REPORT/ RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND RECORD OF ACTION

September 10, 2026

FROM:	Stacey Davenport, Director – Human Resources & Administration
SUBJECT:	Approve Minutes of August 13, 2026
RECOMMENDATION:	Motion to approve the minutes of August 13, 2026, and authorize the Chair to sign.
BACKGROUND:	See attached copy of the minutes for your review.
FINANCIAL DATA:	N/A
REVIEW BY OTHERS:	S. Davenport, L. Skaflen
PRESENTERS:	Stacey Davenport

Action of the Board of Commissioners

	1st	2nd	YES	NO	ABS
Bagnato	O	O	O	O	O
Baker	O	O	O	O	O
Beatty	O	O	O	O	O
Campbell	O	O	O	O	O
Summey	O	O	O	O	O

August 13, 2026

The Board of Commissioners of the Arapahoe County Public Airport Authority, Arapahoe County, Colorado, held a regular meeting open to the public at Centennial Airport Administration Complex, 7565 South Peoria St., Englewood, Colorado, located within the County, on August 13th, 2026, at 3:00 pm

The following members were present:
Commissioner Bagnato, Chair
Commissioner Campbell, Chair Pro-Tem
Commissioner Baker, Clerk
Commissioner Beatty, Assistant Clerk
Commissioner Huffman, Ex-Officio
Commissioner Sieber, Ex-Officio

The following members were absent, but excused:
Commissioner Laydon, Ex-Officio
Commissioner Summey, Treasurer

Each Commissioner was notified of the date, time, and place of the meeting and the purpose to which it was called. At least three (3) days prior to the date of the meeting, Public Meeting notices were posted, and an agenda was posted on the Authority's website and in the window of the door at the Administration building. Please note that this public meeting was held through video and web conferencing software options for the Board members, staff, and public.

Call to Order & Pledge of Allegiance

Chair Bagnato called the meeting to order at 3:04 p.m. and recited the Pledge of Allegiance.

Next Meetings

- September 2nd, 2026 @ 6:30 p.m. – Noise Roundtable Meeting – Wright Brothers' Room, Hybrid/Virtual
- September 10th, 2026 @ 3:00 p.m. – Regular Board Meeting – Wright Brothers' Room, Hybrid/Virtual

Amendments to the Agenda

Items #5 and #6 were moved from Consent for further discussion prior to approval.

CONSENT AGENDA

1. **Approve Minutes of June 18, 2026** **Stacey Davenport**
   Recommendation: Motion to approve the minutes of June 18, 2026, and authorize the Chair to sign

2. **June 2026 Financial Reports** **Andrew Gillespie**
   Recommendation: Advisory

3. **Ratification of Second Quarter 2026 Expenditures** **Andrew Gillespie**
   Recommendation: Motion to ratify Second Quarter 2026 Expenditures in the amount of $4,501,589.83

4. ***Appoint Budget Officer for 2027*** **Andrew Gillespie**
   Recommendation: Motion to appoint Andrew Gillespie as Budget Officer for the 2027 Budget

5. **AIP-66 Grant Agreement** **Lauren Wiarda**
   Recommendation: Motion to conditionally approve the AIP-66 Grant Agreement for the procurement and installation of Vehicle Movement Area Transponders and authorize the Chair and Clerk to sign upon receipt of the Grant

6. **Statewide Internet Portal Authority State Grant Agreement GS26-15 Wildlife Detection and Management** **Lauren Wiarda**
   Recommendation: Motion to conditionally approve Colorado Statewide Internet Portal Authority (SIPA) state grant GS26-15 Wildlife Detection and Management for the deployment of 32 AI-powered wildlife devices at Centennial Airport and authorize the Chair and Clerk to sign upon receipt of the Grant

7. **Engineering Services Selection and Agreement** **Lauren Wiarda**
   Recommendation: Motion to select Benesch to be the Airport's consulting engineer and authorize the Chair and Clerk to sign the Master Services Agreement between Benesch and ACPAA, pending final review of the Agreement by staff and counsel

8. **Consent to Assignment of Sublease and to the Assignment and Assumption of the Subordination Non-Disturbance, and Attornment Agreement from C&A Ventures, LLC to Temark Investments, LLC** **Luke Skaflen**
Recommendation: Motion to Approve Consent to Assignment of Sublease and Consent to Assignment and Assumption of Subordination, Non-Disturbance, and Attornment Agreement ("SNDA") for Hangar A - South (also known as 7905 S. Peoria Street), from C&A Ventures, LLC to Temark Investments, LLC (the "Assignee")

9. **Consent to Assignment of Sublease between Hangar RE Holdings, LLC and Catholic Health Initiatives Colorado** **Luke Skaflen**
Recommendation: Motion to rescind the previously approved documents with CommonSpirit Health, and approve:
   - The Consent to Assignment of Sublease,
   - The Assignment and Assumption of Subordination Non-Disturbance and Attornment Agreement, and
   - Estoppel Certificate

   between Hangar RE Holdings, LLC, and Catholic Health Initiatives Colorado, a Colorado nonprofit corporation and authorize the Chair and Clerk to sign

10. **Approval of Consent Agenda** **Thad Bagnato**

Motion to approve the consent agenda as presented was made by Commissioner Campbell, seconded by Commissioner Baker. Motion passed unanimously.

BUSINESS AGENDA

11. **Items Moved from Consent Agenda for Discussion** **Thad Bagnato**

Items #5 and #6 were moved from Consent for further discussion prior to approval. Commissioners Campbell and Baker asked questions about the grants. Michael Fronapfel answered questions, and Jeremy Gunn further explained the state grant of approximately $138,000 for a wildlife detection and management camera system to be installed around the airport perimeter. He explained that the system is designed to identify wildlife activity, including species type, and can also detect individuals breaching the perimeter fence. He noted that the Authority previously operated a similar system, but that the underlying technology was still in its infancy at that time; advances in artificial intelligence are expected to make the current system substantially more capable. He stated that the system is expected to enhance both wildlife awareness and airfield security. The Board commented favorably on the addition.

12. **Legislative Report and Airport Update** **Mike Fronapfel**
Recommendation: Advisory

Mr. Fronapfel reported that he applied to serve on a new nationwide FAA advisory committee on aircraft noise, with the Centennial Airport Community Noise Roundtable providing the required endorsement. Staff are also engaging FAA contacts, lobbyists, and elected officials in support of the application. He noted the process is competitive, and that staff will engage with whoever is selected regardless of the outcome.

On federal legislative matters, Mr. Fronapfel reported that staff continue to monitor pending legislation on access to ADS-B flight-track data, noting that pilot organizations favor limiting access to personally identifiable information while airport and FBO associations favor continued access. He is drafting letters to the FAA and elected officials stressing the importance of this data to the Authority's noise program and will consult with lobbyists on involving other local jurisdictions.

