

CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 06/02/2021

Contract/Lease Control #: L18-0469-AP

Procurement#: NA

Contract/Lease Type: LEASE

Award To/Lessee: SEGERS AERO CORP

Owner/Lessor: OKALOOSA COUNTY

Effective Date: 07/16/2018

Expiration Date: 07/15/2022 W/1 1 YR RENEWAL

Description of: TEST ENGINE FACILITY

Department: AP

Department Monitor: STAGE

Monitor's Telephone #: 850-651-7160

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

Closed:

Cc: BCC RECORDS

**RENEWAL AND AMENDMENT TO LEASE AGREEMENT L18-0469-AP
WITH SEGERS AERO CORPORATION
AT THE BOB SIKES AIRPORT (CEW)**

This Renewal and Amendment, made and entered into this 1st day of June, 2021, hereby renews and amends the Lease Agreement for Test Engine Facility Space at the Bob Sikes Airport by Segers Aero Corporation, ("Lessee"), and Okaloosa County, Florida through its Board of County Commissioners (hereinafter the "Lessor").

WITNESSETH:

WHEREAS, on August 7, 2018 Lessee entered into a Lease Agreement, L18-0469-AP with the County for Test Engine Facility Space at the Bob Sikes Airport with a current expiration date of July 15, 2021; and

WHEREAS, Lessee now desires to renew this Agreement with all the same terms and conditions for an additional term of one (1) year, in accordance with Section Two of the Lease Agreement, which states in part, "This Lease may be renewed for Two (2) additional One (1) year terms, upon mutual written consent executed by both parties to this Lease". The new expiration date will be July 15, 2022. This is the first renewal of two (2); and

WHEREAS, the County as a recipient of federal assistance is required to incorporate specific provisions in leases. These provisions are being incorporated in this renewal and amendment as listed in Exhibit A and B.

NOW THEREFORE, in consideration of the mutual covenants herein and other good and valuable consideration, the executing parties consent to and agree to the following:

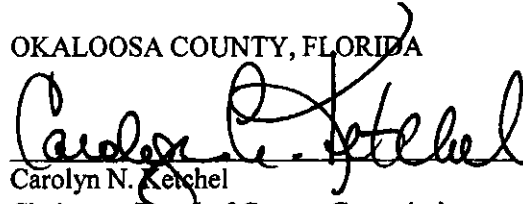
RENEWAL

1. In accordance with Section Two of L18-0469-AP, the County renews Segers Aero Corporation's Lease Agreement with a new expiration date of July 15, 2022. This is the first renewal of two (2).
2. Segers Aero Corporation by execution of this Lease Renewal and Amendment, and in consideration of consent by the County of the same, is bound by all terms of the Lease Agreement as may be amended from time to time and does hereby assume all responsibilities, duties, obligations, rights, and privileges as set forth in the original lease.

CONTRACT#: L18-0469-AP
SEGERS AERO CORP
TEST ENGINE FACILITY
EXPIRES: 07/15/2022 W/1 1 YR RENEWAL

IN WITNESS WHEREOF, the parties hereto have executed this renewal of lease and amendment as of the day and year first written.

OKALOOSA COUNTY, FLORIDA



Carolyn N. Ketchel
Chairman, Board of County Commissioners

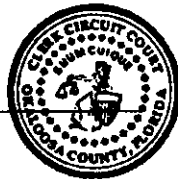
Date: JUN 01 2021



ATTESTS:



J.D. Peacock II
Clerk of Circuit Court



LESSEE

[Handwritten Signature]

Segers Aero Corporation
Jeremy Hovater

Date: 4/29/2021

WITNESSES:

[Handwritten Signature]

Witness

[Handwritten Signature]

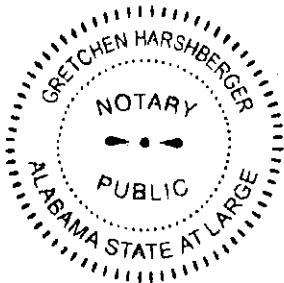
Witness

ACKNOWLEDGEMENTS

STATE OF Alabama
COUNTY OF Baldwin

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this renewal by JEREMY HOVATER He is personally known to me or has produced driver license as identification

Sworn and subscribed before me this 29 day of April, 2021



[Handwritten Signature]

NOTARY (Signature)

Gretchen Harshberger
NOTARY (Printed Name)

Commission Number: 16640

My Commission Expires
May 14, 2022

Exhibit A

VENDORS ON SCRUTINIZED COMPANIES LISTS: By executing this Agreement, Lessee certifies that it is not: (1) listed on the Scrutinized Companies that Boycott Israel List, created pursuant to section 215.4725, Florida Statutes, (2) engaged in a boycott of Israel, (3) listed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, Florida Statutes, or (4) engaged in business operations in Cuba or Syria. Pursuant to section 287.135(5), Florida Statutes, the County may immediately terminate this Agreement for cause if the Lessee is found to have submitted a false certification as to the above or if the Lessee is placed on the Scrutinized Companies that Boycott Israel List, is engaged in a boycott of Israel, has been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or has been engaged in business operations in Cuba or Syria, during the term of the Agreement. If the County determines that the Lessee has submitted a false certification, the County will provide written notice to the Lessee. Unless the Lessee demonstrates in writing, within 90 calendar days of receipt of the notice, that the County's determination of false certification was made in error, the County shall bring a civil action against the Lessee. If the County's determination is upheld, a civil penalty equal to the greater of \$2 million or twice the amount of this Agreement shall be imposed on the Lessee, and the Concessionaire will be ineligible to bid on any Agreement with a Florida agency or local governmental entity for three years after the date of County's determination of false certification by Lessee. If federal law ceases to authorize the states to adopt and enforce, this particular lease provision shall be null and void.

Exhibit B
Public Records

IF THE LICENSEE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE LICENSEE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT OKALOOSA COUNTY RISK MANAGEMENT DEPARTMENT, 302 NORTH WILSON STREET, SUITE 301, CRESTVIEW, FL 32536 PHONE: (850) 689-5977 riskinfo@myokaloosa.com.

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

1. Keep and maintain public records required by the County to perform the service.
2. 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.
3. 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 lease if the Lessee does not transfer the records to the County.
4. Upon completion of the lease, transfer, at no cost, to the County all public records in possession of the Lessee or keep and maintain public records required by the County to perform the service. If the Lessee transfers all public records to the public agency upon completion of the lease, the Lessee shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Lessee keeps and maintains public records upon completion of the contract, the Lessee 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.

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

Procurement/Contract/Lease Number: L18-04109-AP Tracking Number: 431521
Procurement/Contractor/Lessee Name: Segers Aero Grant Funded: YES ___ NO
Purpose: Renewal and amendment #7
Date/Term: 7-15-22
Department #: 42202
Account #: 344163
Amount: 53,400.00
Department: Airport Dept. Monitor Name: Stacy

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

Purchasing Review

Procurement or Contract/Lease requirements are met:
DeRita Mason Date: 4-22-21
Purchasing Manager or designee Jeff Hyde, DeRita Mason, Jessica Darr, Angela Etheridge

2CFR Compliance Review (if required)

Approved as written: _____ Grant Name: _____
No federal funds Date: _____
Grants Coordinator

Risk Management Review

Approved as written: _____ Date: 4-26-21
see email attached
Risk Manager or designee Lisa Price

County Attorney Review

Approved as written: _____ Date: 4-22-21
see email attached
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: Parsons, Kerry <KParsons@ngn-tally.com>
Sent: Thursday, April 22, 2021 3:49 PM
To: DeRita Mason
Cc: Lynn Hoshihara; Lisa Price
Subject: RE: Segers Aero Corporation's Lease Renewal

The one year lease renewal with Segers L18-0469-AP is approved for legal sufficiency.

