the cost thereof and shall give to the Airports Director a complete set of as-built drawings thereof, if the same were previously requested, in Auto Cad or Micro Station format as County may request.

E. Airline shall promptly pay all lawful claims made against County and discharge all liens filed or which exist against the Leased Premises or Airline's trade fixtures or trade equipment arising out of or in connection with, whether directly or indirectly, the failure to make payment for work done or materials provided by Airline, its contractors, subcontractors, or material men. However, Airline shall have the right to contest the amount or validity of any such claim or lien without being in default under this Agreement. In the event that County's legal counsel reasonably determines that security is required to guarantee discharge of said claim or lien in the event that said claim or lien is finally determined against Airline, County shall provide Airline with written notice of such determination. Within twenty (20) calendar days of said notice, Airline shall provide such security, in such form and amount as is reasonably satisfactory to County's legal counsel. County shall give timely notice to Airline of all such claims and liens of which it becomes aware.

Section 9.03 Security Provided by Airline

A. If, and to the extent required by the FAA and/or Department of Homeland Security (DHS) for airlines to provide, Airline shall provide, in common with other airlines, security screening services, facilities, personnel and equipment in accordance with applicable regulations of the FAA and/or DHS as from time to time existing, the location of said facilities to be subject to the prior written approval of the Airports Director. This provision shall apply only if and to the extent required by the Federal Aviation Regulations from time to time.

B. Airline shall, with respect to its Airline Leased Premises, be responsible for the monitoring and control of doorways and other access ways to the Airfield Area air operations areas as identified in County's FAA approved Security Plan and shall be liable to County for any fine, penalty or charge resulting from security violations with respect thereto, except those caused by County. Any such fines or penalty charges assessed shall be due and payable upon demand.

Section 9.04 Conduct

Airline, its employees, ticketed passengers, guests, licensees, invitees and independent contractors shall conduct themselves in an orderly and proper manner so as not to disturb, annoy or offend others at the Airport or to violate any of County's present or future written or published reasonable and nondiscriminatory policies, rules or regulations. Upon notification by County specifically indicating the conduct which constitutes the violation of the provisions of this Section 9.04, Airline shall forthwith take all reasonable measures necessary to terminate the offensive, disorderly or improper conduct.

Section 9.05 Airline Obligations Regarding Disabled Aircraft

A. Airline shall have readily available the maintenance personnel and basic equipment

to remove any disabled aircraft from the Aircraft Parking Apron. Removal shall be made in an expeditious manner recognizing that with respect to operation of the military runways and Airport taxiways time is of the essence. In lieu of Airline maintenance personnel and equipment, Airline may have contractual agreements with servicing personnel for the provision of manpower and equipment for said purposes. Airline shall have, or its contract service personnel shall have, the following basic equipment in place on the Airport premises to handle disabled scheduled aircraft:

1. A tow bar.
2. Complete wheel assembly to include tire tube, and rim for immediate installation on the nose gear and main gear.

Airline shall make available for inspection the basic equipment required. All servicing of any disabled aircraft shall be in accordance with the Federal Aviation Administration and other governmental regulations and provisions of the Eglin Agreements.

B. Airline shall be required to move illegally parked or disabled aircraft from the Aircraft Parking Apron as aforesaid. If Airline refuses or cannot remove the disabled aircraft as required, County may, subject to applicable laws and regulations of the Federal government, including those of the United States Air Force, have the aircraft towed to another location at Airline's expense. County shall give Airline prior notice of its intent to remove such illegally parked or disabled aircraft and County shall use reasonable efforts and care to remove such aircraft. Any servicing, towing or removal of aircraft by County shall be at the expense of Airline and without liability to County for damage resulting from such servicing, towing or removal. The foregoing provision shall not relieve third party contractors from liability to Airline for damages resulting from their negligence.

Section 9.06 Performance by County Upon Failure by Airline

If Airline fails to perform any obligation required by Sections 9.01 or 9.02 of this Article 9, County shall give Airline written notice of such failure. If Airline fails to perform such obligation within thirty (30) calendar days of receipt of such notice, or if such obligation cannot with due diligence be performed within such thirty (30) calendar day period, and Airline has failed to immediately commence and diligently pursue performance thereof upon receipt of such notice, County may perform such obligation of Airline, and charge Airline for the cost of County's performance, plus a reasonable administrative charge representing County's fee for managing the same.

ARTICLE 10
RIGHTS OF USE BY AIRLINE

Section 10.01 Other Airline Use and Credits

The airline space portion of Concourse C leased by Airline under this Agreement will be classified as Preferential Use Space with Airline having preferential rights to the space. Those rights will be protected for scheduled and unscheduled Airline flights and to accommodate irregular operations by Airline. The built-in podiums, inserts, and backwalls will be primarily used by Airline. If an other airline ("OA") is authorized to use the gates, at the discretion of Airline, the OA will need to provide portable passenger processing units for use that will be available only during the actual processing of flights. Those units will be removed once the flight has departed and stored in an area agreed to with the OA. During the Term of the Agreement and provided Airline is in compliance with this Agreement and the Signatory Lease, Airline may approve the use of the gates for OA use under a cost per turn rate. The turns will be reported to the County monthly and the County will invoice the OA and credit the calculated per turn fee to the Airline's Airline Space obligation the first month after receipt of payment from the OA. Any revenues from OA use will be applied as a credit to the Airline passenger-based Airline Capital Credit obligation.

Section 10.02 Concourse C Closure

Since Airline is the primary user of the Concourse, upon consultation with the County and Airline, the Concourse may be closed when Airline does not use the gates to support their schedule or it is not used for authorized OA activity as determined by Airline. During periods when the Concourse is closed, the County will use its best efforts to ensure utilities and maintenance are kept at minimum levels. In the event that the County funds and develops additional gates on the C Concourse, the County will determine the terms for closure of the concourse taking into account reducing the operating costs for the Leased Premises occupied by Allegiant to the greatest degree possible.

ARTICLE 11
RULES AND REGULATIONS; COMPLIANCE WITH LAWS

Section 11.01 Rules and Regulations

Airline shall comply with and shall use reasonable efforts to cause its employees, passengers, where applicable, guests, invitees, and independent contractors to comply with all of County's written or published uniform, reasonable and nondiscriminatory rules and regulations with respect to the safe, prudent, or orderly conduct, use or operation of the Airport, as such rules and regulations currently exist and as they may be enacted or amended from time to time in the future, provided Airline is notified of such amendment and such rules and regulations do not increase Airline's obligations hereunder with the exception of government mandates.

Section 11.02 Observance and Compliance with Laws

A. Airline shall, in connection with its rights and obligations hereunder, observe and comply with all laws, statutes, ordinances and regulations of all governmental authorities having jurisdiction, and shall pay all taxes and obtain all licenses, permits, certificates and other authorizations required by all applicable federal, state, county and municipal laws, statutes, and ordinances, including but not limited to all rules, regulations and directives of the Federal Aviation Administration.

B. Airline agrees to make part of and incorporate into this Agreement by reference or by setting forth at length, at the option of County, any and all statutes, rules and regulations, and assurances and covenants required pursuant thereto, the incorporation of which may now or hereafter be required by the Federal Aviation Administration, the Department of Homeland Security, any other federal agency with jurisdiction over the Airport, or by the State of Florida; provided, however, that nothing herein shall be construed to limit or diminish the right of Airline, at its own cost, risk and expense, to contest the same, by appropriate judicial or administrative proceeding. If requested, County shall, to the extent legally permissible and appropriate, cooperate and assist Airline, in any such proceedings, provided that Airline assumes the expense of County regarding the same.

ARTICLE 12
DAMAGE OR DESTRUCTION

Section 12.01 Damage

If Airline's Leased Premises and the non-airline premises in Concourse C, or any portions thereof on its Aircraft Parking Apron, or buildings or structures of which the Airlines Leased Premises may be a part, be damaged by fire or other casualty, and if the damage is repairable within ninety (90) calendar days from the date of the occurrence, the premises shall be repaired with due diligence by County and, so long as the damage is not due to the negligence of Airline, the rental allocable to the particular premises, area or portions of the premises rendered untenable, for the period from the occurrence of the damage to the completion of repairs, shall be abated; provided, however, County will use its best efforts to provide Airline with temporary substitute premises, if available, at such rent as is deemed reasonable by County, but in no event at a higher rental than that paid by Airline for its damaged space, until such time as the repairs are completed. County's obligation to rebuild shall be limited to the extent of available insurance proceeds.

Section 12.02 Destruction

If Airline's Leased Premises or non-airline premises in Concourse C, or any portions thereof be completely destroyed by fire or other casualty, or should they be damaged to such an extent that the damage cannot be repaired within ninety (90) calendar days after the occurrence, either party shall have the option to terminate this Agreement or terminate Airline's tenancy to the particular premises so rendered untenable. In the event that this paragraph shall become applicable, County shall advise Airline within thirty (30) calendar days after the happening of any such damage whether County has elected to continue the Agreement in effect as to the premises damaged or destroyed or to terminate it. If County shall elect to continue this Agreement in effect, it shall commence and prosecute with due diligence any work necessary to restore or repair the premises, and, so long as the damage is not due to the negligence of Airline, the rental allocable to the particular premises rendered untenable, for the period from the occurrence of the damage to the completion of the repairs, shall be abated; provided, however, County will exert its best efforts to provide Airline with temporary substitute premises, if available, at such rent as deemed reasonable by County, but in no event at a higher rental than that paid by Airline for its damaged space, until such time as the repairs are completed. Notwithstanding the foregoing and provided that such damage was not due to the negligence of Airline, if such damage or destruction to Airline's Leased Premises or non-airline premises located on Concourse C, as aforesaid, will substantially impair Airline's ability to operate at the Airport for a period of thirty (30) calendar days or more, Airline may, upon thirty (30) calendar days advance written notice to County terminate this Agreement.

ARTICLE 13 INDEMNIFICATION

Section 13.01 Indemnification

A. Airline shall assume, protect, defend, reimburse, and indemnify County and its past, present and future officers and Airports Directors and employees and agents, and each of them, and shall hold County and its past, present and future officers and Airports Directors and employees and agents, and each of them, harmless at all times from and against any and all liabilities, losses, fines, damages of whatever nature, causes of action of every kind and character, whether or not meritorious, suits, claims, demands, judgments, awards, settlements, costs and expenses including, without limitation, payments of claims or liabilities resulting from any injury or death of any person or damage to or destruction of any property resulting from or incident to Airline's use and occupancy of the Airline's Leased Premises or other areas or facilities at the Airport or in connection with or incident to the conduct of Airline's Air Transportation Business under this Agreement or its obligations and covenants under this Agreement including, but not limited to:

1. The willful misconduct, negligent or tortious act or omission of Airline or any of its agents, employees, business invitees, licensees, contractors or subcontractors;
2. Airline's negligence or willful misconduct or tortious act or omission in its use or occupancy of the Airport, the Airline's Leased Premises or its operations under or pursuant to this Agreement;
3. The violation by Airline of any agreement, covenant or condition of this Agreement;

except to the extent any such injury, death or damage is caused by the negligence or willful act of County, provided, however, the foregoing exception shall not apply to any County negligence or any specific sole obligation of indemnity required of Airline under this Agreement.