Mr. Fronapfel reported that tower renovation remains on track for completion by the end of August, though elevator installation has been delayed waiting on a part. Site work continues for the new Signature Flight Support hangar, with completion still expected in early 2027. Colorado Karting Circuit's garage foundations are in place, with a possible relocation of its main building under evaluation to preserve pit space during major events.

On fuel sales, Mr. Fronapfel reported that UL94 sales are down approximately 3% year-over-year (68,113 gallons year-to-date), attributing part of the decrease to a based operator pausing UL94 use in its training fleet during warmer months.

Mr. Fronapfel reported that staff assembled over 300 hygiene kits for local families for the second year in a row, distributed with the help of county human services staff and a local back-to-school outreach event serving approximately 2,000 families. He commended staff, including Justin Kunz, and noted interest in involving Board members in future years.

Mr. Fronapfel reported that the airport contracted for about 300 to 350 goats to graze hard-to-mow drainage areas for seven days beginning next Thursday. The goats will be kept away from runways, contained by two layers of electric fencing, and continuously monitored by shepherds. He said the idea came from Jeremy Gunn, who had seen a similar nearby grazing operation, and described it as part of the Authority's sustainability efforts by reducing vegetation and wildlife habitat in drainage areas, lowering diesel fuel use and staff time, and controlling noxious weeds and erosion. He also noted the USDA's interest in the program as a possible proof of concept for similar terrain.

Mr. Fronapfel then invited Mr. Gunn and the project's design consultants with Wenk and Tres Birds to present an update on the community space and observation tower project.

Mr. Gunn noted that the Board reviewed the project concepts during a public study session held before the meeting, and the presentation will summarize that discussion. The design team reiterated that the project remains conceptual, with feedback to be incorporated into a final concept plan; no final decision was requested.

The team presented three observation tower/play area concepts, each with a 55-foot observation deck: the "Needle," an elevator-based tower; the "Promenade," a ramp-based accessible tower; and a hybrid combining elements of both. The team emphasized that elements may be combined into the final concept. Preliminary estimates indicated the concepts could generally fall within the previously discussed $3 million to $5 million range. They also mentioned a community survey that received 60 responses and showed strong support for the project and its aviation, educational, and community benefits.

Next steps include refining the concepts in September and October, with a final concept, cost estimate, and 3D/virtual-reality graphics expected in November or December. Staff also plan to update the Colorado Division of Aeronautics regarding prior and potential future grant support.

Mr. Gunn answered questions and confirmed the 55-foot height was selected to provide a clear runway view over the new Signature Flight Support hangar. Commissioner Campbell supported the three-concept approach and opportunity to combine elements.

After this Mr. Fronapfel recognized Lorie Zarlengo's retirement and announced several leadership promotions. He reported that Mrs. Zarlengo, who had served as Assistant Airport Director and Chief Operating Officer, was scheduled to retire at the end of the week following more than 36 years of service. He noted that she would remain with the airport as a part-time Senior Adviser through the end of the year. Mr. Fronapfel stated that Mrs. Zarlengo had served under five of the airport's six Executive Directors and had hired and mentored more than 130 interns. He praised her leadership, humility, consistency, and commitment to mentorship throughout her career.

The Board members each praised Mrs. Zarlengo, stating the impact she has made at the airport and all the amazing work done during her years of service.

Mr. Fronapfel also announced that Zach Gabehart would become Assistant Airport Director and Chief Operating Officer, Luis Gonzales had been named Noise Environmental Officer, and Brycen Hoover will move from Intern to Operations Specialist. He further noted that the airport was interviewing candidates for two internship openings.

13. Establish Jurisdiction for Public Hearing **Kimberly Bruetsch**

Airport counselor, Mrs. Bruetsch, provided the notice of Public Hearing on the application from AirCam National Helicopter Service, Inc. to conduct Helicopter Airframe and Power Plant Repair as described under Part 3 Section (3), of the Standards AND the application from Radiant Aviation Detailing, L.L.C., to conduct Specialized Commercial Aeronautical Activities, specifically Aircraft Detailing and Cleaning as described under Part 3 Section (11) of the Standards were published in the Villager and in the Douglas County News-Press, as required.

14. Public Hearing: Minimum Standards Application from Radiant Aviation Detailing, LLC for Detailing Luke Skaflen
Recommendation: Motion to Approve the application from Radiant Aviation Detailing, LLC and Authorize the Chair and Clerk to sign the associated Agreement Under Standards

Mr. Skaflen presented the request for approval of Radiant Aviation Detailing LLC to operate at the airport. He stated that the company's principals had completed training through the aviation detailing network and had prior experience in the yachting industry. He noted that the company would be available seven days a week and would maintain the required insurance coverage.
Commissioner Huffman asked questions, and the company principal, Mr. Spooner, answered.

Motion to approve the application from Radiant Aviation Detailing and Authorize the Chair and Clerk to sign the associated Agreement Under Standards was made by Commissioner Campbell and seconded by Commissioner Beatty. Motion carried unanimously.

15. **Public Hearing: Minimum Standards Application from Aircam National Helicopter Services, Inc for Helicopter Maintenance/Repair** **Luke Skaflen**
Recommendation: Open the public hearing, take any public comment, then pause the hearing until the Applicant is more certain of the FAA's decision regarding the Part 145 Certificate.

Mr. Skaflen explained that the request was to open the Public Hearing and pause for continuation, since there is documentation pending from Aircam National, and some details that need to be adjusted.

Commissioner Campbell made the motion to continue the public hearing to the next Airport Authority Board meeting scheduled for September 10. Motion was seconded by Commissioner Beatty and passed unanimously.

REPORTS

16. **Fuel and Operations Report for June and July 2026** **Brycen Hoover**

June 2026
- Monthly Operations, June: Up 6.9% from 2025 at 28,354.
- 2026 YTD Operations: Up 1.5% from 2025 at 155,348.
- Monthly 94UL, June: Down 9.0% from 2025 at 8,097.
- 2026 YTD 94UL: Up 1.2% from 2025 at 59,006.
- Monthly 100LL, June: Down 4.4% from 2025 at 54,388.
- 2026 YTD 100LL: Up 0.9% from 2025 at 287,774.
- Monthly AvGas Total, June: Down 5.0% from 2025 at 62,485.
- 2026 YTD AvGas Total: Up 0.9% from 2025 at 346,790.
- Monthly Jet A, June: Up 10.3% from 2025 at 1,270,849.
- 2026 YTD Jet A: Up 8.9% from 2025 at 7,184,678.
- Monthly Fuel Totals, June: Up 9.4% from 2025 at 1,333,334.
- 2026 YTD Fuel Totals: Up 8.5% from 2025 at 7,531,468.
- Monthly Market Share for fuel sales, June: JCoC: 38.2%; Modern: 22.3%; Signature South: 21.8%; Signature North: 17.5%; Heliplex: 0.2%