Kerry A. Parsons, Esq.

**Nabors
Giblin &
Nickerson, PA**
ATTORNEYS AT LAW
1500 Mahan Dr. Ste. 200
Tallahassee, FL 32308
T. (850) 224-4070
Kparsons@ngn-tally.com

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From: DeRita Mason <dmason@myokaloosa.com>
Sent: Thursday, April 22, 2021 4:16 PM
To: Parsons, Kerry <KParsons@ngn-tally.com>
Cc: Lynn Hoshihara <lhoshihara@myokaloosa.com>; Lisa Price <lprice@myokaloosa.com>
Subject: FW: Segers Aero Corporation's Lease Renewal

Good afternoon,
Please review and approve the attached.
Thank you,

DeRita Mason



DeRita Mason, CPPB, NIGP-CPP
Senior Contracts and Lease Coordinator
Okaloosa County Purchasing Department
5479A Old Bethel Road

DeRita Mason

From: Lisa Price
Sent: Tuesday, April 27, 2021 9:22 AM
To: DeRita Mason
Subject: RE: Segers Aero Corporation's Lease Renewal

Approved by Risk.

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

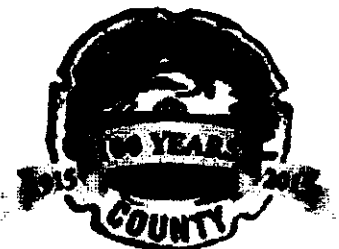
For all things Wellness please visit:
<http://www.myokaloosa.com/wellness>

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: Thursday, April 22, 2021 3:16 PM
To: 'Parsons, Kerry' <KParsons@ngn-tally.com>
Cc: Lynn Hoshihara <lhoshihara@myokaloosa.com>; Lisa Price <lprice@myokaloosa.com>
Subject: FW: Segers Aero Corporation's Lease Renewal

Good afternoon,
Please review and approve the attached.
Thank you,

DeRita Mason





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/7/2021

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.

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.

PRODUCER License # 231432
Hub International Gulf South
1141 Montimar Drive
Suite 2600
Mobile, AL 36609
INSURER A: Alabama Self-Insured WC Fund
NAIC # NONE

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.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF, POLICY EXP, LIMITS. Includes rows for Commercial General Liability, Automobile Liability, Umbrella Liability, and Workers Compensation and Employers' Liability.

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

CERTIFICATE HOLDER: Okaloosa County Board of County Commissioners
CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

**507 PRF
Price Forbes & Partners Ltd
AVIATION**



6th Floor
2 Minster Court
Mincing Lane
London EC3R 7PD
PalomaSanz@priceforbes.com

1st February 2021

To:
Okaloosa County
Email: **to be provided**

Sometimes referred to herein as the Certificate Holder(s)

CERTIFICATE OF INSURANCE

CERTIFICATE REFERENCE: C21/SEGRS/003

THIS IS TO CERTIFY THAT as Insurance Brokers we have arranged Aviation Products and Completed Operations Liability, Premises Liability, Hangarkeepers Liability, Non Owned Aircraft Liability, Excess Non-Aviation Liability, and Spares And/Or Equipment All Risks Insurance in respect of the Insured detailed below.

INSURED: **Segers Aero Corporation** and/or **Proptech Aero Ltd** and/or associated and/or subsidiary and/or affiliated companies now existing or as may be hereafter constituted, jointly and severally, for their respective rights and interests.

LEAD INSURER: Lead Global Aerospace and Chubb, followed by other Lloyd's markets and European Insurers - 100%

POLICY NUMBER: B0507AS2100094

PERIOD OF INSURANCE: From 1st February 2021 to 1st February 2022 both days at 00.01 am Standard Time at the address of the Insured shown above.

INTEREST: **Section 1:**
Coverage A Products Liability
Coverage B Grounding Liability
Coverage C Public Liability
Coverage D Damage to Aircraft
Coverage E Non-Owned Aircraft Liability

SUM INSURED: **Section 1:**
Coverage A and B - Aviation Products including Grounding Liability:
A combined single limit (Personal Injury/Property Damage) USD 2,000,000 any one Occurrence and in the annual aggregate in respect of Products Liability including within such annual aggregate limit Grounding Liability for USD 2,000,000 any one Grounding and in the annual aggregate.
Coverage C - Public Liability:
A combined single limit (Personal Injury/Property Damage) USD 2,000,000 any one Occurrence.



507 PRF
Price Forbes & Partners Ltd
AVIATION



Coverage D - Damage to Aircraft:

USD 2,000,000 any one Occurrence.

Coverage E - Non Owned Aircraft Liability:

A combined single limit (Personal Injury/Property Damage) USD 2,000,000 any one Occurrence.

In respect of Coverage C and Coverage E, Offences Against the Person Clause, sub-limit USD 2,000,000 any one offence and in the annual aggregate.

War, Hi-jacking and Other Perils Exclusion Clause (Aviation) AVN 48B (amended as per ABC0070H), with all paragraphs other than (b) deleted per Extended Coverage Endorsement (Aviation Liabilities) AVN 52E, sub limit per paragraph 3 USD 2,000,000 any one Occurrence and in the annual aggregate.

SITUATION: Unrestricted

DEDUCTIBLES: In respect of Section 1, coverage D only:
USD10,000 any one Occurrence.

SPECIAL PROVISIONS: Any premises owned, used or occupied by the Named Insured which are incidental to the Named Insured's operations.

The Certificate Holder(s) is included as an Additional Insured as their respective interests may appear, warranted no operational interest, but only with respect to the operations of the Named Insured.

In the event of cancellation of the policies by Insurers, Insurers agree that such cancellation shall not be effective as to the Certificate Holder(s) until thirty (30) days (seven (7) days or such shorter period as may be customary in the case of AVN52E (Extended Coverage Endorsement Aviation Liabilities) / ten (10) days in the event of cancellation due to non-payment of premium) after issuance of notice by the Insurers.

PRICE FORBES & PARTNERS LIMITED, are authorised by the Insured to issue evidence of insurance on their behalf subject to the terms, conditions, limitations and cancellation provisions of the Policy(ies). In the event that the Original Insurance Policy affected with the Insured is terminated or cancelled for any reason, the Insurance coverage certified under this Certificate will also be terminated or cancelled from the same time and date.

For and on Behalf of PRICE FORBES AND PARTNERS LIMITED

DocuSigned by:

B9420AA424D994D3
Authorised Signature

PRICE FORBES & PARTNERS LIMITED is not an Insurer of any of these coverages. Except in the case of Price Forbes fraud or deliberate misstatement, this certificate is issued without any liability in any circumstances on the part of PRICE FORBES AND PARTNERS LIMITED or their respective directors and staff past and present. Claims against Price Forbes in respect of or arising out of this certificate must be brought exclusively in the English courts and will be governed by English Law.