B. RESERVED

C. Airline shall protect, defend, reimburse, and indemnify County and its past, present and future officers and Airports Directors and employees and agents, and each of them, and shall hold County and its past, present and future officers and Airports Directors and employees and agents, and each of them, harmless at all times from and against any and all claims and liabilities for compensation under any workers' compensation statute arising out of injuries sustained by any employee of Airline. Airline also covenants that it shall cause its licensees, contractors and subcontractors to maintain in effect at all times workers' compensation insurance as required by law.

D. Airline's obligation to protect, defend, reimburse, and indemnify past officers and Airports Directors of County shall apply to such persons only for such periods during which said

officers and Airports Directors held their office or position with County.

E. Without limiting the generality of any other provision hereof, Airline shall reimburse County for any and all reasonable attorney's fees and investigation expenses incurred by County in the defense and handling of said causes of action, suits and claims and in enforcing the provisions of this Agreement, excepting those expenses incurred by County in the defense and handling of said causes of action, suits and claims resulting from the negligence or willful act or omission of County, provided, however, the foregoing exception shall not apply to any County negligence required or any specific sole obligation of indemnity required of Airline under this Agreement.

F. Airline shall protect, defend, reimburse and indemnify County from, and assume all liability for, and pay, all taxes and assessments, including but not limited to such taxes and assessments as may from time to time be imposed by County, which by law may be levied or assessed on the Leased Premises, the Preferentially Assigned Premises and any other premises occupied by Airline pursuant to this Agreement, or which arise out of the conduct of Airline's Air Transportation Business under this Agreement or by reason of Airline's occupancy of its Leased Premises, Preferentially Assigned Premises or Rentals, Fees and Charges hereunder. Airline may, at its own risk, cost and expense, and at no cost to County, and without being deemed to be in default under this Agreement, contest, by appropriate judicial or administrative proceedings, the applicability or the legal or constitutional validity of any such tax or assessment, and County shall, to the extent permitted by law, execute such documents as are necessary to permit Airline to contest or appeal the same. Airline shall be responsible for obtaining bills for all of said taxes and assessments directly from the taxing authority and shall promptly deliver to the Airports Director copies of receipts of payment of such taxes. In the event that County receives said bills, it shall promptly mail the same to Airline.

ARTICLE 14

TERMINATION AND DEFAULT UNDER AGREEMENT

Section 14.01 Termination by County

A. If any one or more of the following shall occur, then upon the occurrence of any such event or at any time thereafter during the continuance thereof, County may, at its option, immediately and without prior notice of default, terminate the lettings, licenses and other rights of Airline hereunder by sending written notice of termination by registered or certified mail to Airline at its address set forth in Section 17.09, which notice shall be deemed given and effective ten (10) calendar days after mailing:

1. Airline shall become insolvent (as such term is defined under Section 101 of the Federal Bankruptcy Code, 11 U.S.C. 101 et seq. (the "Code"), or any successor statute thereto); or shall fail to pay its debts generally as they mature; or shall take the benefit of any present or future federal or state insolvency statute; or shall make a general assignment for the benefit of creditors; or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the Code or under any other law or statute of the United States or of any

State thereof; or consent to the appointment of a receiver, trustee, custodian, liquidator or other similar official, of all or substantially all of its property; or an order for relief shall be entered by or against Airline under any chapter of the Code;

2. By order or decree of a court, Airline shall be adjudged a debtor or bankrupt or an order shall be made approving a petition filed by any of its creditors or by any of its stockholders, seeking its reorganization or the readjustment of its indebtedness under the Code or under any other law or statute of the United States or any State thereof and such order or decree shall not be stayed or vacated within thirty (30) days of its issuance;
3. A petition under any chapter of the Code or an action under any federal or state insolvency law or statute shall be filed against Airline and shall not be dismissed or stayed within thirty (30) days after the filing thereof;
4. By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer, a receiver, trustee, custodian, liquidator or other similar official shall take possession or control of all or substantially all of the property of Airline and such possession or control shall continue in effect for a period of thirty (30) days;
5. Airline shall become a corporation in dissolution;
6. The letting, license or other interest of or rights of Airline hereunder shall be transferred to, pass to, or devolve upon, by operation of law or otherwise, any other person, firm, corporation or other entity, by, in connection with or as a result of any bankruptcy, insolvency, trusteeship, liquidation or other proceedings or occurrence described in Subparagraphs 1 through 5 of this Paragraph A; or
7. Airline shall be prevented for a period of ninety (90) consecutive days by action of any governmental agency, other than County, from conducting its Air Transportation Business at the Airport, except with respect to any such governmental action affecting airlines generally at the Airport.
8. Airline fails on three (3) separate occasions during any twelve (12) consecutive month period to make payment of any Rentals or other payment to County when due;
9. Airline fails to comply with one or more of its obligations under this Agreement on three (3) separate occasions during any twelve (12) consecutive month period;
10. In the event that Airline is determined to be in default of the Reimbursement Agreement and Space Lease and/or does not have an executed Signatory Lease or is not in compliance with the terms of the Signatory Lease and has not cured any elements of default following notice and a reasonable cure period, the

Reimbursement Agreement and Space Lease will be terminated and any further capital credits to Airline for investment will be terminated. The facilities will be incorporated into the Signatory Lease.;

11. The assignment of Leased Premises which is not approved by the County in accordance with the provisions of Section 15 occurs and the failure of Airline to nullify such assignment within a period of ten (10) calendar days after written notice specifying such failure by the County.

B. If Airline shall become a merged corporation in a merger or a constituent corporation in a consolidation which is permitted pursuant to Section 17.10, such merger or consolidation shall not be grounds for termination of the lettings or of Airline's rights hereunder. If Airline shall become a merged corporation in a merger or a constituent corporation in a consolidation which is prohibited pursuant to Section 17.10, County may, at its option, terminate the lettings, licenses and other rights of Airline hereunder upon ten (10) days prior written notice of termination sent by registered or certified mail to Airline at its address set forth in Section 17.09, which notice shall be deemed given and effective ten (10) days after mailing.

C. If Airline shall fail to duly and punctually pay any Airline Rentals required to be paid hereunder or shall fail to make payment when due of any other sum required to be paid to County pursuant to this Agreement, then County may, if such default is not cured within ten (10) business days after receipt of written notice thereof with respect to such non-payment of Airlines Rentals and thirty (30) calendar days with respect to the non-payment of any other fee or charge, at its option, terminate the lettings, licenses and other interests and rights of Airline hereunder, by sending written notice of termination by registered or certified mail to Airline at its address set forth in Section 17.09, which notice shall be deemed given and effective when mailed.

D. If any one or more of the following shall occur, then upon the occurrence of any such event or at any time thereafter during the continuance thereof, County may, at its option, terminate the lettings, licenses, and other rights of Airline hereunder by sending written notice of termination by registered or certified mail to Airline at its address set forth in Section 17.09, which notice shall be deemed given and effective when mailed:

1. A lien shall be filed against the Leased Premises or any portion thereof because of any act or omission of Airline, and shall not be discharged within thirty (30) calendar days after receipt of notice or other knowledge thereof by Airline, unless Airline shall within the aforesaid thirty (30) calendar days after receipt of notice or other knowledge thereof by Airline furnish to County security in such form and as County's legal counsel shall prescribe to protect the interests of County; or
2. Airline shall fail to keep, perform and observe any term, condition, provision, warranty or covenant of this Agreement for a period of thirty (30) calendar days after written notice specifying such failure is given to Airline by County; provided, however, that any such failure which can be remedied, but which cannot with due

diligence be remedied within such thirty (30) calendar day period, shall not give rise to County's right to terminate this Agreement if corrective action is instituted by Airline within the applicable period and diligently pursued until the failure is remedied.

E. Notwithstanding any other provision in this Agreement, Airline agrees that upon any default in payment under this Agreement or upon the failure by Airline to comply with any other term, condition, provision, warranty or covenant hereof and Airline's failure in each case to cure such default or failure within any applicable grace period granted hereunder, County may:

1. Terminate this Agreement without discharging any of Airline's obligations hereunder accruing through the termination date and exclude Airline from its Leased Premises, including its assigned Aircraft Parking Apron positions;
2. Without terminating this Agreement, exclude Airline from its Leased Premises and use its best efforts to lease such Leased Premises to another airline for the account of Airline, holding Airline liable for all Airline Rentals due hereunder up to the effective date of such leasing and for the excess, if any, of Airline Rentals payable by Airline under this Agreement for the remainder of the term of this Agreement over the rentals and other amounts which are paid by such new airline under such new agreement; and
3. From time to time, take whatever action at law or in equity appears necessary or desirable to collect Airline Rental amounts payable by Airline hereunder then due and thereafter to become due, and to enforce the performance and observance of any obligation, agreement or covenant of Airline under this Agreement.

F. It is understood and agreed that the rights and remedies set forth in this Section 14.01 shall be in addition to all other rights and remedies which are or may be available to County at law or in equity.

G. All the rights and remedies hereinbefore given to County and all rights and remedies given to Airline by law shall be cumulative and concurrent. No termination of this Agreement or the taking or recovering of the Preferential Use Premises shall deprive County of any of County's rights or remedies or actions against Airline for Airline Rentals, Fees and Charges, Supplemental Charges, PFCs, any other amount due or for damages or for the breach of any covenant herein contained, nor shall the bringing of any action for Airline Rentals, Fees and Charges, Supplemental Charges and PFCs or breach of covenant, or the resort to any other right or remedy herein provided for the recovery of Airline Rentals, Fees and Charges, Supplemental Charges, PFCs or any other amount due be construed as a waiver of the right to obtain possession of the Airline's Leased Premises, including assigned aircraft parking positions.

Section 14.02 Termination by Airline

A. Any time that Airline is not in default in the payment of any amount due from it to County hereunder, Airline may terminate this Agreement prior to the scheduled expiration date set

forth in Section 4.01 and its obligations hereunder by giving County sixty (60) days advance written notice by registered or certified mail at its address set forth in Section 17.09 upon or after the happening and during the continuance of any of the following events:

B. Any action of the Federal Aviation Administration or any other federal, state, or municipal governmental agency refusing to permit Airline to operate into, from or through the Airport aircraft it previously operated regularly thereon and the remaining in force of such refusal for a period of at least sixty (60) calendar days; provided, however, that this provision shall not apply if occasioned by Airline's failure to comply with airworthiness, safety or noise standards for such aircraft as promulgated by FAA;

C. After date of beneficial occupancy, Airline is prevented from conducting its Air Transportation Business at the Airport for a period of one hundred eighty (180) consecutive days for any reason other than its own fault;

D. So long as there are no Bonds then outstanding for the Airport, any failure by County to keep, perform and observe any material and essential covenant or other provision of this Agreement for a period of sixty (60) calendar days after written notice specifying such failure and requesting that it be remedied is given to County by Airline; provided, however, that any such failure which can be cured, but which cannot with due diligence be cured within such sixty (60) calendar day period, shall not give rise to Airline's right to terminate this Agreement if corrective action is instituted by County within the applicable period and diligently pursued until the failure is corrected.

E. So long as there are Bonds outstanding for the Airport, Airline's remedy for any County default under this Paragraph C above, shall be an action in contract for damages or an action seeking specific performance by County.