July 2026
- Monthly Operations, July: Up 9.2% from 2025 at 30,124.
- 2026 YTD Operations: Up 2.6% from 2025 at 185,472.
- Monthly 94UL, July: Down 23.0% from 2025 at 9,107.
- 2026 YTD 94UL: Down 2.9% from 2025 at 68,113.
- Monthly 100LL, July: Down 1.1% from 2025 at 57,076.
- 2026 YTD 100LL: Up 0.5% from 2025 at 344,850.
- Monthly AvGas Total, July: Down 4.9% from 2025 at 66,183.
- 2026 YTD AvGas Total: Down 0.1% from 2025 at 412,973.
- Monthly Jet A, July: Up 4.3% from 2025 at 1,315,178.
- 2026 YTD Jet A: Up 8.2% from 2025 at 8,499,856.
- Monthly Fuel Totals, July: Up 3.9% from 2025 at 1,381,361.
- 2026 YTD Fuel Totals: Up 7.7% from 2025 at 8,912,829.
- Monthly Market Share for fuel sales, July: JCoC: 38.5%; Signature South: 22.5%; Modern: 20.5%; Signature North: 18.4%; Centennial Vertiport: 0.1%

Commissioner Huffman asked a question about details in fuel sales for Jetcenters of Colorado, and Mr. Fronapfel answered.

17. **2nd Quarter 2026 Flight School Fly Quiet Dashboard Report** **Zach Gabehart**
Recommendation: Advisory

Mr. Gabehart reported that the second quarter Fly Quiet dashboard reflected a wide range of scores and slightly lower average performance. He explained that the dashboard, launched in January, measures operational, training/outreach, and bonus-point metrics as an engagement tool using de-identified school names. He stated that Q2 scores ranged from 56.7 to 94.5, with two schools scoring in the 90s, and that the overall Q2 average was approximately 78, compared with a year-to-date average of 80. He noted that the decrease was likely due to higher operations increasing penalty events.

Commissioner Beatty inquired about how differences between different types of operations are accounted for, to which Mr. Gabehart responded.

18. 2026 2nd Quarter Land Use Referrals Report **Luis Gonzales**
Recommendation: Advisory

Mr. Gonzales presented the following information:
- Received a total of 19 referrals during April 2026 and June 2026
- 7 were approved as submitted.
- 10 were subject to comments.
- 2 was not recommended: Multi-family residential buildings.

19. Noise Report June and July 2026 **Luis Gonzales**
Recommendation: Advisory

June 2026
- For June 2026, there were 1,045 complaints from 60 households.
- The 2026 Year-to-Date complaints are 4,249from 156 households.
- In June 2026, Douglas County Unincorporated and Arapahoe County Unincorporated led the complaints with 31% each, then both with 13% Greenwood Village and Elbert County Unincorporated and lastly Centennial with 10%
- Of the 1,045 complaints received in June 2026 total of 83 were responded, 79 by email and 4 by phone.
- Of the 1,045 complaints 840 came from daytime operations while 205 came from nighttime operations.
- For June 2026, there were 28,354 operations.
- For the Year 2026 there were 155,348 operations.
- The number one household resides in Centennial with 546 complaints, which make up 13% of the complaints for the year 2026. The top five households make up 56 % of the total complaints year-to-date.
- For June 2026: Propeller aircraft led complaints by aircraft type with 91%, 8% for Jets, and 7% for helicopter flights. Training led to complaints by operation type at 56% followed by Departures at 30% and arrivals at 14%.

July 2026
- For July 2026, there were 842 complaints from 57 households.
- The 2026 Year-to-Date complaints are 5,091 from 179 households.
- In July 2026, Douglas County Unincorporated led the complaints with 42%, then Arapahoe County Unincorporated with 22%, followed by Elbert County Unincorporated with 14%, then Centennial with 13%, and Greenwood Village with 7%.
- Of the 842 complaints received in July 2026 total of 95 were responded, 93 by email and 2 by phone.
- Of the 842 complaints 663 came from daytime operations while 179 came from nighttime operations.
- For July 2026, there were 30,124 operations.
- For the Year 2026 there were 185,472 operations.
- The number one household resides in Douglas County Unincorporated with 680 complaints, which make up 13% of the complaints for the year 2026. The top five households make up 57 % of the total complaints year-to-date.
- For July 2026: Propeller aircraft led complaints by aircraft type with 92%, 3% for Jets, and 1% for helicopter flights. Training led to complaints by operation type at 68% followed by Departures at 20% and arrivals at 12%.

Commissioner Huffman mentioned the increase in complaints in the Douglas County area and asked if there is a reason for this change, and Mr. Gonzales replied. Commissioner Sieber also added a comment, and Mr. Gabehart clarified this information. Commissioner Campbell added that the Study Group has some areas that are not incorporated, because is outside of the control of the Study Group.

20. Centennial Airport Community Noise Roundtable (CACNR) Update **Pam Thompson**

Mrs. Thompson reported that complaints remained focused on early-morning flights, training-box maneuvers, and fly-quiet hours, with concerns from nearby communities about repeated circling, low-altitude maneuvers, and departures before 6:00 a.m. Staff noted the Three Towers training area was outside the airport's control, but coordination with flight schools and the Pilots Association had begun. She added that morning complaints were highest in May, June, and July and mostly involved propeller aircraft.
Mrs. Thompson reported that the Noise Roundtable was preparing community outreach, website updates, and flight school coordination, with a draft website expected in September. She also noted they responded to the FAA's proposed supersonic regulatory review, focusing on airport arrival and departure noise and Stage 3 and 4 compliances.

Mrs. Thompson stated that a letter would be sent to FSDOs and flight school owners requesting limits on ground maneuvers in designated training boxes and a standard altitude for entering and exiting Three Towers. She said an enter/exit strategy was being developed for the October flight school meeting and that the Roundtable was working with AOPA to improve incident-reporting accuracy.

Commissioner Huffman asked about supersonic aircraft mentioned, Mr. Fronapfel replied this is related to FAA regulations regarding those specific airplanes.

Public Comment
No public comments were made, online or in person.

Comments from Board and Staff **Thad Bagnato**
No comments from Board or Staff.

Adjournment **Thad Bagnato**
Meeting was adjourned at 4:30 pm.