DS
PS



CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 08-09-2018

Contract/Lease Control #: L18-0469-AP

Procurement#: NA

Contract/Lease Type: LEASE

Award To/Lessee: SEGERS AERO CORP

Owner/Lessor: OKALOOSA COUNTY

Effective Date: 07/16/2018

Expiration Date: 07/15/2021 W/ 2 1 YR RENEWALS

Description of Contract/Lease: TEST ENGINE FACILITY

Department: AP

Department Monitor: STAGE

Monitor's Telephone #: 850-651-7160

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

Closed:

Cc: Finance Department Contracts & Grants Office

A NEW WAY TO SIGN IN - If you already have a SAM account, use your **SAM email** for login.gov.

[Log In](#)
[Login.gov FAQs](#)

ALERT - June 11, 2018: Entities registering in SAM must submit a [notarized letter](#) appointing their authorized Entity Administrator. Read our [updated FAQs](#) to learn more about changes to the notarized letter review process and other system improvements.

Entity Dashboard

[Entity Overview](#)

[Entity Registration](#)

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- ▶ [Reps & Certs](#)
- ▶ [POCs](#)

[Exclusions](#)

- ▶ [Active Exclusions](#)
- ▶ [Inactive Exclusions](#)
- ▶ [Excluded Family Members](#)

[RETURN TO SEARCH](#)

SEGERS AERO CORPORATION

DUNS: 608232252 CAGE Code: 0NMM2

Status: Active

Expiration Date: 12/27/2018

Purpose of Registration: All Awards

8100 MCGOWIN DR
FAIRHOPE, AL, 36532-5591,
UNITED STATES

Entity Overview

Entity Registration Summary

Name: SEGERS AERO CORPORATION
Business Type: Business or Organization
Last Updated By: Judith Wright
Registration Status: Active
Activation Date: 12/27/2017
Expiration Date: 12/27/2018

Exclusion Summary

Active Exclusion Records? No



IBM v1.P.16.20180727-0955

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- [GSA.gov](#)
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**PROCUREMENT/CONTRACT/LEASE
INTERNAL COORDINATION SHEET**

Procurement/Contract/Lease Number: _____ Tracking Number: 2998-18

Procurement/Contractor/Lessee Name: Seeger's Aero Corp. Grant Funded: YES ___ NO

Purpose: Lease for test Engine Facility

Date/Term: 3 yrs w/ two 1 yr renewals 1. GREATER THAN \$100,000

Amount: \$52,200.00 annually 2. GREATER THAN \$50,000

Department: Airports 3. \$50,000 OR LESS

Dept. Monitor Name: STAGE/Miner

Purchasing Review

Procurement or Contract/Lease requirements are met:

[Signature] Date: 5/9/18
Purchasing Manager or designee Jeff Hyde, DeRita Mason, Matthew Young

2CFR Compliance Review (if required)

Approved as written: not grant funded

Grants Coordinator Date: _____

Risk Management Review

Approved as written:

[Signature] Date: 5-10-18
Risk Manager or designee Laura Porter or Krystal King

County Attorney Review

Approved as written: see email attached

County Attorney Date: 6-6-18
Gregory T. Stewart, Lynn Hoshihara, Kerry Parsons or Designee

Following Okaloosa County approval:

Clerk Finance

Document has been received:

Finance Manager or designee Date: _____

DeRita Mason

From: Parsons, Kerry <KParsons@ngn-tally.com>
Sent: Wednesday, June 06, 2018 6:08 PM
To: DeRita Mason
Cc: Lynn Hoshihara
Subject: RE: Segers Lease for Coordination/ Coordination No. 2998-18

This lease agreement is approved for legal purposes.

From: DeRita Mason [mailto:dmason@myokaloosa.com]
Sent: Thursday, May 24, 2018 10:27 AM
To: Parsons, Kerry
Cc: Lynn Hoshihara
Subject: FW: Segers Lease for Coordination/ Coordination No. 2998-18

Please see updated lease for your review.

Thank you,

DeRita

From: Dave Miner
Sent: Thursday, May 24, 2018 9:23 AM
To: DeRita Mason <dmason@myokaloosa.com>
Cc: 'Parsons, Kerry' <KParsons@ngn-tally.com>; Allyson Oury <aoury@myokaloosa.com>
Subject: RE: Segers Lease for Coordination/ Coordination No. 2998-18

DeRita:

The Segers Lease has been formatted per Ms. Parsons's request. Please forward for coordination.
Thank you.

Dave

From: Matthew Young
Sent: Tuesday, May 15, 2018 11:16 AM
To: Dave Miner <dminer@myokaloosa.com>
Subject: FW: Segers Lease for Coordination/ Coordination No. 2998-18
Importance: High

Mr. Miner,

Please see the remarks below along with the attached.

Respectfully,

Dave Miner

From: Krystal King
Sent: Thursday, July 05, 2018 4:34 PM
To: Dave Miner; Laura Porter
Cc: Allyson Oury
Subject: RE: COI for Segers Aero for Compliance

COI meets the contract requirements.

Krystal King

Okaloosa County
Risk Management
(850)688-5977
Fax (850)688-5973

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 email communication including your email address, may be subject to public disclosure.

From: Dave Miner
Sent: Thursday, July 05, 2018 4:13 PM
To: Krystal King <kking@myokaloosa.com>; Laura Porter <lporter@myokaloosa.com>
Cc: Allyson Oury <aoury@myokaloosa.com>
Subject: RE: COI for Segers Aero for Compliance

Krystal:

COI for Segers GL is attached for your review for compliance.

Thank you.

Dave

From: Krystal King
Sent: Thursday, July 05, 2018 11:31 AM
To: Dave Miner <dminer@myokaloosa.com>; Laura Porter <lporter@myokaloosa.com>
Cc: Allyson Oury <aoury@myokaloosa.com>
Subject: RE: COI for Segers Aero for Compliance

They need to show General Liability (GL) insurance with limits of no less than \$1M and we need to be named an additional insured for that policy.

Thanks!

Krystal King

Okaloosa County
Risk Management
(850)689-5977
Fax (850)689-5973

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 email communication including your email address, may be subject to public disclosure.

From: Dave Miner
Sent: Monday, July 02, 2018 3:57 PM
To: Krystal King <kking@myokaloosa.com>; Laura Porter <lporter@myokaloosa.com>
Cc: Allyson Oury <aoury@myokaloosa.com>
Subject: COI for Segers Aero for Compliance

Good Afternoon:

Please review the attached COI for Segers Aero (new lease) and let us know if COI complies with requirements.

Thank you.

Dave

David E. Miner
Properties and Leases
Okaloosa County Airports
(850) 651-7160 Ext. 4
www.flyvps.com

Please change your address list and contacts to my new e-mail address: dminer@myokaloosa.com

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

AIG AEROSPACE INSURANCE SERVICES, INC.

CERTIFICATE OF COMMERCIAL LIABILITY INSURANCE

This certificate is issued for informational purposes only. It certifies that the policies listed in this document have been issued to the Named Insured. It does not grant any rights to any party nor can it be used, in any way, to modify coverage provided by such policies. alteration of this certificate does not change the terms, exclusions or conditions of such policies. Coverage is subject to the provisions of the policies, including any exclusions or conditions, regardless of the provisions of any other contract, such as between the certificate holder and the Named Insured. The limits shown below are the limits provided at the policy inception. Subsequent paid claims may reduce these limits.