Section 14.03 Change of Lease Term

A. Notwithstanding the provisions of Sections 14.01 and 14.02 hereof, automatically and immediately upon the occurrence of an event of default described in Section 14.01, Paragraph A, Subparagraphs 1 through 6, the term of this Agreement shall convert to month-to-month, commencing on the date of the automatic conversion, and in addition to its rights under Article 14, either party shall have the right to terminate the Agreement upon thirty (30) calendar days written notice from County to Airline, or from Airline to County.

B. The conversion of the term of this Agreement pursuant to this Section 14.03 shall neither discharge any of Airline's obligations hereunder nor affect any of County's other remedies set forth herein.

Section 14.04 Removal of Airline Property

A. The personal property placed or installed by Airline at the Airport including, but not limited to, trade fixtures, trade equipment, and any alterations, additions or improvements at any time placed upon Airline's Leased Premises not becoming part of the realty and the property of

County upon completion under Section 9.02, Paragraph D of this Agreement, shall remain the property of Airline and must be removed on or before the expiration of the term or the expiration of any extension or renewal hereof at Airline's sole risk and expense and the space restored to its original condition, normal wear and tear excepted. Any damage to Concourse C or any portion thereof resulting from such removal or restoration shall be paid for by Airline. In the event of termination of this Agreement, Airline shall have seven (7) calendar days after such termination during which to remove such property. However, County shall have the right to assert such lien or liens against said property as County may by law be permitted; provided, however, nothing herein shall give County any lien rights with respect to any of Airline's aircraft. So long as any such property remains in the Leased Premises, Airline's obligation to pay Airline Rental payments due County shall continue with respect to such Airline Leased Premises.

B. If Airline's property is not removed as herein provided, County may, at its option, after written notice to Airline and at Airline's sole risk and expense, remove such property to a public warehouse for deposit, or retain the same in County's possession and after the expiration of thirty (30) calendar days sell the same, the proceeds of which shall be applied first to the expenses of such removal and sale, second to any sum owed by Airline to County, and any balance remaining shall be paid to Airline. The County's right to remove property pursuant to this section does not apply to any of Airline's aircraft, which Airline agrees to promptly remove from the Leased Premises upon the expiration of the term or the expiration of any extension or renewal hereof at Airline's sole risk and expense.

Section 14.05 No Waiver

A failure by a party to take any action with respect to any default or violation by the other party of any of the terms, covenants, or conditions of this Agreement shall not in any respect limit, prejudice, diminish or constitute a waiver of any rights or remedies of the non-defaulting party to act with respect to any prior, contemporaneous, or subsequent violation or default or with respect to any continuation or repetition of the original violation or default. The acceptance by County of payment for any period or periods after a default or violation of any of the terms, conditions, and covenants of this Agreement shall not constitute a waiver or diminution of, nor create any limitation upon any right of County pursuant to this Agreement to terminate this Agreement for subsequent violation or default, or for continuation or repetition of the original violation or default.

ARTICLE 15 ASSIGNMENT

Section 15.01 Ground Handling Agreements

For so long as Airline conducts its Air Transportation Business at the Airport, Airline may use its Airline Leased Premises, and all public areas of the Airport which Airline has a right to use in common with others, for the handling by Airline's personnel or by personnel of Airline's duly authorized Ground Handler, but only while acting on behalf of Airline, of the air transportation business of any other air transportation company or companies authorized by County to use the Airport to the same extent as they may be used for the Air Transportation Business of Airline;

provided, however, that: (A) Said Ground Handling agreement is reasonable and submitted to the Airports Director prior to implementation of said handling arrangement for informational purposes and not for approval, and (B) Unless such aircraft operator handled by Airline has an agreement with County requiring the reporting of statistics, Airline shall require Airline's Ground Handler to provide the Airports Director, in writing, with the statistics with respect to the Airline's and designated Affiliate Airlines' aircraft and passengers handled as required by Section 6.02 hereof to enable County to bill rentals payments due on account of said Airline's use of the Airport. The handling agreement referenced in (A) above shall designate the party responsible for reporting said statistics to County. If the Airports Director so elects, and upon notice to Airline, County may collect Airport rental charges due the County directly from said air transportation company in lieu of Airline collections pursuant to (B) above.

Section 15.02 Assignment and Sublease by Airline

A. Except as otherwise specifically provided in this Agreement, Airline covenants that it shall not assign, transfer, convey, sell, mortgage, pledge or encumber the Airline Leased Premises, or this Agreement or any part thereof, or any rights of Airline hereunder or allow the use of such Airline Leased Premises hereunder, by any other person without the prior written consent of County; provided, however, that without such consent Airline may assign its rights under this Agreement to any corporation with which Airline may merge or consolidate pursuant to Section 17.10. Consent by County to any type of transfer described in this Section 15.02, Paragraph A, or elsewhere in this Agreement shall not in any way be construed to relieve Airline from obtaining further authorization from County for any subsequent transfer of any nature whatsoever.

B. Notwithstanding any assignment or any other transfer of the Airline's Leased Premises, or any rights hereunder, Airline shall remain fully liable for the payment of all of its Airline Rentals payments due County and fully responsible for the performance of all of its other obligations hereunder, unless and to the extent that County provides a specific written release to Airline in its written consent provided pursuant to Paragraph A hereof.

C. Any and all requests by Airline for authorization under Paragraph A of this Section 15.02 shall be made in writing by certified mail to the Airports Director at County's address set forth in Section 17.09. The County shall have thirty (30) calendar days to provide a written response.

D. If any transfer of Airline's interest hereunder shall occur, whether or not prohibited by this Section 15.02, County may collect Airline Rental payments due County from any assignee, sub lessee or transferee of Airline and in such event shall apply the net amount collected to Airline Rentals payments payable by Airline hereunder without such action by County releasing Airline from this Agreement or any of its obligations hereunder. If any transfer prohibited by this Section 15.02 shall occur without authorization of County and County collects Airline Rental payments due County from any assignee, sub lessee or transferee of Airline and applies the net amount collected in the manner described in the preceding sentence, such actions by County shall not be deemed to be a waiver of the covenant contained in this Section 15.02 or constitute acceptance of such assignee, sub lessee or transferee by County or releasing Airline from this Agreement or any of its obligations hereunder. Airline will not sublease or assign this Agreement to a Ground Handler.

ARTICLE 16
GOVERNMENT INCLUSION AND GOVERNMENTAL COVENANTS

Section 16.01 Government Inclusion

A. Airline covenants and agrees that this Agreement shall be subordinated to the provisions of any existing or future agreement between County and the United States Government, or other governmental authority, relative to the operation and maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of Federal or other governmental funds for the development of the Airport or the continued operation or certification of the Airport. County agrees to provide Airline advanced written notice of any provisions which would adversely modify any material term of this Agreement.

B. All provisions of this Agreement shall at all times be subject to and subordinate to the provisions of the Eglin Agreements.

Section 16.02 Federal Government's Emergency Clause

All provisions of this Agreement shall be subordinate to the rights of the United States of America to operate all of the Airport or any part thereof during time of war or national emergency. Such rights shall supersede any provisions of this Agreement inconsistent with the operation of the Airport by the United States of America.

Section 16.03 Prohibition Against Exclusive Rights

It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and County reserves the right to grant to others the privileges and right of conducting any or all activities of an aeronautical nature.

Section 16.04 Nondiscrimination

To the extent that the following provisions are applicable to Airline's activities or operations at the Airport or the inclusion of such provisions is required by law, contract or Federal grant assurance, Airline agrees to observe and comply with said provisions.

A. Airline, for itself, its personal representatives, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that in the event facilities are constructed, maintained or otherwise operated on the property described in this Agreement for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefit, Airline shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

B. Airline, for itself, its successors in interest and assigns, as a part of the consideration heretofore, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishings of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Airline shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, "Nondiscrimination in Federally-Assisted Programs" of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

In the event of the breach of any of the above nondiscrimination covenants, County shall have the right to terminate this Agreement and to reenter and repossess the Airline's Leased Premises, including Airline's assigned aircraft parking positions, and said land and the facilities thereon, and hold the same as if said Agreement had never been made or issued. This provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed, including exercise or expiration of appeal rights. Unless precluded by the provisions of the above assurance or regulation, County shall follow the notice and termination provisions contained in Section 14.01, Paragraph D, Subparagraph 2 of this Agreement.

C. Airline agrees that, in its aeronautical activities for furnishing services to the public at the Airport, Airline shall furnish said services on a fair, equal and not unjustly discriminatory basis to all users thereof, and shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service; provided, however, that Airline shall have the right to make reasonable and nondiscriminatory discounts, rebates and other similar types of price reductions to volume purchasers.

D. Airline assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from Federal assistance. (This provision obligates Airline or its transferee for the period during which Federal assistance is extended to the airport program, property or real property or interest therein or structures or improvements thereon. In these cases, the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property.)

E. Airline agrees that it will practice nondiscrimination in its activities and will provide Disadvantaged Business Enterprise (DBE) participation in its leases as required by County, and to the extent applicable by the Federal Law, in order to meet County goals, or as required by the FAA in order to obtain an exemption from the prohibition against long-term exclusive leases.

F. Airline agrees that it shall insert the above five provisions in any lease or agreement

by which said Airline grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Leased Premises.

Section 16.05 Accessibility of Physically Handicapped

A. To the extent the requirements of Section 504 of the Rehabilitation Act of 1973, 49 C.F.R. Part 27, and Titles II and III of the Americans with Disabilities Act of 1990 apply to the Leased Premises and Airline's facilities thereon or the operation and/or construction or acquisition of any improvement, equipment or facilities by Airline on the Leased Premises or the Airport or any part thereof, such improvement and equipment shall be provided and improvement and facilities shall be designed, constructed, and operated, so that the improvement, equipment or facility is accessible to and usable by handicapped persons. To assure such design, construction and use, Airline will design and construct the improvement, equipment or facility in accordance with the Uniform Federal Accessibility Standards ("UFAS") and/or the American National Standards Institute "Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped" (ANSI A 117.1 1961 [R-1971]), as applicable, which standards are incorporated herein and made a part of this Agreement.

B. Airline, when required by 14 C.F.R., Part 382 or any other laws, rules or applicable regulations, now or hereafter adopted by federal or state governments, shall provide certain facilities for the movement of passengers with disabilities while enplaning and deplaning its aircraft. To the extent required by law, Airline shall be responsible for acquiring or making arrangements for the use of boarding assistance devices, when applicable, for its aircraft. Airline shall ensure that all lifts and other accessibility equipment used by it are maintained in proper working condition. Airline shall ensure that those personnel involved in providing boarding assistance through the use of lifts or other accessibility equipment are properly trained in the use and operation of the devices and appropriate boarding assistance procedures that safeguard the safety and dignity of passengers.

Section 16.06 County's Airfield Area

County reserves the right, but shall not be obligated to Airline, to maintain and keep in repair those County owned facilities of the Airfield Area of the Airport, and all County public use facilities of the Airport, together with the right to direct and control all activities of Airline in this regard. This provision has been inserted in the Agreement to comply with certain assurances required by the Federal Aviation Administration and is not meant to alter any other obligations of County to Airline under this Agreement unless required by the afore-referenced assurances.