Execution of Documents **Stacey Davenport**

Approved

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Thad Bagnato, Chair

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND RECORD OF ACTION

SEPTEMBER 10, 2026

FROM:	Andrew Gillespie, Chief Financial Officer
SUBJECT:	July 2026 Financial Reports
RECOMMENDATION:	Advisory
BACKGROUND:	Financial reports provide information to the Board about the financial condition of the Authority including results of operations compared to projections.
FINANCIAL DATA:	Financial Reports will be delivered under separate cover prior to the board meeting.
REVIEW BY OTHERS:	Executive Director, Assistant Airport Director, and Department Directors
PRESENTER (S):	Mike Fronapfel and Andrew Gillespie

Action of the Board of Commissioners

	1st	2nd	YES	NO	ABS
Bagnato	O	O	O	O	O
Baker	O	O	O	O	O
Beatty	O	O	O	O	O
Campbell	O	O	O	O	O
Summey	O	O	O	O	O

RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND RECORD OF ACTION

September 10, 2026

FROM: Zachary Gabehart – Assistant Airport Director - COO

SUBJECT: Approval of the Hi-Lite Airfield Services Proposal for Airfield Striping & Rubber Removal

RECOMMENDATION: Motion to approve the proposal from Hi-Lite Airfield Services for Airfield Striping & Rubber Removal Services and authorize the Asst. Airport Director to sign the proposal.

BACKGROUND: The 2026 project includes restriping the entire airfield, with the exception of Taxiway D, as well as rubber removal services on Runway 17L/35R. The project will help maintain airfield markings in accordance with applicable safety and operational standards while extending the useful life and visibility of the existing pavement markings.

This project is being pursued through Sourcewell, which meets the Authority's competitive bid requirement. In an effort to reduce airport costs the Colorado Department of Transportation (CDOT) – Division of Aeronautics organized statewide pricing for all airports through Hi-Lite which resulted in a 10% discount on project cost at APA.

FINANCIAL DATA: Funds for this project are included in the 2026 budget.

REVIEW BY OTHERS: L. Wiarda, M. Smith, M. Fronapfel

PRESENTERS: Zachary Gabehart

Action of the Board of Commissioners

	1st	2nd	YES	NO	ABSTAIN
Bagnato	O	O	O	O	O
Baker	O	O	O	O	O
Beatty	O	O	O	O	O
Campbell	O	O	O	O	O
Summey	O	O	O	O	O

Centennial Airport CDOT Statewide Rubber Removal & Markings Sourcewell Proposal

Hi-Lite Airfield Services
1807 48th Ave E, Unit 100
Palmetto, FL 34221

Attn: Zachary Gabehart
Project County: Arapahoe County
City/State: Englewood, CO

Bid Date:	09/01/26
Proposal #:	26-22609-P
Project Reference:	Sourcewell 110122-HLA
Completion Date:	12/31/26
Phone:	(941) 404-9110

Item#	Description	Qty	Unit	$ / Unit	Price
P-620-RR.MOB	Mobilization: Rubber Removal Crew / Equipment	1	EA	$ 3,720.00	$ 3,720.00
P-620-RR	Rubber Removal by Waterblasting without Chemical	145,000	SF	$ 0.16	$ 23,200.00
P-620-SP.MOB	Mobilization: Surface Preparation Crew / Equipment	1	EA	$ 0.00	$ 0.00
P-620-SP	Surface Preparation by Waterblasting	278,190	SF	$ 0.14	$ 38,946.60
P-620-PAINT.MOB	Mobilization Painting Crew / Equipment	1	EA	$ 3,720.00	$ 3,720.00
P-620-W.TYPE.II.I	White Waterborne Painting, Type 2 with Type 1 Reflective Media	202,120	SF	$ 0.90	$ 181,908.00
P-620-Y.TYPE.II.I	Yellow Waterborne Painting, Type 2, with Type 1 Reflective Media	70,210	SF	$ 0.95	$ 66,699.50
P-620-B.II	Black Waterborne Painting, Type 2 without Reflective Media	5,860	SF	$ 1.00	$ 5,860.00
				Total:	**$ 324,054.10**

Project Description: APA Requested Statewide Work (Statewide Pricing Approved)

Remarks: Pricing per Sourcewell Contract #110122-HLA
Price Includes:
(1) Mobilization for Rubber Removal
(1) Mobilization for Surface Preparation (No Charge When Paired with Rubber Removal)
(1) Mobilization for Painting
Any additional mobilizations will be charged at $3,720 per occurrence

- Quoted quantities are estimates only. Actual quantities will be field measured and verified for invoicing
- All barricades, traffic control, set up, and tear down provided by others
- Owner to provide adequate on-site water source
- Owner to provide adequate dump site for solid/liquid debris

- Hi-Lite will remove debris and unload at designated Owner provided location. Owner is liable for proper disposal per Local, State, and Federal guidelines
- No cleaning or removal will be performed outside Hi-Lite's scope of work. Hi-Lite will not be responsible for cleaning other contractor's/construction debris
- All painting work must be performed in dry weather, with acceptable temperatures, if our warranty is to be in effect
- Stand-by time caused by others will be billed at $750/hour
- Hi-Lite will not be liable for any liquidated damages due to time constraints caused by others
- Minimum of 10 days' notice required for scheduling
- Any changes to the Scope, Plans & Specifications herein that affects Hi-Lite's work will require a reevaluation of the price
- No retainage is to be held on this this project
- If additional Insurance coverage/endorsements are required by the Owner, (above project specifications) then Hi-Lite will be reimbursed by the Owner
- Bonds are not included; if Payment and Performance Bonds are requested, add 2% to the total price
- Payment Terms for this contract are Net 30
- This Contract is per **Sourcewell Contract #110122-HLA**, any contract issued to Hi-Lite through Sourcewell must be issued by a Sourcewell Registered Entity
- ***The Arapahoe County Public Airport Authority's Sourcewell Account Number is 117089***

Note: This Quote/Proposal is Only Valid in its Entirety And Prices Are Valid for (30) Days. If you need further information please contact: Maxwell Miller, Business Development Manager – [redacted]

We Propose Hereby To Furnish Material and Labor in Accordance with Above Specifications For the Above Sum. Prices May Vary Slightly to Suit your Project's Particular Needs Such as Number of Mobilizations and Traffic Control. Acceptance Of This Proposal Is Only Valid in its Entirety. Note: This Proposal is Valid for 30 Days.

Date:____________________ **Signature:**____

Acceptance Of Proposal – The Above Prices, Specifications and Conditions Are Satisfactory and Hereby Accepted. You Are Authorized To Do The Work As Specified.

Date:____________________ **Signature:**____

HI-LITE AIRFIELD SERVICES, LLC
4816 Lena Road
Bradenton, FL 34211
315.583.6111
www.hi-lite.com

REPORT/ RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND RECORD OF ACTION

September 10, 2026

FROM: Lauren Wiarda, Director of Planning and Development

SUBJECT: Utility Easement – Public Service Company of Colorado at the Instrument Landing System (ILS)

RECOMMENDATION: Motion to conditionally approve a Public Service Company easement and authorize the Chair to sign pending final review by staff and legal counsel.