Producer: MARSH USA 1166 AVENUE OF THE AMERICAS NEW YORK, NY 10036	Named Insured: SEGERS AERO CORPORATION AND AS ENDORSED 8100 MCGOWIN DRIVE FAIRHOPE, AL 36532
---	--

General Liability		
Insurer Name: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA		
Policy Number: AP 045823196-05		
Policy Effective Date: February 1, 2017		Policy Expiration Date: February 1, 2020
Limits of Insurance	\$ 2,000,000.	Each Occurrence Limit
	\$ 2,000,000.	Damage To Premises Rented To You Limit (any one premises)
	\$ 50,000.	Medical Expense Limit (any one person)
	\$ 2,000,000.	Personal & Advertising Injury Aggregate Limit
	\$ NOT APPLICABLE	General Aggregate Limit
	\$ 2,000,000.	Products/Completed Operations Aggregate Limit
		Hangarkeepers Limit
	\$ 2,000,000.	Each Aircraft Limit
	\$ 2,000,000.	Each Loss Limit
\$ 10,000.	Hangarkeepers Deductible (each aircraft)	
General Aggregate Limit applies per: <input type="checkbox"/> Policy <input type="checkbox"/> Project <input type="checkbox"/> Location		

Description of Operations/Locations/Endorsements/Special Provisions
ADDITIONAL INSURED(S) SUBJECT TO FORM CGL191 ATTACHED TO THIS POLICY. THIS CERTIFICATE CANCELS AND SUPERSEDES THE CERTIFICATE DATED JANUARY 24, 2017.

Additional Insured Status	YES
THIS CERTIFICATE DOES NOT GRANT ANY COVERAGE OR RIGHTS TO THE CERTIFICATE HOLDER. IF THIS CERTIFICATE INDICATES THAT THE CERTIFICATE HOLDER IS AN ADDITIONAL INSURED, THE POLICY(IES) MUST EITHER BE ENDORSED OR CONTAIN SPECIFIC LANGUAGE PROVIDING THE CERTIFICATE HOLDER WITH ADDITIONAL INSURED STATUS. THE CERTIFICATE HOLDER IS AN ADDITIONAL INSURED ONLY TO THE EXTENT INDICATED IN SUCH POLICY LANGUAGE OR ENDORSEMENT.	

Cancellation
In the event of cancellation of any policy described above, the insurer will attempt to mail 30 days written notice to the certificate holder prior to the effective date of cancellation. However, failure to do so will not impose duty or liability upon the insurer, its agents or representatives, nor will it delay cancellation.

Certificate Holder: Okaloosa County 5749 A OLD BETHEL ROAD CRESTVIEW, FL 32536	Certificate No. 4
Authorized Representative: 	May 23, 2017 JP Date of Issue

CGL309 (3/05)

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SEGAER-02

KLAYCOCK

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/02/2018

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 License # 231432 Hub International Gulf South 1141 Montlamar Drive, Suite 2500 Mobile, AL 36609	CONTACT NAME: Christine Kennedy PHONE (A/C, No, Ext): (251) 602-9508 FAX (A/C, No): E-MAIL ADDRESS: christine.kennedy@hubinternational.com
INSURER(S) AFFORDING COVERAGE	
INSURER A: Cincinnati Insurance Company	NAIC # 10677
INSURER B: Sentry Insurance a Mutual Company	24988
INSURER C: Midwest Employers Casualty Company	23612
INSURER D:	
INSURER E:	
INSURER F:	

INSURED

Segers Aero Corporation
 8100 McGowin Dr
 Fairhope, AL 36532

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
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
A	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			EBA0423020	02/01/2018	02/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	90-54385-01 00 181	01/01/2018	01/01/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Employer's Liability			PNAL129001	01/01/2018	01/01/2019	INCLUDED

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

Segers Aero

7-15-18

Received e-mail from SH on 2-19-18 asking status of Segar's

Sent e-mail to SH on 2-19-18 stating have not heard

Received e-mail from TS on 2-19-18 stating he would contact Mr. Hadley

Received e-mail from EE on 3-5-18 stating Segers is planning on renewing contract

Received e-mail from Chad on 3-7-18 with approx. square footage

Sent e-mail to TS, MS, and CR on 3-16-18 with draft lease for review

Received e-mail from CR on 3-16-18 with correction

Received e-mail from CR on 3-23-18 stating did not hear anything from Rick will follow up on Monday

Received e-mail from CR on 3-27-18 he wants a call with Segers before we order the survey/legal

Received e-mail from CR on 3-27-18 Segers wants the square footage that Chad sent them

Received e-mail from CR on 3-29-18 stating Ericka was going to meet with local folks today to determine what square is needed

Received e-mail from CR on 3-29-18 stating Ericka will talk to David when he gets back about the square footage

Received e-mail from CR on 4-2-18 stating Ericka spoke to Segers and they came up with the new square footage. Use diagram for exhibit.

Received e-mail from CR on 4-16-18 stating Segers is good with square footage

Sent e-mail to CR on 4-24-18 with updated lease for his review

Received e-mail from CR on 4-27-18 stating square footage needs to be updated

Spoke with CR on 4-27-18 and Chad will send me the new square footage to update

Spoke to CR on 5-7-18 in Staff Meeting asking CR to send me a diagram with sf on it

Sent e-mail to CR on 5-7-18 so he could add the diagram

Received e-mail from CR on 5-7-18 with sf on diagram

Sent e-mail to Rick Binkley on 5-8-18 to obtain POC

Received e-mail from Rick Binkley on 5-8-18 sending me to Mr. Hovater

Sent e-mail to Mr. Hovater on 5-8-18 asking for POC

Received e-mail from Mr. Hovater on 5-8-18 with POC

Sent e-mail to Matthew on 5-8-18 to begin coordination

Received e-mail from 5-9-18 with coordination #2998-18

Received e-mail from Matthew on 5-9-18 with RM comments to change insurance

Sent e-mail to Matthew on 5-9-18 with updated insurance requirements for RM

Received e-mail from Matthew on 5-15-18 with legal's comment to use relevant parts of the draft hangar lease that KP sent

Sent e-mail to DeRita on 5-24-18 with new format for coordination

Received e-mail from DeRita on 6-7-18 stating coordination approved. She will send pink sheet through distro

Mailed to Mr. Hovater on 6-7-18 for signature

Received pink sheet from DeRita on 6-8-18

Received e-mail from Mr. Hovater on 6-11-18 stating he does not like section 20 of the lease

Sent e-mail to Mr. Hovater on 6-13-18 stating I'll check with legal

Sent e-mail to Mr. Hovater on 6-13-18 with new language

Received e-mail from Mr. Hovater on 6-14-18 asking to change termination language

Sent e-mail to DeRita and KP on 6-14-18 to review new language

Received phone call from Mr. Hovater on 6-15-18 asking to add the 12 month termination clause back into Lease

Sent e-mail to DeRita and KP on 6-15-18 to review new language and disregard yesterday's e-mail

Received e-mail from KP on 6-27-18 lease approved

Mailed to Mr. Hovater on 6-27-18 for signature

Received e-mail from Mr. Hovater on 7-3-18 stating he will sign document but Notary is on vacation and won't return until next week and he will send document then

Sent e-mail to Mr. Hovater on 7-2-18 asking for current COI

Received e-mail from Mr. Hovater on 7-2-18 sending e-mail to his RM Department

Received e-mail from insurance company on 7-2-18 with COI

Sent e-mail to RM on 7-2-18 for COI compliance

Sent e-mail to Mr. Hovater on 7-2-18 with new page one

Received e-mail from RM on 7-5-18 stating they need general liability

Sent e-mail to insurance company on 7-5-18 asking for GL insurance COI

Received e-mail from insurance company to Mr. Hovater stating GL is thru a different company.