Section 16.07 Airline's Compliance with F.A.R., Part 77

Airline agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for the Airline Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Airline Leased Premises or in the event of the installation of any communications equipment or appurtenance to the Airline Leased Premises or Concourse C by Airline.

Section 16.08 Rights to Maintain Aircraft

It is clearly understood by Airline that no right or privilege has been granted which would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including but not limited to, maintenance and repair) that it may choose to perform.

Section 16.09 Compliance with DBE Requirements

This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations 49 C.F.R. Part 23, Subpart F. Airline agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 C.F.R. Part 23, Subpart F. Airline also agrees to include the above statements in any subsequent complementary aeronautical activity agreements that it enters into and cause those businesses to similarly include the statements in further agreements.

Section 16.10 Security

Airline, its officers, employees, contractors, agents, and those under its control, shall comply with security measures required of Airline or County by the FAA, TSA or contained in any Airport master security plan approved by the FAA or TSA which includes (to the extent that said security measures are applicable to Airline as tenant of the Leased Premises or on account of its being a party to this Agreement) an airport tenant security program as outlined in security measures required of Airline by the FAA or TSA respective to Airline's Preferential Use Premises. If Airline, its officers, employees, agents, or those under its control shall fail or refuse to comply with said measures and such non-compliance results in a monetary penalty being assessed against County, then, in addition to being subject to the provisions of Section 14.01, Paragraph D, Subparagraph 2, Airline shall be responsible and shall reimburse County in the full amount of any such monetary penalty or other damages. Nothing contained herein shall prohibit Airline from contesting with FAA the validity or amount of such penalty.

Section 16.11 Environmental

Airline agrees that in conducting any activity or business on the Airline Leased Premises or at the Airport, or in conducting any operation or performing any work pursuant to this Agreement, Airline shall comply with all applicable laws, statutes, ordinances and regulations of all government authorities having jurisdiction, pertaining to protection of the environment ("Environmental Laws"). Airline further agrees:

A. Airline shall obtain and maintain all permits required for it to conduct its activities and business on the Airline Leased Premises and at the Airport in accordance with applicable Environmental Laws ("Environmental Permits").

B. At County's request, Airline shall make available to County for inspection and

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copying, upon reasonable notice and at reasonable times, any and all non-privileged documents and materials which Airline prepared or had prepared with respect to or pursuant to any applicable Environmental Law or Environmental Permit, or which Airline submitted or had submitted to any governmental agency, which documents or materials relate to environmental issues, applicable Environmental Laws or Environmental Permits, and which pertain to the Airport, the Leased Premises or Airline's occupancy and use of the same.

C. County and its representatives shall have access to the Leased Premises, upon prior notice to Airline except in the case of an emergency, to inspect the same in order to determine if Airline is using the Airline Leased Premises in accordance with all applicable Environmental Laws and Environmental Permits. Airline agrees to fully cooperate with any such inspections, provided that such inspections shall not unreasonably interfere with Airline's operations. Upon receipt of written notification of noncompliance or upon assertion of a claim by a third party, and at the request of County, Airline shall conduct such testing and analysis as is reasonably required under applicable Environmental Law, to ascertain whether Airline is using the Leased Premises in compliance with all applicable Environmental Laws and Environmental Permits. Any such tests shall be conducted by qualified independent experts chosen by Airline, but who shall be subject to County's approval, which shall not be unreasonably withheld. Airline shall provide to County copies of all final reports prepared by such experts within a reasonable time after Airline receives each such report.

D. If Airline fails to comply with any applicable Environmental Law or Environmental Permit or if Airline fails to promptly commence corrective action or remediation to the extent required by applicable Environmental Laws, County may, in addition to the rights and remedies described elsewhere in this Agreement and any other rights and remedies otherwise available to County, enter the Leased Premises and take all reasonable and necessary actions, at Airline's expense, to ensure such compliance with the applicable Environmental Law or Environmental Permit. County shall provide Airline with ten (10) business days written notice of such action and provide Airline with the final opportunity to comply with such applicable Environmental Law or Environmental Permit, or to take the required corrective action or environmental remediation.

E. In the event of any release or threatened release of hazardous materials as defined under applicable Environmental Laws ("Hazardous Materials") caused by Airline or any of its agents, employees, invitees, licensees, contractors, or subcontractors, which is required by an applicable Environmental Law or County Rule or Regulation to be reported by Airline, whether as a result of negligent conduct or otherwise, at, on, under or about the Airline Leased Premises or the Airport, or in the event any claim, demand, complaint, or action is made or taken against Airline in connection with any part of Airline's business that causes a release or threatened release of Hazardous Materials at the Airline Leased Premises or pertains to an environmental condition at the Leased Premises or the Airport, or if Airline receives any written notice pertaining to Airline's failure or alleged failure to comply with any applicable Environmental Law or Environmental Permit, Airline shall promptly notify County of all known facts pertinent to such release, threatened release, claim, demand, complaint, action, or notice, and shall provide County with a copy of each such claim, demand, complaint, notice, and action. If Airline is required by any applicable Environmental Law, Environmental Permit, or governmental agency to file any notice or report of a release or threatened release of Hazardous Materials at, on, under or about the Airline Leased Premises or the Airport, Airline shall simultaneously provide a copy of such notice or report to County.

F. Airline shall undertake all necessary steps to remedy and remove any Hazardous Materials, and correct any condition, or damage to the extent caused by or resulting from the activities or conduct of Airline or any of its agents, employees, invitees, licensees, contractors, or subcontractors on the Airline Leased Premises or at the Airport, whether resulting from negligence or otherwise, by any of the aforementioned parties, including Airline, as required pursuant to applicable Environmental Law by the appropriate governmental agency with jurisdiction over environmental matters at the Airline Leased Premises, or to bring the Airline Leased Premises or the Airport into compliance with all applicable Environmental Laws and Environmental Permits. Such work shall be performed at Airline's expense. Except in the event of an emergency, such work shall be performed after Airline submits to County a written plan for completing such work and receives the prior approval of County, which shall not be unreasonably withheld, conditioned or delayed. Upon completion of the work, Airline shall provide County a certificate of completion. County shall have the right to review and inspect all such work at any time using consultants and representatives of its choice. Specific cleanup levels for any remediation work Airline performs shall be designed to meet and satisfy the requirements of all applicable Environmental Laws and Environmental Permits, including the imposition of any institutional control as may reasonably be required to attain such cleanup standard(s) that (i) prohibits the use of groundwater at the site for , industrial or commercial purposes or (ii) restricts the redevelopment of the site for industrial purposes, without express written governmental preapproval. Airline agrees that all work performed pursuant to this Agreement shall be performed in accordance with all applicable Environmental Laws and Environmental Permits. Notwithstanding the foregoing, Airline shall have no responsibility for Hazardous Materials, conditions or damage on, at, under or about the Airline Leased Premises or Airport to the extent caused by the County, other lessees, third parties not within Airline's control, or which were caused by, relate to or result from conditions which preexisted Airline's tenancy.

G. County shall not be responsible to Airline or any of its agents, employees, invitees, licensees, contractors, or subcontractors for any environmental condition in existence on the Airline Leased Premises or at the Airport, which condition may interfere with Airline's business or other operations or activities, or which might otherwise cause damage to Airline through loss of business, destruction of property, or injury to Airline, its owners, directors, officers, agents, employees, customers, clients, vendees, invitees, concessionaires, or licensees, except to the extent that any such condition is directly caused by County, its employees, contractors, or agents.

Section 16.12 Airline's Environmental Indemnity

With respect to applicable Environmental Laws and Environment Permits, Airline agrees as follows:

A. Without limiting Airline's liability pursuant to Section 13.01 above, Airline shall assume the risk of, be responsible for, protect, defend, reimburse, indemnify and hold harmless County and its past, present and future officers, the members of the Board of County Commissioners, the employees and agents of County, and each of them, including without limitation the Airports Directors of County, and shall hold each and all of them harmless at all times from and against any and all losses, claims, liabilities, damages of whatever nature, fines, causes of action of every kind and character, whether or not meritorious, suits, demands, judgments, awards,

settlements, costs and expenses, without limitation, payments of claims or liabilities resulting from or incident to Airline's use and occupancy of the Airline Leased Premises or Aircraft Parking Apron or other areas or facilities at the Airport or in connection with or incident to the conduct of Airline's Air Transportation Business under this Agreement, or incurred in connection with any actual or threatened release of Hazardous Materials or environmental conditions, or arising out of the use of any fuels or other products, contaminants' spillage, seepage or contamination, any noise pollution or any other injury or damage in relation to health, safety, environmental protection, (including any contamination of Airport property such as the soil or storm water by fuel, gas, chemicals or other substances deemed by the Environmental Protection Agency (EPA) to be environmental contaminants at the time this Agreement is executed or as may be redefined by the appropriate regulatory agencies in the future), or arising from the lack of sanitation, good order, security, fire precautions, traffic control or operations or maintenance caused by Airline or any of its agents, employees, licensees, contractors or subcontractors, during the term of this Agreement and including, without limitation, payments of reasonable attorney fees and environmental inspection costs, except to the extent the same is caused by the gross negligence or willful act of County and its past, present and future officers and Airports Directors and employees and agents,, provided, however, the foregoing exception shall not apply to any County negligence or any specific sole obligation of indemnity required of Airline under this Agreement. This Section 16.12 (A) shall be the Country's sole right to indemnification under this Agreement for environmental-related matters.

B. All rights and remedies of County as provided in this Agreement with regard to the release or threatened release of Hazardous Materials or any actual or threatened violations of any applicable Environmental Law or Environmental Permit shall be deemed cumulative in nature; provided such release or threatened release of Hazardous Materials or environmental pollution, contamination, damages or actual or threatened violation are caused by Airline and County's right to indemnification as provided under this Section shall survive the termination of this Agreement.

Claims for any environmental matters are governed by the indemnity provision in Section 16.12 and not subject to the general indemnity of this Article 13.

Section 16.13 Solid and Hazardous Waste

A. If Airline is deemed to be a generator of hazardous waste at the Airport, as defined by applicable federal, state or local law, and to the extent required under such applicable laws Airline shall obtain a generator identification number from the EPA and shall comply with all applicable Environmental Laws, in connection with Airline's presence and operation of its Air Transportation Business at the Airport including but not limited to, ensuring that the transportation, storage, handling and disposal of such hazardous wastes are conducted in full compliance with applicable Environmental Laws.

B. Airline agrees to provide County, upon request, copies of all hazardous waste permit application documentation, permits, monitoring reports, transportation, requests, responses, storage and disposal plans and material safety data sheets, in connection with Airline's presence and operation of its Air Transportation Business at the Airport within ten (10) days of any such requests by County.

ARTICLE 17 GENERAL PROVISIONS

Section 17.01 General County Rights

A. County has had and shall continue to have the absolute right to develop, expand, improve and renovate the Airport, County controlled areas and facilities of the Airfield Area, the Terminal Building and other Airport facilities, regardless of the desires or views of Airline and without interference or hindrance from Airline; and County may continue to so develop, expand, improve and renovate the Airport, County controlled areas and facilities of the Airfield Area, Terminal Building and other Airport facilities throughout the Term of this Agreement or any extensions thereof as provided for in this Agreement.