BACKGROUND: The Federal Aviation Administration (FAA) recently upgraded equipment of the Instrument Landing System for Runway 35R. As part of that upgrade, a new transformer was placed nearby and requires an easement for its location.

See the attached Statement of Authority, Easement and DRAFT legal description.

FINANCIAL DATA: N/A

REVIEW BY OTHERS: Z. Gabehart

PRESENTERS: Lauren Wiarda

Action of the Board of Commissioners

	1st	2nd	YES	NO	ABSTAIN
Bagnato	O	O	O	O	O
Baker	O	O	O	O	O
Beatty	O	O	O	O	O
Campbell	O	O	O	O	O
Summey	O	O	O	O	O

S-T-R: NW1/4 S1 T6S R67W	**Grantor:** Arapahoe County Public Airport Authority	**SAP SN No:** 114885435
County: Douglas	**Address/Intersection:** 7565 S Peoria St. Englewood, CO 80112	**Reception No:**
Division-City/Town: SE Metro - Parker	**Dist/HP Trans:** Distribution	**Surveyor:** M. Sudbeck, PLS 38503
Division Agent: Cody Niehus	**Contract Agent/Co:** MacKenzie Parry, Western States Land Services, LLC	**Survey Company:** SEH, Inc.
LAT & LONG GPS: 39.559710 / -104.848514		

PUBLIC SERVICE COMPANY OF COLORADO
UTILITY EASEMENT

The undersigned Grantor (whether one or more) hereby acknowledges receipt of good and valuable consideration from PUBLIC SERVICE COMPANY OF COLORADO (Company), in consideration of which Grantor(s) hereby grants unto said Company, its successors and assigns, a non-exclusive easement (**"Easement"**) for utility lines, and all fixtures and devices used or useful in the operation of the same, on, through, over, under, across, and along a course as said lines may be hereafter constructed in the NW1/4 of Section 1, Township 6 South, Range 67 West of the 6th P.M. in the following lands located in County of Douglas, State of Colorado, the easement being described as follows ("**Easement Area**"):

SEE EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

Together with the right (i) to enter upon said premises, to survey, construct, install, operate, repair, remove, replace, reconstruct, alter, relocate, patrol, inspect, improve, enlarge, remove, maintain and use utility lines and related communication facilities, other fixtures, devices, and appurtenances used or useful in connection therewith (collectively the "**Facilities**"), and (ii) to remove objects interfering therewith, including the trimming or felling of trees and bushes, and (iii) to use so much of the adjoining premises of Grantor during surveying, construction, maintenance, repair, removal, or replacement of said Facilities and related fixtures and devices as may be required to permit the operation of standard utility construction or repair machinery.

The Grantor reserves the right to use and occupy the Easement Area for any purpose consistent with the rights and privileges above granted and which will not interfere with or endanger any of the said Company's Facilities therein or use thereof. Such reservations by Grantor shall in no event include the right to erect or cause to be erected any temporary or permanent buildings, structures (including without limitation trailers or mobile homes), signs, or wells on, under, or over the Easement Area. No other objects shall be erected, placed, or permitted to remain on, under, or over the Easement Area, which will or may interfere with the Facilities installed on the Easement Area or interfere with the exercise of any of the rights herein granted. No failure by Company to remove or otherwise raise an objection to any objects or improvements located or installed on the Easement Area by Grantor, shall be deemed to constitute consent on the part of Company to such improvements or objects, nor a waiver of Company's rights regarding removal of any such improvements or objects.

Notwithstanding anything to the contrary herein, Grantee understands that the Grantor operates a public use airport (the "Airport") on the premises. Grantee understands that the premises and Easement Area are located within the boundaries of the Airport, and the premises and Easement Area are subject to certain requirements of the Federal Aviation Administration ("FAA"), by and through its regulations and grant assurances. Grantor is responsible for maintaining the safe operating environment at the Airport. Therefore, access to the Airport premises and the Easement Area are subject to the following:

A. Standard Operational Procedures: Any access to the Airport Operations Area (as such term is defined by the FAA) may require a full-time escort from Airport operations. Except in the event of an emergency, Grantee will Contact the Grantor's Airport staff a minimum of 24 hours before access to the Easement is required.

B. Emergency Procedures: In the event of an emergency requiring immediate access to the Easement, Grantee shall notify Grantor's Airport staff as soon as possible to the time that the emergency is discovered. Airport staff shall accommodate Grantee's request for emergency access as soon as possible taking into consideration the public health and safety issues related to utility services provided through the subject Easement, without jeopardizing safety of airport operations. Grantor understands that failure to provide access to the Easement may result in a loss of utility service to the Airport and Grantor shall be solely liable for any losses arising from its delay in or failure to provide access to Grantee.

C. Contact: Grantor's Airport staff contact information:

Contact: Centennial Airport Operations
Cell Phone: 303-877-7307
Office Phone: 303-790-0598

Grantor agrees to contact the Call Before You Dig - Utility Notification Center of Colorado (1-800-922-1987), or any similar one-call utility line locator system which may replace or supplement it, at least four (4) business days (or such longer time if required by applicable law) prior to the commencement of construction, excavation, or digging of the Easement Area to arrange for field locating of Facilities.

Grantor shall disclose to Company any pre-existing waste materials ("Pre-Existing Wastes"), that Grantor knows or reasonably suspects to be present in soils, water (surface or groundwater), vapors or air, whether on, in, above, migrating to or from, or under the Easement Area and any other information that would help Company assess the risks of working in the area. Company shall have the right to perform environmental sampling in the Easement Area at its discretion. If Company encounters any Pre-Existing Wastes, Company retains the right to stop work and may choose to exercise that right. Grantor shall retain its obligations to comply with all applicable laws and regulations related to such Pre-Existing Wastes. Grantor shall release Company from any claims or responsibilities related to such Pre-Existing Wastes.

The work of installing and maintaining said lines and fixtures shall be done with care; the surface along the easement area and any adjoining premises used by Company shall be restored substantially to its original level and condition following completion of Company activities, taking into account, among other things, the existence of the Facilities and the restrictions stated in this Utility Easement.

The provisions of this Easement shall run with, be binding on and burden the Easement Area and shall bind and benefit the heirs, executors, administrators, personal representatives, successors, and assigns of Grantor and Company. Non-use or a limited use of the Easement Area shall not prevent Grantee from thereafter making use of the Easement Area to the full extent herein authorized.

Grantor warrants and represents that Grantor is the owner of the Easement Area and has the right to sell, transfer, convey, confirm and grant this Easement and the rights contained herein. This Easement is binding on Grantor, is not conditioned upon obtaining the consent of any third party.