Received e-mail from Mr. Hovater on 7-5-18 to insurance company asking for GL COI

Received e-mail from insurance company on 7-5-18 with COI

Received e-mail from Mr. Hovater on 7-5-18 asking if we need anything else

Sent e-mail to Mr. Hovater on 7-5-18 stating no

Sent e-mail to RM on 7-5-18 with COI for review and compliance

Received e-mail from RM on 7-5-18 stating COIs complies with requirements

Sent e-mail to Mr. Hovater on 7-11-18 asking for status of signed documents

Received signed documents on 7-12-18

Scheduled for Board Agenda on 8-7-18

Lease Agreement
Segers Aero Corporation

This lease agreement is executed and entered into this 7th day of August, 2018, _____, by and between, Okaloosa County, a political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter referred to as "Lessor", whose principal address is 1250 N Eglin Parkway, Suite 102, Shalimar, FL 32579, and Segers Aero Corporation, hereinafter referred to as "Lessee", an Alabama Corporation, certified to do business in the State of Florida, whose principal address is 8100 McGowin Drive, Fairhope, AL 36532.

The Lessor and Lessee, for the consideration herein set forth, agree as follows:

SECTION ONE
Leased Property

1.1 Lessor does hereby lease certain real property at the Bob Sikes Airport (the "Airport"), 5535 John Givens Road, Crestview, FL 32539, as indicated in the attached and incorporated Exhibit A, to Lessee for the following purposes:

- a. Test Engine Facility Space, to occupy and maintain a test and storage facility at the Leased Premises;
- b. No other use is authorized for any portion of the Lease Premises.

SECTION TWO
Lease Term

2.1 The initial term of the Lease shall begin on July 16, 2018 and shall be for a term of Three (3) years. This Lease may be renewed for Two (2) additional One (1) year terms, upon mutual written consent executed by both parties to this Lease. For any renewal, Lessee shall provide Lessor with a written lease renewal request no later than One Hundred Twenty (120) days prior to the expiration of the Lease term then in effect. The Lease rate and terms for any renewal of the Lease shall be by mutual agreement by the parties, which will be presented to the Okaloosa County Board of Commissioners for approval.

SECTION THREE
Rent

3.1 A basic ground lease rent of ONE DOLLAR (\$1.00) per square foot per year is established for the area occupied by Lessee, as depicted on Exhibit A. The Lessee shall pay to Lessor in advance a monthly ground lease fee established by an independent appraisal. The fee shall be adjusted annually in accordance with Section 4, and is payable to Okaloosa County, Okaloosa County Airports, 1701 State Road 85 North, Suite 1, Eglin AFB, FL 32542-1498. The Lease includes FIFTY TWO THOUSAND TWO HUNDRED (52,200) square feet at ONE DOLLAR (\$1.00) per square foot per year for a total annual cost of FIFTY TWO THOUSAND TWO HUNDRED DOLLARS (\$52,200.00) plus tax or FOUR THOUSAND THREE HUNDRED FIFTY DOLLARS (\$4,350.00) monthly plus tax.

3.2 If Lessee fails to pay the ground lease rent when due, Lessee shall then pay interest to the Lessor at the maximum legal allowable rate authorized by the State of Florida. If any rental fee or other charge remains delinquent for a period of ten (10) days after written notice has been given, Lessor shall have the option of terminating this Agreement as set forth in Section twenty-eight (28) below.

3.3 In addition, Lessee shall pay any and all taxes, assessments, charges, costs and expenses that may be due as a result of this Lease, together with all interest and penalties that may accrue thereon. In the event of the failure of Lessee to pay those items, and all other damages, costs, expenses, and sums that Lessor may suffer or incur, or that may become due, by reason of any default of the Lessee or failure by the Lessee to comply with the terms and conditions of this Lease shall be deemed to be additional rent, and in the event of non-payment, Lessor shall have all rights and remedies as herein provided for failure to pay rent.

SECTION FOUR Escalation

4.1 The ground lease shall be increased annually to reflect the increase in the Consumer Price Index ("CPI") based on a twelve (12) month September through August average. The "CPI" shall be the revised Consumer Price Index for all Urban Consumers for all items – U.S. City Average, published by the Bureau of Labor Statistics, U.S. Department of Labor, 1982-84=100 (CPI-U).

SECTION FIVE Utilities

5.1 County does not assume any responsibility in providing utilities to the Lease Premises. The Lessee agrees to pay all charges for utility services and costs of installations, including water, heat light, power, and garbage.

SECTION SIX Improvements to Lessor

6.1 Any and all improvements hereafter installed, erected, or placed within the Leased Premises, including alterations and repairs shall become, upon the termination of this Lease for any cause, the absolute and sole property of the Lessor and shall not be removed for the Leased Premises. If on termination of this Lease, Lessee is not in default, Lessee shall have the right to remove from the Leased Premises any equipment or trade fixtures that can be removed without damage to the Leased Premises (and if any damage does occur on any such removal, Lessee shall promptly repair the same).

SECTION SEVEN Building, Alterations and Permits

7.1 Lessee shall at its expense apply for and obtain any and all building, construction, or other permits and licenses to build, repair or maintain the improvements contemplated by the Lease.

Lessor makes no representations or warranty relative to the availability of such licenses or permits, and Lessee assumes full responsibility for securing same. No construction, modification, or alterations of improvements to include antennas or other devices are permitted without prior written approval by County.

SECTION EIGHT Care of Leased Premises

8.1 Lessee shall keep said premises neat, clean, and orderly at all times. Lessee shall not store anything on the premises other than those items specifically required to maintain the Lessee's equipment in accordance with Federal Aviation Regulations (FAR's). All petroleum products, solvents, cleaners and flammable material shall be stored in an approved fireproof rated cabinet. Used petroleum products, solvents, cleaners and cleaning materials shall be disposed of both in accordance with all governmental regulations and off Lessor's premises.

SECTION NINE Mechanics' Liens

9.1 Nothing in this Lease shall be deemed or construed in any way as constituting the consent or request of Lessor, expressed or implied, by inference or otherwise, to any contractor, subcontractor, laborer, or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to, or repair of the Leases Premises or any part thereof, nor as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any lien against the Leased Premises, including buildings.

SECTION TEN Unlawful or Dangerous Activity

10.1 Lessee shall neither use nor occupy the Leased Premises or any part thereof for any unlawful or hazardous business purpose nor operate or conduct its business in a manner constituting a nuisance of any kind. Lessee shall immediately, on discovery of any unlawful or hazardous use, take action to halt such activity, and shall further immediately notify the Airports Director.

10.2 Furthermore, Lessee shall not commit or suffer to be committed on said premises, any waste, nuisance or unlawful act.