B. Upon reasonable notice, during Airline's normal business hours, County shall have the right to enter Airline's Leased Premises to perform any of County's obligations hereunder, exercise any of its rights hereunder or in the exercise of its governmental functions, or in the event of any alteration, improvement or construction on, adjacent to or in the vicinity of Airline's Leased Premises, for purposes related thereto. Notwithstanding the foregoing, in an emergency, County shall have the absolute right to enter Airline's Leased Premises to perform or exercise any of the aforementioned obligations or rights. County shall use reasonable efforts not to unreasonably interfere with Airline's operation of its Air Transportation Business when entering upon Airline's Leased Premises.

C. In addition to those rights reserved by County in Section 17.01, Paragraphs A and B above, County reserves the right from time to time as may be reasonably necessary to close, relocate, reconstruct, change, alter or modify Airline's Leased Premises, for purposes of maintaining or constructing improvements, modifications or expansions to the Airport, provided that:

1. At least thirty (30) days prior written notice of any such action is given by County to Airline; and
2. Reasonably convenient and equivalent alternative premises and facilities and adequate means of ingress and egress thereto shall be made available to Airline to the greatest degree possible.

Airline shall continue to pay rentals with respect to its Airline Leased Premises during any such temporary relocation (adjusted for any decrease in square footage); provided, however, that County shall reimburse Airline for the reasonable costs associated with any necessary relocation.

D. County reserves unto itself, 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 Airport, including but not limited to Airline's Leased Premises, together with the right to cause in said airspace, such noise as may be inherent in the operation of aircraft, now or hereafter used for navigation or flight in said airspace for landing on, taking off from, or operating at the Airport.

Section 17.02 Reserved

Section 17.03 Quiet Enjoyment

County covenants that, if Airline shall perform all obligations and make all payments as provided herein, Airline shall peaceably have and enjoy the Airline's Leased Premises and all the rights, licenses, privileges, appurtenances, and facilities granted herein; provided, however, that the foregoing covenants shall be binding on County only so long as it is the operator of the Airport. This covenant shall at all times be limited by and subject to the conditions of the Eglin Agreements.

Section 17.04 Surrender

Airline covenants and agrees to yield and deliver peaceably to County possession of the airline Leased Premises on the date of the cessation of the letting hereunder, whether such cessation be by termination, expiration or otherwise, promptly and in as good condition as at the commencement of the letting, or, if improved, in as good condition as of the completion date of the last improvement made to the Airline Leased Premises, excepting reasonable wear and tear allowed within the limits of Airline's maintenance and repair obligations hereunder.

Section 17.05 Force Majeure

A. Neither party hereto shall be liable to the other for any failure, delay, or interruption in performing its obligations hereunder to the extent due to acts, events or conditions beyond its control, including, but not limited to, acts of God, acts of a public enemy, war, acts of terrorism, blockade, insurrection, strikes, boycotts, picketing, slow-downs, work stoppages or other labor actions affecting the rights or obligations of County or Airline hereunder, their respective contractors or subcontractors, actions of the United States of America under the Eglin Agreements, except to the extent that such failure, delay or interruption directly or indirectly results from failure on the part of County or Airline to use reasonable care to prevent, or make reasonable efforts to cure, such failure, delay or interruption; provided, however, that, except as herein specifically provided, nothing in this Section is intended or shall be construed to abate, postpone or in any respect diminish Airline's obligations to make any payments due to County pursuant to this Agreement.

B. County shall be under no obligation to supply any service if and to the extent and during any period that the supplying of any such service or the use of any component necessary therefor shall be prohibited or rationed by any law, ordinance, rule, regulation, requirement, order or directive of any federal, state, county or municipal government having jurisdiction.

Section 17.06 Reserved

Section 17.07 No Personal Liability

No past, present or future officer, official, director, agent or employee of either party shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or because of any breach thereof or because of its or their execution, approval, or attempted execution of this Agreement.

Section 17.08 Approvals and Disapprovals

Whenever in this Agreement any approval is required from County or Airline, such approval or disapproval shall be promptly rendered. Neither party shall unreasonably withhold or condition approval to the other party, except as otherwise expressly provided or implied from the context herein.

Section 17.09 Notices

Except as otherwise expressly provided in this Agreement, all notices, consents, approvals and other communications provided for under this Agreement shall be in writing and shall be mailed by certified mail, return receipt requested, or by receipted overnight delivery, to County and Airline at the following addresses:

COUNTY

Board of County Commissioners
302 N. Wilson Street
Suite 302
Crestview, FL 32536

Copy to: Airports Director
Destin-Fort Walton Beach Airport
1701 State Road 85 North
Eglin Air Force Base, FL 32542

AIRLINE

Allegiant Air, LLC
Attn: _____

Copy to: N/A

or to such other person or address as either County or Airline may from time to time designate by notice to the other in accordance with this Section.

Section 17.10 Airline Mergers and Consolidations

In the event Airline consolidates with or merges into another corporation or permits one or more other corporations to consolidate with or merge into it, or transfers or conveys all or substantially all of its property, assets and licenses to another corporation, the corporation resulting from or surviving such merger (if other than Airline) or consolidation or the corporation to which such transfer or conveyance is made shall: (A) assume in writing and agree to perform all of Airline's obligations hereunder from the date of merger, consolidation, transfer or conveyance and any obligation accrued or unperformed by Airline as of the date of such merger, consolidation, transfer or conveyance; (B) be qualified to do business in the State of Florida; and (C) if such corporation shall not be organized and existing under the laws of the United States of America or any state or territory thereof or the District of Columbia, furnish to County an irrevocable consent to service of process in, and to the jurisdiction of the courts of, the State of Florida with respect to any action or suit, in law or in equity, brought by County to enforce this Agreement, including an agreement to be bound by the provisions of this Section and Sections 17.16 and 17.17 of this Agreement. If Airline is the surviving corporation in such a merger, the express assumption referred to in the preceding sentence shall not be required.

Section 17.11 No Third Party Beneficiaries

Each of the parties hereto has entered into this Agreement solely for its own benefit, and it is their intent that no third party shall have a right to claim damages or bring any suit, action or other proceeding by or against either of the parties hereto because of any breach hereof, excepting a person to whom this Agreement is transferred or assigned as herein provided.

Section 17.12 Construction of Agreement

Regardless of which party hereto is responsible for the preparation and drafting of this Agreement, it shall not be construed more strictly against either party.

Section 17.13 Severability

If any of the terms, conditions, provisions, warranties or covenants of this Agreement, or any portions thereof, shall contravene or be invalid under the laws or regulations of the State of Florida or the United States of America, or any of their respective agencies, departments or subdivisions, such contravention or invalidity shall not invalidate the whole Agreement, but this Agreement shall be construed as if not containing the particular term, condition, provision, warranty or covenant or portion thereof held to be in contravention or invalid, and the rights and obligations of the parties shall be construed accordingly.

Section 17.14 Sealed Agreement

The parties hereto acknowledge, represent, state and warrant that they have signed and executed this Agreement under seal, that they have adopted their respective seals as affixed to this Agreement, and that they are executing this Agreement with the intent that it shall be a sealed instrument.

Section 17.15 Survival of Warranties

All warranties and covenants set forth in this Agreement shall survive the execution, performance and termination of this Agreement.

Section 17.16 Applicable Law and Venue

This Agreement is made and entered into in Okaloosa County, Florida, and Florida law shall govern and apply to this Agreement. In the event of a dispute or disputes between the parties hereto, and in the event litigation is instituted, such litigation shall be commenced only in the court of appropriate jurisdiction in Okaloosa County, Florida.

Section 17.17 Successor and Assigns Bound by Covenant

Subject to the limitations on Airline's rights under Article 15 of this Agreement, all covenants, stipulations and agreements in this Agreement shall extend to and bind legal representatives, successors and assigns including successors-in-interest by merger and consolidation of the respective parties hereto.

Section 17.18 Time of Essence

For purposes of performance and interpretation of compliance under this Agreement, it is agreed by the parties that time is of the essence under this Agreement.

Section 17.19 Agreement Subject to Agreements with United States Air Force

This Agreement, the term thereof, and all Airlines' rights hereunder, are subject to all terms, conditions and limitations of the Eglin Agreements between the County and the United States of America, as they now exist or as they may be hereafter amended, under which County has constructed facilities and operates the Airport on land leased or licensed from the United States of America, including the joint use of the flying facilities of Eglin Air Force Base. These terms, conditions and limitations include but are not limited to the United States of America's rights to suspend and terminate said agreements. Airline acknowledges that it is aware of and has been afforded an opportunity to review said agreements, including all terms, conditions and limitations thereof, including those under which Airline's rights, as they now exist or as they may be hereafter

amended, to operate at the Airport may be impacted, suspended or terminated.

Section 17.20 Reserved

Section 17.21 Entire Agreement

This Agreement, including the attached exhibits and endorsements embodies the entire agreement between County and Airline relating to the subject matter hereof, and supersedes all prior agreements and understandings, written or oral, express or implied, between County and Airline relating thereto. Except as specifically provided for in Sections 3.06, 3.07 and 16.01, this Agreement, including the attached exhibits and endorsements, may not be changed, modified, discharged or extended except by written amendment duly executed by the parties.

Section 17.22 Survival of Obligations

All obligations of Airline to County and County to Airline, including but not limited to obligations of indemnity and obligations to make payments to the other party, which are accrued as of the date of termination or expiration to this Agreement, shall survive such termination or expiration.

Section 17.23 Public Records

IF THE AIRLINE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AIRLINE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT OKALOOSA COUNTY RISK MANAGEMENT DEPARTMENT 5479 OLD BETHEL ROAD CRESTVIEW, FL 32536 PHONE: (850) 689-5977 riskinfo@co.okaloosa.fl.us.

Airline must comply with the public records laws, Florida Statute chapter 119, specifically Airline must:

- a. Keep and maintain public records required by the County to perform the service.
- b. Upon request from the County's custodian of public records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in chapter 119 Florida Statutes or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the lease term and following completion of the Agreement if the Airline does not transfer the records to the County.
- d. Upon completion of the Agreement, transfer, at no cost, to the County all public records in possession of the Airline or keep and maintain public records required by the County to perform the service. If the Airline transfers all public records to the public agency upon completion of the Agreement, the Airline shall destroy any duplicate public records that are

exempt or confidential and exempt from public records disclosure requirements. If the Airline keeps and maintains public records upon completion of the contract, the Airline shall meet all applicable requirements for retaining the public records. All records stored electronically must be provided to the public agency, upon the request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

- e. The Airline's failure to adhere to Florida Statutes chapter 119 may result in automatic termination of this Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

OKALOOSA COUNTY, FLORIDA

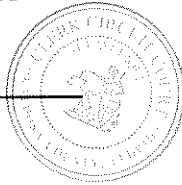
BY: Charles K. Windes, Jr.
Charles K. Windes, Jr.
Chairman, Board of County Commissioners
Date: APR 16 2019



ATTESTS:

CLERK OF CIRCUIT COURT
OKALOOSA COUNTY, FLORIDA

Samy J. Stafford
I.D. Peacock II
Clerk of Circuit Court
Date: APR 16 2019



Allegiant Air, LLC

BY: Scott Sheldon
Printed Name:
SS
Title: CFO
Date: 4/8/19

ATTESTS:

[Signature]
Signature
Mayne Klingber
Print Name
Date: 4/8/19

CORPORATE SEAL:

ACKNOWLEDGMENT

STATE OF Nevada
COUNTY OF Clark

Before me, the undersigned officer duly authorized to take acknowledgments in the COUNTY and STATE aforesaid, personally appeared Scott Schneider who under oath deposes and says that he is the duly authorized representative of Allegiant Air, LLC, Inc. to execute contracts and lease agreements and that he executed the foregoing instrument for the uses and purposes contained therein.