This Easement incorporates all agreements between the parties as to the subject matter of this Easement, and no prior representations or statements, verbal or written, shall modify, supplement or change the terms of this Easement. This Easement consists of the document entitled "Utility Easement", and Exhibit(s) containing a legal description and a sketch depicting the legal description, if referenced above or attached hereto. No other exhibit, addendum, schedule or other attachment (collectively "**Addendum**") is authorized by Company, and no Addendum shall be effective and binding upon Company unless executed by an authorized representative of Company.

[Remainder of page intentionally left blank. Signatures to follow]

Signed this ____10th_______ day of ______September______________, 2026____.

GRANTOR: ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY

____

Name: ___Thad Bagnato________________________________

Title: _Chair_____________________________________

STATE OF _____Colorado______________________)ss

COUNTY OF ____Arapahoe_______________________)ss

The foregoing instrument was acknowledged before me this ____10th______ day of __September_________________, 2026____ by __Thad Bagnato___as ___Chair_________________________of Arapahoe County Public Airport Authority, a body corporate and politic and political subdivsion.

(Seal)

____

Notary Public

My Commission Expires:

EXHIBIT A – CENTENNIAL AIRPORT
PERMANENT EASEMENT

A 15 foot wide strip of land lying in the northwest one-quarter (NW1/4) of Section 1, Township 6 South, Range 67 West, of the 6th Principal Meridian, County of Douglas, State of Colorado, lying 7.5 feet on each side of the following described line:

Beginning on the east line of that 8 foot wide PSCo Easement as described in Book 334, Page 914, Douglas County Records, whence the southwest corner of said Section 1 bears S00°57'37" W, 3205.85 feet and the center one-quarter corner of said Section 1 bears S78°10'56"E, 2603.20 feet;

Thence S86°40'00"E, 15.00 feet, to the Point of Terminus.

The sidelines of said 15 foot wide strip are to be lengthened or shortened to terminate on said east line.

Containing 225 square feet more or less.

All lineal distances shown hereon are in U.S. Survey Feet.

For the purposes of this description, bearings are based on the south line of the southeast one-quarter (SE1/4) of Section 2, Township 6 South, Range 67West of the 6th Principal Meridian, which is assumed to bear N89°59'54"E.

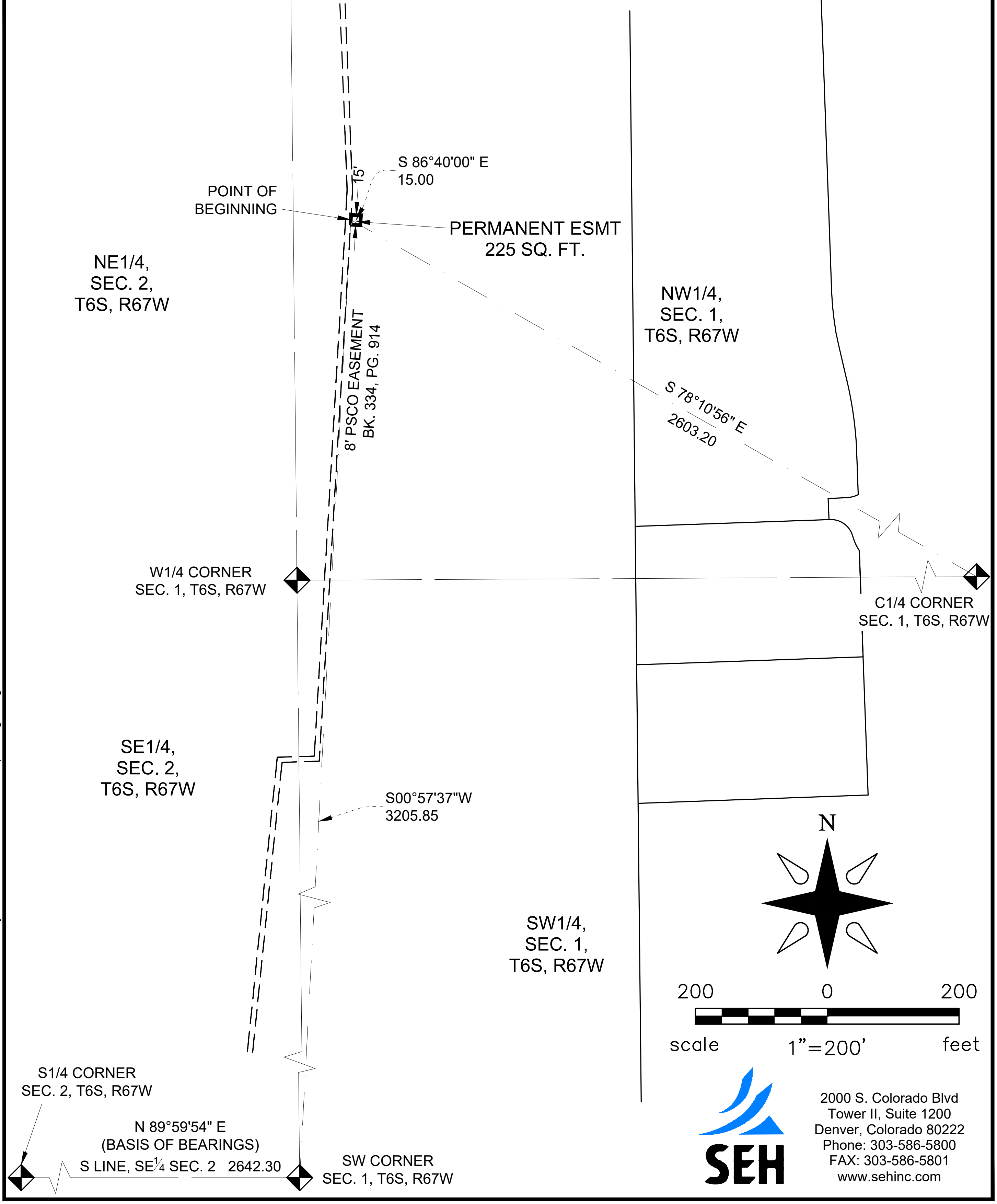
As shown on Exhibit A, Sheet 2 of 2, attached hereto and made a part hereof.

The author of this description is Monte L. Sudbeck, PLS 38503, prepared on behalf of SEH Inc., 2000 South Colorado Boulevard, Tower II, Suite 1200, Denver, CO 80222, on July 8, 2026, under Job No. 190371-112.0, for Public Service Company of Colorado, and is not to be construed as representing a monumented land survey.