SECTION ELEVEN Insurance

11.1 Insurance requirements are listed in Exhibit "B".

SECTION TWELVE
Indemnification

12.1 Lessee agrees to indemnify Lessor against all expenses, liabilities, and claims of every kind, including reasonable counsel fees, by or on behalf of any person or entity arising out of either:

- a. A failure by Lessee to perform any of the terms and conditions of this Lease.
- b. Any injury or damage happening on or about the Lessor's property resulting from the Lessee's occupancy, operations, or use of the Leased Premises.
- c. Failure to comply with any law of any governmental authority having jurisdiction,
- d. Any mechanics' lien or security interest filed against the Lessor's property or any equipment installed or caused to be install by Lessee at the Leased Premises, or any materials used or caused to be used by Lessee on or at the Leased Premises, or any work done or caused to be done by Lessee at the Leased Premises for any purpose.

SECTION THIRTEEN
Easements, Agreements, or Encumbrances

13.1 The parties shall be bound by all existing easements, agreements and encumbrances of record relating to the Leased Premises and Lessor shall not be liable to Lessee for any damages resulting from any action taken by the holder of the interest pursuant to the rights of that holder thereunder.

SECTION FOURTEEN
Liability; Risk of Loss

14.1 Lessee shall be in exclusive control and possession of the Leased Premises and Lessor shall not be liable for any injury or damages to any property or to any person on or about the Leased Premises or any property of Lessee. Lessor has the right to inspect the Leased Premises at any time upon reasonable notice. The provisions herein permitting Lessor to enter and inspect the Leased Premises are made to ensure that Lessee is in compliance with the terms and conditions hereof and make repairs that Lessee has failed to make or are necessary as a consequence of a repair that was necessary that was outside the responsibility of Lessee. Lessor shall not be liable to Lessee for any entry on the premises for inspection or necessary repair purposes.

14.2 Lessee assumes the risk of loss or damage to the facility and its contents, whether form windstorm, fire, earthquake, or any other cause whatsoever.

14.3 The damage, destruction, or partial destruction of any permanent building or other improvement which is part of the Leased Premises shall not release Lessee from any obligations hereunder not shall it cause a rebate or an abatement in rent then due or thereafter becoming due under the terms hereof. In case of damage to or destruction of any such building or improvement, Lessee shall at its own expense, promptly repair and restore the property to a condition as good or better than that existed prior to the damage or destruction.

SECTION FIFTHTEEN
Representations by Lessor

15.1 At the commencement of the term Lessee shall accept the Leased Premises and the fixtures and equipment included therein in their existing condition and state of repair, and Lessee agrees that no representations, statements, or warranties, expressed or implied, have been made by or on behalf of Lessor in respect therein except as contained in the provisions of this Lease, and Lessor shall in no event be liable for any latent defects within the Leased Premises.

SECTION SIXTEEN
Rights of Lessor

16.1 It is understood and agreed that Lessor may, in connection with future development of the Airport, require the space hereinabove for permanent buildings and/or other development. In such case, Lessor shall give written notice to Lessee. After thirty (30) days from said written notice, Lessor shall have the right at Lessor's expense, to remove said facility and erect it at a different location at the Airport as designated in writing by Lessor, provided that the new location is reasonably, feasible, and accessible to the taxiways and runways.

16.2 Lessor reserves itself, its successors, and assigns for the use and benefits of the public, a right of flight for the passage or aircraft in the airspace above the surface of the real property hereinafter described together with the right to cause in said airspace such noises as may be inherent in the operations of aircraft, now known or hereafter used for navigation of or flight in the airspace, and for use of the airspace for landing on, taking off from, or operating on the Airport.

16.3 Lessee expressly agrees for itself, its successors, and assigns to prevent any use of the Leased Premises, which would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute an airport hazard.

16.4 Lessee expressly agrees for itself, its successors, and assigns, to restrict the height of structures, objects, of natural growth, and other obstructions on the Leased Premises to such height so as to comply with the Federal Aviation Regulations, Part 77.

SECTION SEVENTEEN
Waivers

17.1 The failure of Lessor to insist on a strict performance of any of the terms and conditions hereof shall not be deemed a waiver of the rights or remedies the Lessor may have to enforce performance of the terms and conditions of this Lease at any time.

SECTION EIGHTEEN
Notice

18.1 All notices to be given with respect to this Lease shall be in writing. Each notice shall be sent certified mail, postage prepaid and with return receipt requested, to the party to be notified at

the address set forth below or at such other address as either party may from time to time designate in writing.

As to Lessor: Okaloosa County Airports
Airports Director
1701 State Road 85 North, Suite 1
Eglin AFB, FL 32542-1498

As to Lessee: Segers Aero Corporation
Jeremy Hovater
8100 McGowin Drive
Fairhope, AL 36532

SECTION NINETEEN Assignment or Sublease

19.1 All subsequent transfers and assignments of any interest, including mortgages thereon, require written approval in advance by the Lessor and payment of Approval Fee of ONE THOUSAND (\$1,000.00) dollars. During the initial 20 year term a new lease fee will be established upon assignment or transfer based on an independent appraisal conducted at the direction of the Lessor. Lessee shall have thirty (30) days from the furnishing of the copy of the appraisal to exercise a right of transfer or assign. Otherwise, the transfer or assignment shall not be approved and the ONE THOUSAND (\$1,000.00) DOLLAR approval fee shall be refunded. Following the initial 20 year term, rent will be based on the ground values by an independent appraisal.

19.2 Except as hereinabove set out, the Leased Premises may not be sublet, in whole or in part, and Lessee shall not assign this Lease or any portion of this Lease at any given time without prior written consent of Lessor.

19.3 Lessee agrees that upon assignment of this Lease by Lessee, Lessor shall have the right to inspect the leased premises and require that the hangar and property be repaired or restored to the condition that it existed upon execution hereof.

SECTION TWENTY Termination of the Lease

20.1 If Lessee breaches or violates any of the terms and provisions hereof, County shall have the right to terminate this Lease forthwith by giving written notice to Lessee, and if not corrected with thirty (30) days, this Lease would be terminated and in such event of termination, the improvements thereon would become the property of County. Lessee or Lessor has the right to cancel this Lease with twelve (12) months' notice to the other party.

SECTION TWENTY-ONE
Compliance with Governmental Procedures

21.1 Lessee shall conform to all the requirements of applicable State and Federal statutes and regulations and all County Ordinances and regulations, and shall secure such permits and licenses as may be duly required by any such laws, ordinance's, or regulations as may be promulgated by Lessor. In addition, Lessee shall comply with all policies, rules, regulations, or ordinances of the County, which are currently, or may be hereinafter adopted relating to County owned airport facilities.

SECTION TWENTY-TWO
Binding Nature of Lease

22.1 This Lease shall be binding on the assigns, transfers, heirs, executors, successors, and trustees of the parties hereto.

SECTION TWENTY-THREE
Non-Discrimination

23.1 Lessee, for its self, its personal representatives, successors, in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree 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 furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (3) that Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulation, 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.

23.2 That in the event of breach of any of the above nondiscrimination covenants, Lessor shall have the right to terminate the Lease and to reenter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued.

23.3 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.

SECTION TWENTY-FOUR
Surrender of Possession

24.1 Lessee shall quietly and peaceably vacate the Leased Premises and surrender possession to Lessor on or before the last day of the Lease, or on an earlier termination and forfeiture of the Lease, free of sub tenancies, in good condition and repair. Lessee shall remove all property of every description in the Leased Premises that is not the property of Lessor on or before 12:00 a.m. (midnight) on the last day of the Lease.