SWORN AND SUBSCRIBED before me this 8th day of April, 2019.

NOTARY

Alexia Canetti

My commission expires: January 13, 2020



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D. C. 20250
ALBUQUERQUE DISTRICT OFFICE
1000 EAST UNIVERSITY AVENUE, SUITE 200
ALBUQUERQUE, NEW MEXICO 87102
TELEPHONE (505) 241-2000
FACSIMILE (505) 241-2000
WWW.BLM.GOV

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Exhibit "A"
Eglin Leased Areas

PROPERTY OWNERS	
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ALBUQUERQUE DISTRICT OFFICE	
ALBUQUERQUE DISTRICT OFFICE	

PROPERTY OWNERS	
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EXHIBIT B
TERMINAL BUILDING LEASE
DESTIN-FT WALTON BEACH AIRPORT
AIRPORT SYSTEM COST CENTERS
COST CENTER DESCRIPTIONS

OVERVIEW

Each of the Direct and Indirect Cost Centers described below, any sub-cost centers thereto hereinafter established, and any new cost center subsequently created under the County's cost accounting system are used to accumulate those Operating Expenses, Capital Outlays, Debt Service, the Coverage Requirement, Fund Deposits and all other charges and elements of the Airport System Requirement chargeable or allocable, in whole or in part, whether by location, cost object or cost function, directly or indirectly, to such Direct and Indirect Cost Centers under the County's cost accounting system and which are incurred, in whole or in part, directly or indirectly in, on account of, or for the benefit of the construction, financing, operation, maintenance and administration of such Direct and Indirect Cost Centers. Except as otherwise provided for herein, each Cost Center's revenue shall include those revenues generated from the land, facilities, improvements and equipment included within that Cost Center (unless allocated to another cost center under the County's revenue and cost accounting system) under the same County.

The Airport System Requirement or any element thereof relating to any land, facility, improvement or equipment, now or hereafter located within the physical or geographical description of any Cost Center described herein, may be allocated by the County, in whole or in part, to any other Cost Center or Cost Centers, to the extent that the land, facility, improvement or equipment supports, in whole or in part, the cost object or cost function of said other Cost Center and not the Cost Center in which said land, facility, improvement or equipment is located (i.e., noise monitoring equipment located in the Terminal Area which may support noise monitoring for the Airfield Area).

DIRECT COST CENTERS

The following are the Airport System Direct Cost Centers which will be employed by the County on the effective date of the Agreement to account for the Airport System Requirement and revenues and expenses of the Airport System for the purpose of establishing Airline Rentals, Fees and Charges at the Destin-Fort Walton Beach Airport (Airport). The areas comprising the four Airport System Direct Cost Centers located at the Airport are generally depicted on the color-coded Airport property map attached to this Exhibit B.

Airfield Area

The Airfield Area Cost Center includes, but is not limited to, except as may be otherwise provided for herein, all land and facilities, improvements and equipment now or hereafter located on the Eglin Leased Areas, on other Airport property hereafter acquired by the County for Airport purposes, or elsewhere, which provide for the general support of air navigation, flight activity and other aviation needs or requirements of the Airport. The Airfield Area Cost Center includes the aircraft parking apron adjacent to the Airport Terminal Building, County constructed taxiways and ramp areas not included in any other Cost Center, County provided safety areas and infield areas, together with all associated aircraft taxiing, landing and navigational aids provided by the County; the costs and all obligations of the County with respect to the Eglin Airfield Facilities as provided for in the Eglin Agreements; areas of land acquired by the County for buffer requirements for the landing area or other Airport facilities; all Airport noise mitigation facilities' measures or costs; County owned or controlled Airport facilities and aviation controls and related system requirements related to the Airfield Area; any County fueling equipment and facilities now existing or hereinafter installed or constructed to serve the Airlines or other users of the Airport, including the current fuel farm and equipment, the recently completed new fuel farm and equipment (except for the fuel storage and distribution facilities which serve the rental car operators), whether physically located in the Airfield Area Cost Center or elsewhere, including any hydrant system that may hereafter be installed or constructed exclusively to serve Airlines utilizing the Terminal Building aircraft parking apron; the air cargo building, including the cargo and remote overnight (RON) aircraft parking apron, and any future air cargo building and related aircraft parking aprons which may hereafter be constructed for the Airport; and all costs incurred by the County for mitigation or damages resulting from Airport noise, environmental incidents or conditions or other Airport or aircraft-related conditions or activities, as all of the same now exist or hereafter may be added to, modified, changed or developed.

Terminal Area

The Terminal Area Cost Center includes, but is not limited to, except as otherwise provided for herein, all land and facilities, improvements and equipment now or hereafter located on the Eglin Leased Areas, on other Airport property hereafter acquired by the County for Airport purposes, or elsewhere which support passenger terminal functions for the Airport, including all passenger terminal buildings, including the existing Terminal Building, any additions thereto, and any other new or renovated passenger terminal structures hereinafter constructed by the County at the Airport to serve Airport passengers, including concourses (including the two-gate concourse addition to be constructed by the County during fiscal year 2011), connecting structures, the Terminal Building curbside roadway, the landside buffer area between the Terminal Building and the Airport's parking facilities, passenger walkways, passenger and terminal service tunnels, passenger holdroom areas, passenger loading bridges, support buildings and equipment, and all other equipment and appurtenances to said land, facilities and improvements, as all of the same now exist or hereafter may be added to, modified, changed or developed.

Parking/Ground Transportation

The Parking/Ground Transportation Cost Center includes, but is not limited to, except as otherwise provided for herein, all land and facilities, improvements and equipment now or hereafter located on the Eglin Leased Areas, on other Airport property hereafter acquired by the County for Airport purposes, or elsewhere which support parking and commercial ground transportation functions included in this Cost Center, including the existing short-term and long-term parking lots, the westside credit card lot currently under construction and the expansion to this westside credit card facility to be constructed during fiscal year 2011, the overflow parking lot, curb lanes and circulation roadways supporting these parking facilities which are not included in the General Support Facilities Cost Center, employee parking lots and facilities, car rental ready space, service areas and other car rental facilities, including the new consolidated rental car service, maintenance and storage facilities, and other parking facilities located on the east side of the Airport, improvements and equipment related to other commercial ground transportation services, including taxicab, limousine, courtesy vehicles, and other pay-for-hire vehicles, as all of the same now exist or hereafter may be added to, modified, changed or developed.

General Aviation

The General Aviation Cost Center includes all land and all facilities, improvements and equipment now or hereafter located at or which are part of the County's two general-aviation airports known as Bob Sikes Airport and Destin Executive Airport and such facilities, improvements and equipment located elsewhere which support the operation of these facilities, including, but not limited to, each Airport's runway and taxiway system, terminal, conventional and T-hangars, tie-down areas, fixed-base facilities, control tower, airfield maintenance and vehicle storage buildings, automobile parking areas, and all other facilities comprising Bob Sikes Airport and Destin Executive Airport, as all of the same now exist or hereafter may be added to, modified, changed or developed.

Concourse C

The Concourse C Cost Center shall include the airline and non-airline space included in the C Concourse Reimbursement Agreement and Space Lease executed between Allegiant Air and the County. All direct and indirect expenses associated with the operation and maintenance of Concourse C will be charged to the Concourse C Cost Center. The Concourse C Cost Center does not include any additional space that may be developed by the County that is located on Concourse C but is not part of the Reimbursement Agreement and Space Lease.

INDIRECT COST CENTERS

The following are the County's Indirect Cost Centers which will be employed by the County on the effective date of the Agreement:

Administration

The Administration Cost Center includes all personnel, facilities and equipment, now or hereafter provided, for the general management, administration, direction and operation of the Airport and the County Airport System, as all of the same now exist or hereafter may be added to, modified, changed or developed. Included in the Administration Cost Center are charges for personnel functions and all other operating costs related to the office of the Airports Director, senior Airport management personnel, including but not limited to those involved in the administration and management of finance, accounting, purchasing, properties, operations and maintenance activities, computer and information services, to the extent not directly chargeable to projects or another Cost Center, and administrative and other costs of all other administrative services and functions provided by other departments and offices of the County, including the County Commission, to the extent chargeable and properly allocable to the Airport System and the Airport and not otherwise chargeable to another Airport System Cost Center, as all of the same now exist or as the same hereafter may be added to, modified, changed or developed,