COLORADO LICENSED PROFESSIONAL LAND SURVEYOR
MONTE L SUDBECK
38503
7-8-2026

Monte L. Sudbeck, PLS 38503

EXHIBIT A - CENTENNIAL AIRPORT PERMANENT EASEMENT



SEH
2000 S. Colorado Blvd
Tower II, Suite 1200
Denver, Colorado 80222
Phone: 303-586-5800
FAX: 303-586-5801
www.sehinc.com

X:\PT\P\PSCOC\190371\112.0 8665 S Peoria St\9-survey\92-CAD\10-C3d\Centennial Airport Legal.dwg

STATEMENT OF AUTHORITY

1. This Statement of Authority relates to an entity[1] named Arapahoe County Public Airport Authority and is executed on behalf of the entity pursuant to the provisions of Section 38-30-172, C.R.S.[2] **(for state of Colorado)**

2. The entity is a:

☐ Corporation
☐ Non-Profit Corporation
☐ Trust
☐ Business Trust
☒ Governmental Subdivision or Agency
☐ Unincorporated Non-Profit Association
☐ Other please explain: ______________________________

☐ Limited Liability Company
☐ General Partnership
☐ Limited Partnership
☐ Registered Limited Liability Partnership
☐ Registered Limited Liability Limited Partnership
☐ Limited Partnership Association

3. The entity was formed under the laws of the State of Colorado.

4. The mailing address for the entity is : 7565 South Peoria Street Unit D9, Englewood, CO 80112

5. The name and position of each person authorized to execute instruments conveying, encumbering or otherwise affecting title to real property on behalf of the entity is (*All Signatures are Required*)

- ___Thad Bagnato____________________Chair_______________________
  Name Title
- ____Jessica Campbell______________Chair Pro-Tem___________ ___ ___
  Name Title

6. *OPTIONAL*[3] The authority of the foregoing person(s) to bind the entity ☐ is limited ☐ is not limited as follows: ____.

7. *OPTIONAL* Other matters concerning the manner in which the entity deals with its interest(s) in real property: ____.

[Remainder of page intentionally left blank. Signatures to follow]

DATED: _September 10, 2026

Arapahoe County Public Airport Authority

By: ______________________________________

Its: ______________________________________

By: ______________________________________

Its: ______________________________________

STATE OF _Colorado________________)
)ss.
COUNTY OF ___Arapahoe___________)

The foregoing instrument was acknowledged before me this ______ day of __________________, 202__,

by ___________________________ as ___________________________________ of ___________________________________.

Witness my hand and official seal.

My commission expires: _____________________

____
Notary Public

REPORT/ RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND RECORD OF ACTION

September 10, 2026

FROM:	Luke Skaflen, Sr. Business Support Specialist – Administration
SUBJECT:	Cloud 7 Aviation, LLC and Madrone Advisors, LLC, - Consent to Sublease Agreement in Hangar 4.
RECOMMENDATION:	Motion to approve the Consent to Sublease Agreement and authorize Chair and Clerk to sign.
BACKGROUND:	Cloud 7 Aviation, LLC ("Sublessor") has requested the Authority's consent to the attached *Sublease Agreement (Hangar 4)* (the "Consent") with Madrone Advisors, LLC, collectively referred to as the "Sublessee"). Pursuant to Paragraph 24 of the Sublessor's Ground Sublease with Signature Flight Support, LLC ("Signature"), the prior consent of the Authority is required for any further subleasing of the subleased premises; Signature has provided its consent. Sublessor and Sublessee have entered into a Sublease Agreement dated August 27, 2026, effective January 1, 2027. The initial sublease term is ten years, running through December 31, 2036, with two renewal options: a three-year option ending May 10, 2040, and an additional 10-year option ending May 10, 2050. The sublessee's use of hangar space is for its Gulfstream G600 aircraft and an Airbus H145 helicopter. See attached copy of the Consent. Staff recommends approval.
FINANCIAL DATA:	NA
REVIEW BY OTHERS:	S. Davenport
PRESENTERS:	Luke Skaflen

Action of the Board of Commissioners

	1st	2nd	YES	NO	ABS
Bagnato	O	O	O	O	O
Baker	O	O	O	O	O
Beatty	O	O	O	O	O
Campbell	O	O	O	O	O
Summey	O	O	O	O	O

CONSENT TO
SUBLEASE AGREEMENT IN CLOUD 7 AVIATION
HANGAR 4

PURSUANT to paragraph 26 of the Centennial Airport Fixed Based Operator Lease and Agreement dated May 11, 2000 between **Arapahoe County Public Airport Authority** ("Authority") and **Signature Flight Support** (the "FBO"), as amended by the First, Second, and Third Amendments, (hereinafter the "FBO Lease"), and

PURSUANT to paragraph 24 of the Centennial Airport Ground Sublease between FBO and current sublessee **Cloud 7 Aviation, LLC** (the "Sublessor") dated February 8, 2001, as amended by the First Amendment (the "Ground Sublease"), and

CONSENT is hereby granted to the *Sublease Agreement (Hangar 4)*, dated February 1, 2026, between Sublessor and **Madrone Advisors, LLC** (the "Sublessee"), a copy of which is attached hereto as Exhibit 1 (hereinafter, the "Sublease")

THIS CONSENT is given under the following provisos:

1. The Sublease is subject to and subordinate to the FBO Lease and the Ground Sublease.

2. The Authority acknowledges that the FBO has provided its consent to the Sublease.

3. Sublessee shall observe and obey all laws, ordinances, rules and regulations of the United States of America, State of Colorado, Arapahoe County, and the Authority (including *Centennial Airport's Minimum Standards for Commercial Aeronautical Activities* and the *Development Policy & Application Procedures for Aeronautical & Non-aeronautical Land Use at Centennial Airport*), which may be applicable to its operations at Centennial Airport.

4. Sublessee shall make no unlawful or offensive use of the leased premises.

APPROVED this 10th day of September 2026.

Arapahoe County Public Airport Authority

(Seal)

____
Chair

ATTEST:

____
Clerk

<u>Exhibit 1</u>

To

Consent to Sublease Agreement (Hangar 4)

Dated Effective

August 27, 2026

SUBLEASE AGREEMENT

(Hangar 4)

This Sublease Agreement (the "Lease") is dated as of August 27, 2026 (the "Effective Date"), by and between **Cloud 7 Aviation, LLC**, a Colorado limited liability company with an address of 7385 S Peoria St, #C2, Englewood CO 80112 ("Sublessor") and **Madrone Advisors, LLC**, a Delaware limited liability company with an address of PO Box #6476, Denver, CO 80206 ("Sublessee").