SECTION TWENTY-FIVE
Default or Breach

- 25.1 Each of the following events shall constitute a default or breach of this Lease by Lessee:
- a. If Lessee or any successor or assignee of Lessee while in possession shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise or shall make an assignment for the benefit of creditors.
 - b. If voluntary proceedings under any bankruptcy law or insolvency act shall be instituted against Lessee or if a receiver or trustee shall be appointed of all or substantially all of the property of Lessee, and such proceedings shall not be dismissed or the receivership or trusteeship vacated within Sixty (60) days after the institution or appointment.
 - c. If Lessee shall fail to pay Lessor any rent, or additional rent required hereunder when such becomes due and shall not make the payment within ten (10) days after notice thereof by Lessor to Lessee.
 - d. If Lessee shall fail to perform or comply with any of the conditions of this Lease and if the nonperformance shall continue for a period of Fifteen (15) days after notice thereof by Lessor to Lessee or, if the performance cannot be reasonably had within the fifteen (15) day period, Lessee shall not in good faith have commences performance within the Fifteen (15) day period and shall not diligently proceed to completion of performance. Whether lessee diligently proceeded shall be determined at the sole discretion of the Lessor.
 - e. If the Lessee fails to maintain in full force and affect the insurance coverage required pursuant to Section Eleven (11) or fails to name Lessor as an additional insured on such insurance policies.
 - f. If Lessee shall vacate or abandon the Leased Premises.
 - g. If the Lease or the estate of Lessee hereunder shall be transferred to or shall pass to or devolve on any other person or party, except in the manner herein permitted.
 - h. If the Lessee fails to take possession of the Leased Premises on the term commencement date or within ten days after notice that the Leased Premises are available for occupancy, if the term commencement date is not fixed herein or shall be deferred as herein provided.

SECTION TWENTY-SIX
Effect of Default

- 26.1 In the event of any default hereunder, as set forth in Section Twenty-Six (26) the rights or Lessor shall be as follows:

- a. Lessor shall have the right to cancel and terminate this Lease, as well as all of the rights, title, and interest of Lessee hereunder, by giving to Lessee not less than Fifteen (15) days' notice of the cancellation and termination. On expiration of the time fixed in the notice, this Lease and the right, title, and interest of Lessee hereunder shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.
- b. Lessor may elect, but shall not be obligated, to make any payment required of Lessee herein or comply with any agreement, term, or condition required hereby to be performed by Lessee, and Lessor shall have the right to enter the demised premises for the purpose of correcting or remedying any such default to remain until the default has been corrected and remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee or the right of Lessor to take any action as may be otherwise permissible hereunder in the case of any default.
- c. Lessor may re-enter the premises immediately and remove the property of Lessee, and store and dispose of the property in accordance with chapter 705, Florida Statutes.
- d. Lessor shall have any other remedy available by law.

**SECTION TWENTY-SEVEN
Federal Regulations**

27.1 Lessee agrees to comply with all federal regulations, including, but not limited to those set forth in Exhibit "C" attached hereto.

**SECTION TWENTY-EIGHT
Entire Lease; Applicable to Successors**

28.1 This Lease contains the entire agreement between the parties and cannot be changed except by written instruments subsequently executed by the parties hereto. This Lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

**SECTION TWENTY-NINE
Applicable Law and Venue**

29.1 This Lease shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any legal actions relating to this Lease shall be brought in the courts in and for Okaloosa County, Florida.


SECTION THIRTY
Construction and Application of Terms

30.1. The section and paragraph headings in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of intent of any portion hereof. The parties have participated jointly in the negotiation and drafting of this Lease. In the event an ambiguity or question of intent or interpretation arises, this Lease shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Lease. Both parties have had an opportunity to have their respective legal counselors review this Lease.

(The remainder of this page intentionally left blank)

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

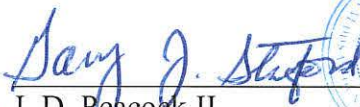
OKALOOSA COUNTY, FLORIDA



Graham W. Fountain
Chairman, Board of County Commissioners

Date: 8/7/13

ATTEST:



J. D. Peacock II
Clerk of Circuit Court



Segers Aero Corporation



Jeremy Hovater

Date: 6/29/18


WITNESS


WITNESS


ACKNOWLEDGEMENTS

STATE OF AL.
COUNTY OF Baldwin

Before me, the undersigned officer duly authorized to take acknowledgements in the COUNTY and STATE aforesaid, personally appeared JEREMY HOVATER who, under oath, deposes and says that he/she is authorized to execute contracts and lease agreements and that he/she executed the foregoing instrument for the uses and purposes contained therein.

Sworn and subscribed before me this 29 day of June, 2018.




NOTARY

My Commission Expires May 14, 2022

My Commission Expires: _____

Exhibit A
Leased Premises Map and Square Footage



EXHIBIT "B"

GENERAL SERVICES INSURANCE REQUIREMENTS

REVISED: 02/8/2018

CONTRACTORS INSURANCE

1. The Contractor shall not commence any work in connection with this Agreement until he has obtained all required insurance and such insurance has been approved by the Okaloosa County Risk Manager or designee.
2. All insurance policies shall be with insurers authorized to do business in the State of Florida.
3. All insurance shall include the interest of all entities named and their respective officials, employees & volunteers of each and all other interests as may be reasonably required by Okaloosa County. The coverage afforded the Additional Insured under this policy shall be primary insurance. If the Additional Insured have other insurance that is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the company's liability under this policy shall not be reduced by the existence of such other insurance.
4. Where applicable, the County shall be shown as an Additional Insured with a Waiver of Subrogation on the Certificate of Insurance.
5. The County shall retain the right to reject all insurance policies that do not meet the requirement of this Agreement. Further, the County reserves the right to change these insurance requirements with 60-day notice to the Contractor.
6. The County reserves the right at any time to require the Contractor to provide copies of any insurance policies to document the insurance coverage specified in this Agreement.
7. The designation of Contractor shall include any associated or subsidiary company which is involved and is a part of the contract and such, if any associated or subsidiary company involved in the project must be named in the Workers' Compensation coverage.

8. Any exclusions or provisions in the insurance maintained by the Contractor that excludes coverage for work contemplated in this agreement shall be deemed unacceptable and shall be considered breach of contract.

WORKERS' COMPENSATION INSURANCE

1. The Contractor shall secure and maintain during the life of this Agreement Workers' Compensation insurance for all of his employees employed for the project or any site connected with the work, including supervision, administration or management, of this project and in case any work is sublet, with the approval of the County, the Contractor shall require the Subcontractor similarly to provide Workers' Compensation insurance for all employees employed at the site of the project, and such evidence of insurance shall be furnished to the County not less than ten (10) days prior to the commencement of any and all sub-contractual Agreements which have been approved by the County.
2. Contractor must be in compliance with all applicable State and Federal workers' compensation laws, including the U.S. Longshore Harbor Workers' Act or Jones Act, if applicable.
3. No class of employee, including the Contractor himself, shall be excluded from the Workers' Compensation insurance coverage. The Workers' Compensation insurance shall also include Employer's Liability coverage.