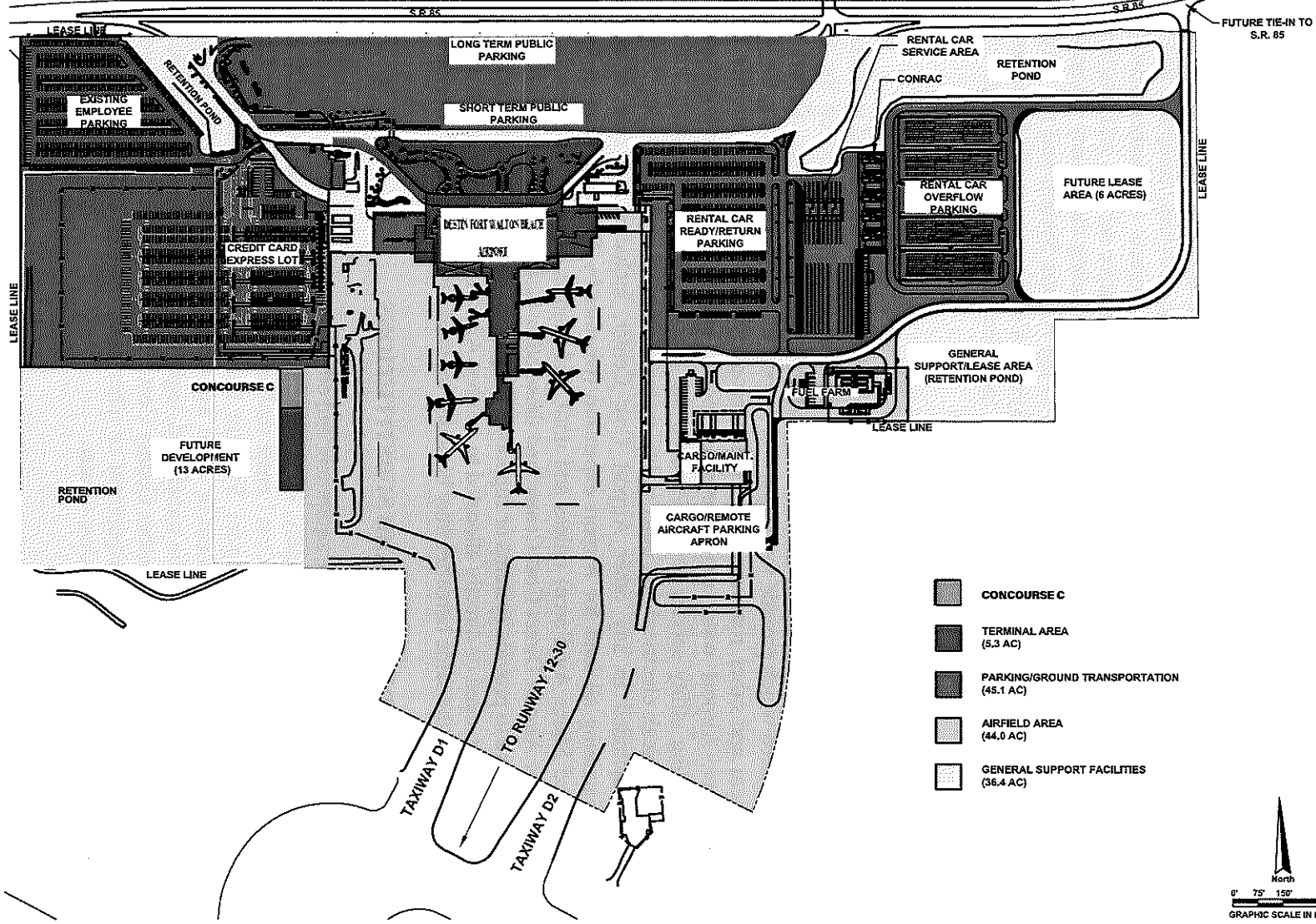
General Support Facilities

The General Support Facilities Cost Center includes, but is not limited to, all land and other facilities, improvements and equipment now or hereafter located on the Eglin Leased Areas, on Airport property hereafter acquired by the County for Airport purposes, or elsewhere which provide for the general support of the Airport, including the Airport access system and other roadways on Airport property not included in another Airport Cost Center, Airport water runoff retention ponds and systems, main lines and equipment providing utility service to the Airport, the Airport Baldwin Building, housing Airport mechanical, electrical and other utility systems, areas of land comprising Airport property not included in any other Airport Cost Center, including the cost of acquiring and maintaining all land for Airport expansion (whether by fee acquisition or lease from the United States Air Force) unless and until said land is used or permanently dedicated to another Airport Direct Cost Center; and those other facilities, improvements and equipment that serve to provide systems or support to the general needs of the Airport and which are not directly charged or directly allocated to another Airport Cost Center, as all of the same now exist or as the same hereafter may be added to, modified, changed or developed.

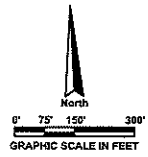
COST CENTER ADDITIONS AND SUBSTITUTIONS

Any land, facilities, improvements, equipment and other assets acquired or constructed as additions to or substitutions for any land, facility, improvements, equipment or asset presently included in or chargeable to any Airport System Cost Center shall also be includable in that Cost Center together with all elements of the Airport System Requirement related thereto. Any land, facility, improvement, equipment or other asset currently included in or chargeable to any Airport System Cost Center may be transferred, together with all elements of the Airport System Requirement related thereto, to another County Cost Center in the event that the use or function of said land, facility, improvement, equipment or other asset changes and the same would be more appropriately classified in another Cost Center.

EXHIBIT B



- CONCOURSE C
- TERMINAL AREA (5.3 AC)
- PARKING/GROUND TRANSPORTATION (45.1 AC)
- AIRFIELD AREA (44.0 AC)
- GENERAL SUPPORT FACILITIES (36.4 AC)



DESTIN-FORT WALTON BEACH
AIRPORT

EXHIBIT "B" COST CENTERS

ATTENTION:
THIS DOCUMENT CONTAINS PROPRIETARY AND CONFIDENTIAL INFORMATION. ALL RIGHTS ARE RESERVED BY AVCON, INC. FOR USE BY THE OFFICE RECIPIENT, AND FOR A SPECIFIC PURPOSE. WITHOUT THE EXPRESS WRITTEN CONSENT OF AVCON, INC., ANY REPRODUCTION, REPRODUCTION OR OTHER USE OF THIS DOCUMENT, IN WHOLE OR IN PART, IS STRICTLY PROHIBITED.

SCALE: AS NOTED

REVISIONS:			
NO.	DATE	BY	DESCRIPTION

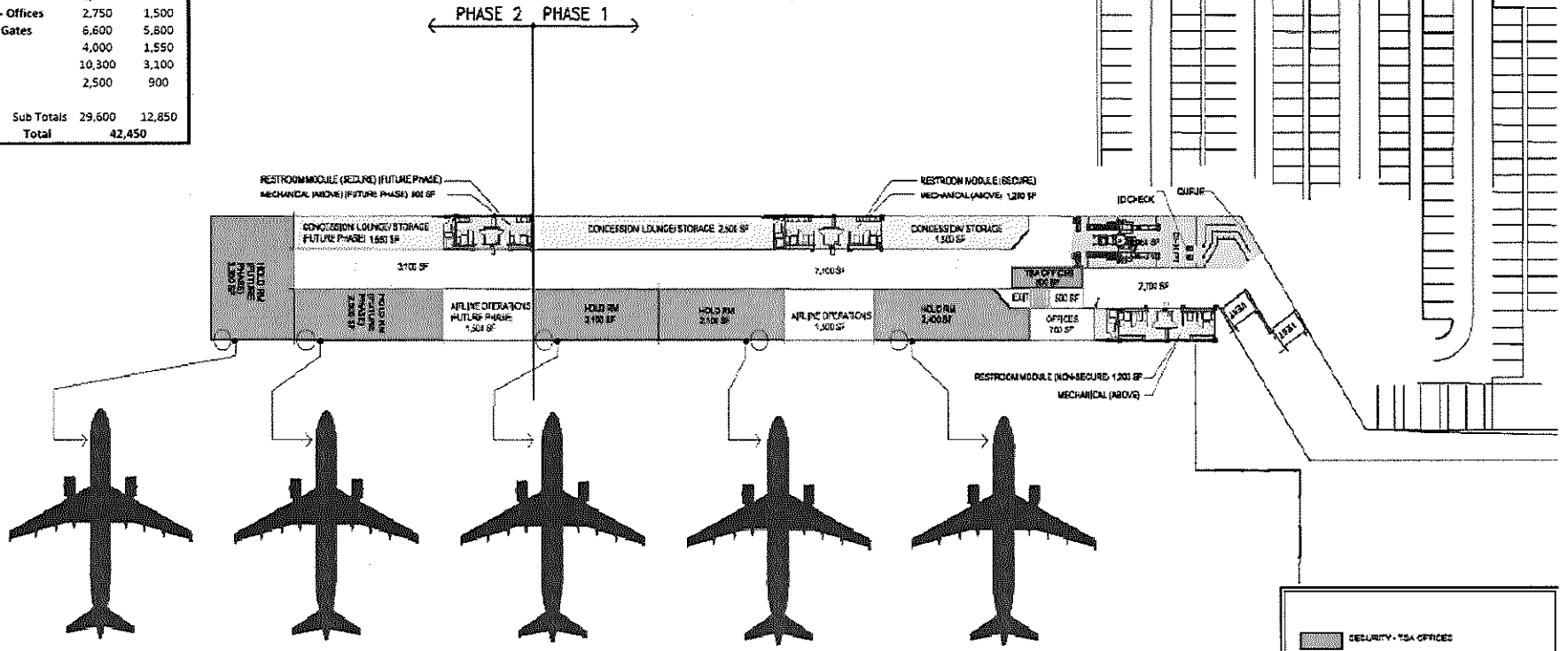
DESIGNED BY:
DRAWN BY:
CHECKED BY:
APPROVED BY:
DATE: 7/9/2010

PROJECT NO. 2010.059.02

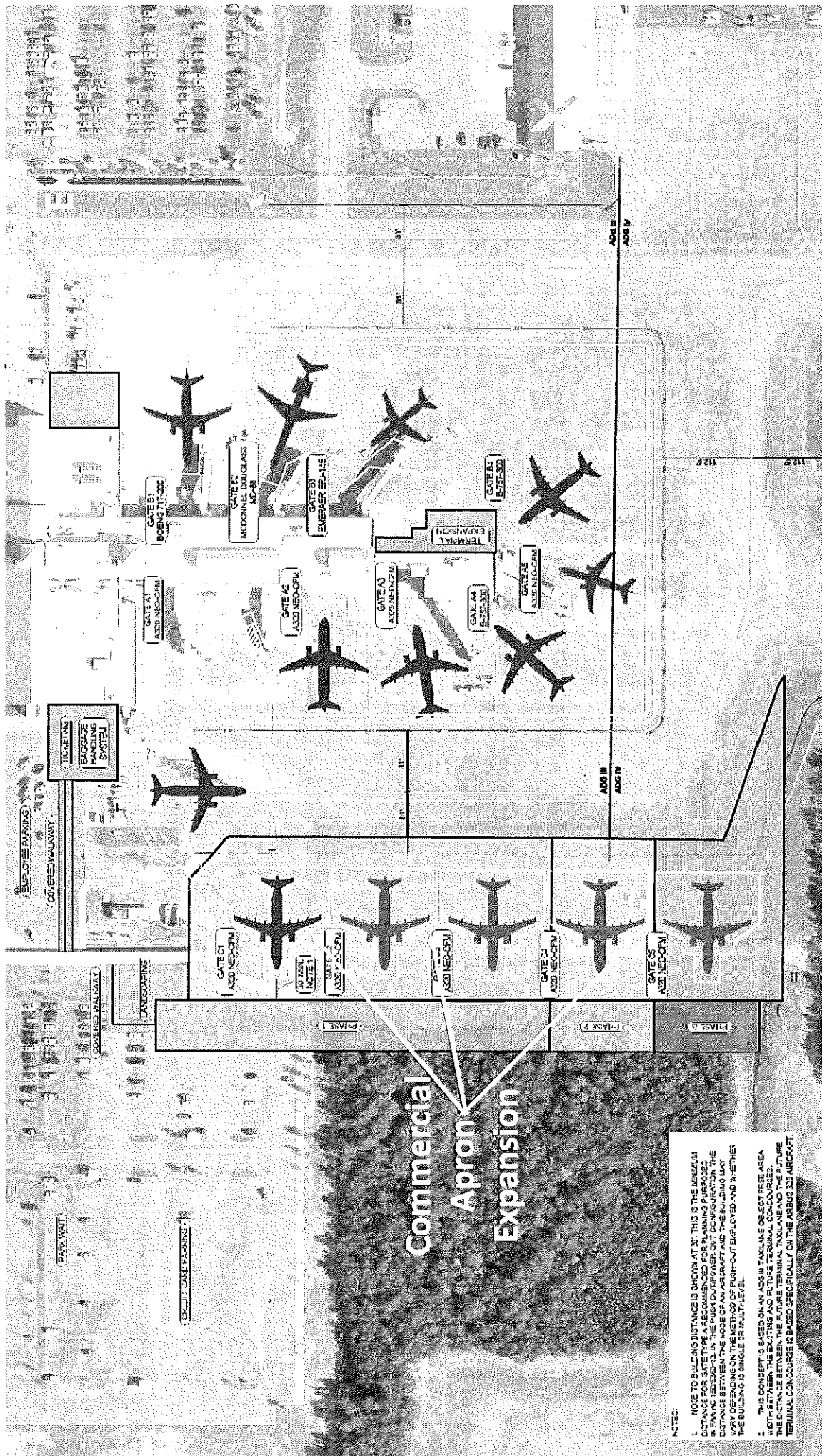
SHEET NUMBER

***Exhibit C**

	Areas (SF)	
	Phase 1	Phase 2
Security - TSA Office	500	0
Security - Passenger Screening	2,950	0
Commercial Airlines Operation - Offices	2,750	1,500
Commercial Airlines Operation - Gates	6,600	5,800
Concessionaires	4,000	1,550
Circulation	10,300	3,100
Support*	2,500	900
Sub Totals	29,600	12,850
Total	42,450	



*This conceptual plan is for planning purposes and reference only in the Destin-Fort Walton Beach Allegiant Reimbursement Agreement and Space Lease. Upon completion of the Concourse C construction, this exhibit will be replaced with the as-built floorplan.



Commercial Apron Expansion

NOTE:

1. NOSE TO BUILDING DISTANCE IS SHOWN AT 'X'. THIS IS THE MINIMUM DISTANCE FOR GATE TYPE A RECOMMENDED FOR PLANNING PURPOSES. IN FAA AC 150/5303-3, IN THE PUSH-OUT/PAPER-OUT CONFIGURATION, THE DISTANCE BETWEEN THE NOSE OF AN AIRCRAFT AND THE BUILDING MAY VARY DEPENDING ON THE METHOD OF PUSH-OUT EMPLOYED AND WHETHER THE BUILDING IS SINGLE OR MULTILEVEL.
2. THIS CONCEPT IS BASED ON AN ADOSSII TAXILANE OBJECT FREE AREA WIDTH BETWEEN THE EXISTING AND FUTURE TERMINAL CONCOURSES. THE DISTANCE BETWEEN THE FUTURE TERMINAL TAXILANE AND THE FUTURE TERMINAL CONCOURSE IS BASED SPECIFICALLY ON THE AIRBUS 321 AIRCRAFT.

EXHIBIT E

GENERAL CIVIL RIGHTS PROVISIONS

The lessee and its transferee agree to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision obligates the lessee or its transferee for the period during which Federal assistance is extended to the airport through the Airport Improvement Program.

In cases where Federal assistance provides, or is in the form of personal property; real property or interest therein; structures or improvements thereon, this provision obligates the party or any transferee for the longer of the following periods:

- (a) The period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or
- (b) The period during which the airport sponsor or any transferee retains ownership or possession of the property.

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Okaloosa County pursuant to the provisions of the Airport Improvement Program grant assurances.

A. The Lessee, for himself/herself, his/her 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 the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities.

B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above nondiscrimination covenants, Okaloosa County will have the right to terminate the lease, and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said lease had never been made or issued.

C. With respect to deeds, in the event of breach of any of the above nondiscrimination covenants, Lessee will there upon revert to and vest in and become the absolute property of Lessee and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 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 U.S.C. § 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 U.S.C. § 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 U.S.C. § 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 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with

Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The [*contractor* | *consultant*] has full responsibility to monitor compliance to the referenced statute or regulation. The [*contractor* | *consultant*] must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

E-VERIFY

Enrollment and verification requirements.

- (1) If the Contractor is not enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall-
 - a. Enroll. Enroll as a Federal Contractor in the E-Verify Program within thirty (30) calendar days of contract award;
 - b. Verify all new employees. Within ninety (90) calendar days of enrollment in the E-Verify program, begin to use E-Verify to initiate verification of employment eligibility of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); and,

- c. Verify employees assigned to the contract. For each employee assigned to the contract, initiate verification within ninety (90) calendar days after date of enrollment or within thirty (30) calendar days of the employee's assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section.)
 - (2) If the Contractor is enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall use E-Verify to initiate verification of employment eligibility of
 - a. All new employees.
 - i. Enrolled ninety (90) calendar days or more. The Contractor shall initiate verification of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); or
 - ii. Employees assigned to the contract. For each employee assigned to the contract, the Contractor shall initiate verification within ninety (90) calendar days after date of contract award or within thirty (30) days after assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section.)
 - b. Enrolled less than ninety (90) calendar days. Within ninety (90) calendar days after enrollment as a Federal Contractor in E-Verify, the Contractor shall initiate verification of all new hires of the contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section; or
- (3) If the Contractor is an institution of higher education (as defined at 20 U.S.C. 1001(a)); a State or local government or the government of a Federally recognized Indian tribe, or a surety performing under a takeover agreement entered into with a Federal agency pursuant to a performance bond, the Contractor may choose to verify only employees assigned to the contract, whether existing employees or new hires. The Contractor shall follow the applicable verification requirements of (b)(1) or (b)(2), respectively, except that any requirement for verification of new employees applies only to new employees assigned to the contract.
- (4) Option to verify employment eligibility of all employees. The Contractor may elect to verify all existing employees hired after November 6, 2009 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), rather than just those employees assigned to the contract. The Contractor shall initiate verification for each existing employee working in the United States who was hired after November

6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), within one hundred eighty (180) calendar days of-

- i. Enrollment in the E-Verify program; or
 - ii. Notification to E-Verify Operations of the Contractor's decision to exercise this option, using the contract information provided in the E-Verify program Memorandum of Understanding (MOU)
- (5) The Contractor shall comply, for the period of performance of this contract, with the requirements of the E-Verify program MOU.

- i. The Department of Homeland Security (DHS) or the Social Security Administration (SSA) may terminate the Contractor's MOU and deny access to the E-Verify system in accordance with the terms of the MOU. In such case, the Contractor, will be referred to a suspension or debarment official.
- ii. During the period between termination of the MOU and a decision by the suspension or debarment official whether to suspend or debar, the contractor is excused from its obligations under paragraph (b) of this clause. If the suspension or debarment official determines not to suspend or debar the Contractor, then the Contractor must reenroll in E-Verify.
- iii. Web site. Information on registration for and use of the E-Verify program can be obtained via the Internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

Individuals previously verified. The Contractor is not required by this clause to perform additional employment verification using E-Verify for any employee-

- (a) Whose employment eligibility was previously verified by the Contractor through the E-Verify program;
- (b) Who has been granted and holds an active U.S. Government security clearance for access to confidential, secret, or top secret information in accordance with the National Industrial Security Program Operating Manual; or
- (c) Who has undergone a completed background investigation and been issued credentials pursuant to Homeland Security Presidential Directive (HSPD)-12. Policy for a Common Identification Standard for Federal Employees and Contractors.

Subcontracts. The Contractor shall include the requirements of this clause, including this paragraph € (appropriately modified for identification of the parties in each subcontract that-

- (1) Is for-(i) Commercial and noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or
(ii) Construction;
- (2) Has a value of more than \$3,500; and
- (3) Includes work performed in the United States.

EXHIBIT F

Concourse C- Estimated Square Footages and Project Costs

<u>Description</u>	<u>Two Gate Project</u>		<u>\$200/SF Estimated Cost</u>	
	<u>Non-Airline</u> <u>Square</u> <u>Footage</u>	<u>Airline Square</u> <u>Footage</u>	<u>Cost Per SF</u>	<u>Total</u>
Checkpoint Queue		2,700	\$200	\$540,000
Checkpoint		2,950	\$200	\$590,000
TSA offices- screening	500		\$200	\$100,000
Checkpoint exit		500	\$200	\$100,000
Airline offices		700	\$200	\$140,000
Holdroom 1		2,400	\$200	\$480,000
Holdroom 2		2,100	\$200	\$420,000
Airline operations-1		1,500	\$200	\$300,000
Concourse circulation	5,000		\$200	\$1,000,000
Restroom 1	1,200		\$200	\$240,000
Restroom 2	1,250		\$200	\$250,000
Concessions/storage/seating- 1	1,500		\$200	\$300,000
Concessions/storage/seating- 2 (1/2)	1,250		\$200	\$250,000
Square Footage by Category	10,700	12,850		\$4,710,000
<u>Total SF Two Gate Project (est.)</u>				<u>23,550</u>
Seating (based on 170 seats)		221	\$400	\$88,400
Square Footage Allocation- Airline/Non-Airline				
Airline		55%		
Non-Airline		45%		
<u>Total Costs- Two Gate Project</u>				<u>\$4,798,400</u>

SF Based on drawing distributed at meeting
 Does not include design costs covered by FDOT/OC Grant
 Will be adjusted when actual costs are determined

Example- For Illustration Purposes Only

Incremental Enplanements

<u>Year</u>	<u>Incremental G4 Enplanement</u>	<u>Credit Per Pax</u>	<u>Calculated Credit</u>	<u>Variable Portion Balance</u>	<u>Fixed Portion Credit (Non-airline)*</u>	<u>Overall Outstanding Balance</u>
Total Project Costs						\$ 4,798,400
Space Category				55%	45%	
Fixed Reimbursement					\$ 2,180,165	\$ 4,798,400
Variable Reimbursement				\$ 2,618,235		
Baseline (Mar '18 - Feb '19)	193,008					
March 2019 - February 2020	50,000	\$ 9.00	\$ 450,000	\$ 2,168,235	\$ -	\$ 4,348,400
March 2020 - February 2021	70,000	\$ 9.00	\$ 630,000	\$ 1,538,235	\$ -	\$ 3,718,400
March 2021 - February 2022	85,000	\$ 9.00	\$ 765,000	\$ 773,235	\$ 436,033	\$ 2,517,367
March 2022 - February 2023	90,000	\$ 9.00	\$ 810,000	\$ -	\$ 436,033	\$ 1,271,334
March 2023 - February 2024	100,000	\$ 9.00	\$ 900,000		\$ 371,334	\$ -
Total			\$ 3,555,000		\$ 1,243,400	

*Fixed portion amortized straight-line over 5 years

Example- For Illustration Purposes Only

Monthly Payback Schedule

<u>Month</u>	<u>Benchmark Enplanements</u>	<u>% Of Total</u>	<u>1st Year Projected Incremental Enplanements</u>	<u>Credit Per Passenger</u>	<u>Airline Space Credit</u>
	193,008		50,000	\$9.00	\$450,000
Mar-18	4,161	2.16%	1,078	\$9.00	\$9,701
Apr-18	5,613	2.91%	1,454	\$9.00	\$13,087
May-18	15,377	7.97%	3,984	\$9.00	\$35,852
Jun-18	34,739	18.00%	8,999	\$9.00	\$80,994
Jul-18	39,808	20.63%	10,313	\$9.00	\$92,813
Aug-18	32,848	17.02%	8,509	\$9.00	\$76,585
Sep-18	17,603	9.12%	4,560	\$9.00	\$41,042
Oct-18	15,668	8.12%	4,059	\$9.00	\$36,530
Nov-18	12,901	6.68%	3,342	\$9.00	\$30,079
Dec-18	7,110	3.68%	1,842	\$9.00	\$16,577
Jan-19	3,691	1.91%	956	\$9.00	\$8,606
Feb-19	3,489	1.81%	904	\$9.00	\$8,135
Total	193,008	100%	50,000		\$450,000