BUSINESS AUTOMOBILE LIABILITY

Coverage must be afforded for all Owned, Hired, Scheduled, and Non-Owned vehicles for Bodily Injury and Property Damage in an amount not less than \$1,000,000 combined single limit each accident. If the contractor does not own vehicles, the contractor shall maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Policy. Contractor must maintain this insurance coverage throughout the life of this Agreement.

COMMERCIAL GENERAL LIABILITY INSURANCE

1. The Contractor shall carry other Commercial General Liability insurance against all other Bodily Injury, Property Damage and Personal and Advertising Injury exposures.
2. All liability insurance (other than Professional Liability) shall be written on an occurrence basis and shall not be written on a claims-made basis. If the insurance is

issued with an aggregate limit of liability, the aggregate limit of liability shall apply only to the locations included in this Agreement. If, as the result of any claims or other reasons, the available limits of insurance reduce to less than those stated in the Limits of Liability, the Contractor shall notify the County representative in writing. The Contractor shall purchase additional liability insurance to maintain the requirements established in this Agreement. Umbrella or Excess Liability insurance can be purchased to meet the Limits of Liability specified in this Agreement.

3. Commercial General Liability coverage shall include the following:
 - 1.) Premises & Operations Liability
 - 2.) Bodily Injury and Property Damage Liability
 - 3.) Independent Contractors Liability
 - 4.) Contractual Liability
 - 5.) Products and Completed Operations Liability

4. Contractor shall agree to keep in continuous force Commercial General Liability coverage for the length of the contract.

LIMITS OF LIABILITY

The insurance required shall be written for not less than the following, or greater if required by law and shall include Employer’s liability with limits as prescribed in this contract:

		<u>LIMIT</u>
1.	Worker’s Compensation	
	1.) State	Statutory
	2.) Employer’s Liability	\$500,000 each accident
2.	Business Automobile	\$1M each occurrence (A combined single limit)
3.	Commercial General Liability	\$1M each occurrence for Bodily Injury & Property Damage \$1M each occurrence Products and completed operations
4.	Personal and Advertising Injury	\$1M each occurrence

NOTICE OF CLAIMS OR LITIGATION

The Contractor agrees to report any incident or claim that results from performance of this Agreement. The County representative shall receive written notice in the form of a detailed written report describing the incident or claim within ten (10) days of the Contractor's knowledge. In the event such incident or claim involves injury and/or property damage to a third party, verbal notification shall be given the same day the Contractor becomes aware of the incident or claim followed by a written detailed report within ten (10) days of verbal notification.

INDEMNIFICATION & HOLD HARMLESS

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless the County, its officers and employees from liabilities, damages, losses, and costs including but not limited to reasonable attorney fees, to the extent caused by the negligence, recklessness, or wrongful conduct of the Contractor and other persons employed or utilized by the Contractor in the performance of this contract.

Note: For Contractor's convenience, this certification form is enclosed and is made a part of the bid package.

CERTIFICATE OF INSURANCE

1. Certificates of insurance indicating the job site and evidencing all required coverage must be submitted not less than 10 days prior to the commencement of any of the work. The certificate holder(s) shall be as follows: Okaloosa County, 5479A Old Bethel Road, Crestview, Florida, 32536.
2. The contractor shall provide a Certificate of Insurance to the County with a thirty (30) day notice of cancellation; ten (10 days' notice if cancellation is for nonpayment of premium).
3. In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of the contractor to provide the proper notice. Such notification shall be in writing by registered mail, return receipt requested, and addressed to the Okaloosa County Purchasing Department at 5479-A Old Bethel Road, Crestview, FL 32536.

4. In the event the contract term goes beyond the expiration date of the insurance policy, the contractor shall provide the County with an updated Certificate of insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. The County reserves the right to suspend the contract until this requirement is met.
5. The certificate shall indicate if coverage is provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the certificate will show a retroactive date, which should be the same date of the initial contract or prior.
6. All certificates shall be subject to Okaloosa County's approval of adequacy of protection and the satisfactory character of the Insurer. County reserves the right to approve or reject any deductible/SIR above \$10,000. The Certificates of Insurance shall disclose any and all deductibles or self-insured retentions (SIRs).
7. All deductibles or SIRs, whether approved by Okaloosa County or not, shall be the Contractor's full responsibility. In particular, the Contractor shall afford full coverage as specified herein to entities listed as Additional Insured.
8. In no way will the entities listed as Additional Insured be responsible for, pay for, be damaged by, or limited to coverage required by this schedule due to the existence of a deductible or SIR. Specific written approval from Okaloosa County will only be provided upon demonstration that the Contractor has the financial capability and funds necessary to cover the responsibilities incurred as a result of the deductible or SIR.

GENERAL TERMS

Any type of insurance or increase of limits of liability not described above which, the Contractor required for its own protection or on account of statute shall be its own responsibility and at its own expense.

Any exclusions or provisions in the insurance maintained by the contractor that excludes coverage for work contemplated in this contract shall be deemed unacceptable and shall be considered breach of contract.

The carrying of the insurance described shall in no way be interpreted as relieving the Contractor of any responsibility under this contract.

Should the Contractor engage a subcontractor or sub-subcontractor, the same conditions will apply under this Agreement to each subcontractor and sub-subcontractor.

The Contractor hereby waives all rights of subrogation against Okaloosa County and its consultants and other indemnities of the Contractor under all the foregoing policies of insurance.

UMBRELLA INSURANCE

The Contractor shall have the right to meet the liability insurance requirements with the purchase of an umbrella insurance policy. In all instances, the combination of primary and umbrella liability coverage must equal or exceed the minimum liability insurance limits stated in this Agreement.

Exhibit "C"

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 lessee 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 leases, 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 lease, the lessee, for itself, its assignees, and successors in interest (hereinafter referred to as the “lessee”) 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 leases and subleases 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 lessee has full responsibility to monitor compliance to the referenced statute or regulation. The lessee 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 leases and subleases 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. Lessee must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Lessee retains full responsibility to monitor its compliance and their sublessee's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Lessee 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 Lessee is not enrolled as a Federal Contractor in E-Verify at time of contract award, the Lessee 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 Lessee, 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 Lessee is enrolled as a Federal Contractor in E-Verify at time of contract award, the Lessee shall use E-Verify to initiate verification of employment eligibility of
 - a. All new employees.
 - i. Enrolled ninety (90) calendar days or more. The Lessee shall initiate verification of all new hires of the Lessee, 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
 - b. Enrolled less than ninety (90) calendar days. Within ninety (90) calendar days after enrollment as a Federal Contractor in E-Verify, the Lessee shall initiate verification of all new hires of the lessee, 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 Lessee 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.)
- (3) If the Lessee is an institution of higher education (as defined at 20 U.S.C. 1001(a)); a State of 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 Lessee may choose to verify only employees assigned to the contract, whether existing employees or new hires. The Lessee 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 Lessee 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 Lessee 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 Lessee's decision to exercise this option, using the contract information provided in the E-Verify program Memorandum of Understanding (MOU)
- (5) The Lessee 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 Lessee's MOU and deny access to the E-Verify system in accordance with the terms of the MOU. In such case, the Lessee, 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 lessee is excused from its obligations under paragraph (b) of this clause. If the suspension or debarment official determines not to suspend or debar the Lessee, then the Lessee 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 Lessee 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 Lessee 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 Lessees.

Subleases. The Lessee shall include the requirements of this clause, including this paragraph € (appropriately modified for identification of the parties in each sublease 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.