RECITALS

A. Pursuant to a Centennial Airport Fixed Base Operator Lease and Agreement dated as of May 11, 2000 (as amended, extended, supplemented and assigned, the "FBO Lease"), by and between the Arapahoe County Public Airport Authority (the "Authority"), as lessor, and Truman Arnold Companies, a Texas corporation, as lessee ("TAC"), the Authority leased to TAC certain designated areas in the Centennial Airport in Arapahoe and Douglas Counties Colorado (the "Airport"). In 2022, TAC was purchased by Signature Flight Support LLC and/or Signature Aviation. TAC remains as the record lessee with the Authority.

B. Pursuant to a Centennial Airport Ground Sublease dated February 8, 2001 (as amended, extended, supplemented and assigned, the "Ground Sublease"), by and between TAC and JVB Aviation, LLC ("JVB"), TAC subleased to JVB a portion of Parcel 20 at the Airport, as more particularly described on **Exhibit A** attached hereto and referred to as TAC Air Hangar 4, at Centennial Airport, Arapahoe County, Colorado (which, together with a 34,647 square foot office/hangar building and other improvements (collectively, the "Hangar Facility"), is hereinafter referred to collectively as "Hangar 4").

C. Pursuant to an Assignment and Assumption of Leases dated July 1, 2016, JVB assigned to Sublessor all of its right, title and interest in the Ground Sublease.

D. Sublessor uses a portion of the hangar area in the Hangar Facility ("Hangar Area") for the parking and maintenance of an aircraft owned or leased by Sublessor, or an affiliate of Sublessor.

E. Sublessee is the operator of the following aircraft:
(i) A Gulfstream G600, expected to be replaced with a Gulfstream G800, and
(ii) an Airbus H145 (together, "Aircraft").

F. Sublessor desires to lease to Sublessee, and Sublessee desires to lease from Sublessor, certain space within Hangar 4 from Sublessor described as follows (collectively, the "Premises") in accordance with the terms and conditions set forth in this Lease:

(i) the following office spaces ("Subleased Office Area") more particularly described on **Exhibit B** attached hereto:

(a) that certain area designated as office number 116 ("Office 116") consisting of approximately 198.81 rentable square feet of space, and

(b) that certain area designated as office number 117 ("Office 117") consisting of approximately 201.62 rentable square feet of space, and

(c) that certain area designated as office number 118 ("Office 118") consisting of approximately 200.22 rentable square feet of space, and

(d) that certain area designated as office number 124 ("Office 124") consisting of approximately 333.75 rentable square feet of space;

(ii) the following storage areas ("Subleased Storage Area") more particularly described on **Exhibit C** attached hereto:

(a) that certain area designated as storage number 108 ("Storage 108") consisting of approximately 254.50 rentable square feet of space, and

(b) that certain area designated as storage number 128 ("Storage 128") consisting of approximately 471.00 rentable square feet of space;

(iii) a portion of the garage area designated as garage space "Garage 5" and "Garage 6" ("Subleased Garage Area") together consisting of approximately 940.98 rentable square feet of space more particularly described on **Exhibit C** attached hereto;

(iv) an undesignated portion of the Hangar Area ("Subleased Hangar Area") more particularly described on **Exhibit C** attached hereto to accommodate the following Aircraft:

(a) a Gulfstream G800 occupying approximately 11,879.33 rentable square feet of space, and

(b) an Airbus H145 helicopter occupying approximately 2,152.28 rentable square feet of space; and

(v) the non-exclusive use of the common areas in Hangar 4, including the entrance areas, hallways, conference room, break room, restrooms, showers and parking areas.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals and the mutual promises contained herein, the parties hereby agree as follows:

1. Premises. Sublessor, in consideration of the rents and of the terms and conditions hereinafter contained, does hereby lease to Sublessee, and Sublessee does hereby rent from Sublessor, the Premises.

1.1 The grant of this Lease will include nonexclusive rights to use the Access Easements allowing Sublessee legal and practical access by vehicles between the Premises and public streets or other rights-of-way, and by aircraft between the Premises and the take-off/landing strips at the Airport, and other non-exclusive easements for Sublessee and its employees, permittees and business invitees, for ingress, egress, parking and passage of pedestrians, aircraft and vehicles over the paved areas, all as from time to time platted or included in plans approved by the Authority and made available to the Sublessor. "Access Easements" means those easements that are necessary for access to the Premises, to the extent that Sublessor is entitled to use and transfer such easements under the FBO Lease and the Ground Sublease.

1.2 The grant of this Lease will include the non-exclusive right to use aircraft tugs owned by Sublessor for the tugging of Sublessee's Aircraft.

1.3 The grant of this Lease is subject to a reservation by the TAC, for itself and for each tenant of the TAC at the Airport, and their respective subtenants, employees, permittees and business invitees, non-exclusive easements for ingress, egress, parking and passage of pedestrians, aircraft, and vehicles over the paved areas from time to time platted or included in plans approved by the Authority for the Premises.

1.4 Sublessee acknowledges that Sublessor has subleased certain remaining areas of Hangar 4 (not including the Premises) to other sublessees, and that Sublessor shall continue to use a portion of the Hangar Area for the storage and operation of other aircraft, as such areas are generally depicted on **Exhibit C**.

1.5 Intentionally Omitted.

1.6 Each party shall use all diligent, commercially reasonable efforts to cooperate in setting and communicating their respective schedules for all launch, receiving, passenger boarding, fueling and maintenance of their aircraft, with the objective of avoiding, to the extent reasonably possible, interference in the other party's operations at Hangar 4. Additionally, each party shall use all diligent, commercially reasonable efforts to coordinate security measures, access, and other joint use by the parties of certain common areas.

2. Term.

2.1 Initial Term. The initial term of this Lease ("Initial Term") shall commence on January 1, 2027 (the "Commencement Date") and shall terminate on December 31, 2036.

2.2 Renewal Terms. Provided that the Sublessee is not then in default under the terms of this Lease, and has fully performed its obligations hereunder, the Sublessee will have the right to renew the term of this Lease for two (2) consecutive renewal terms (each, a "Renewal Term," and collectively with the Initial Term, the "Term"): (a) the first Renewal Term shall commence on January 1, 2037 and terminate on May 10, 2040, coterminous with the expiration of the term of the Ground Sublease as extended through May 10, 2040 pursuant to Section 5 thereof; and (b) the second Renewal Term shall commence on May 11, 2040 and terminate on December 31, 2046, and shall be conditioned upon, and effective only if, Sublessor timely exercises its option under Section 5 of the Ground Sublease to further extend the term of the Ground Sublease through May 10, 2050. If Sublessor does not exercise, or is not entitled to exercise, such extension option under Section 5 of the Ground Sublease, the second Renewal Term shall not take effect and the Term of this Lease shall expire upon the expiration of the first Renewal Term. To exercise its option to renew this Lease for either Renewal Term, the Sublessee shall give written notice to the Sublessor of such exercise not later than six (6) months prior to the expiration of the then-current Term. If Sublessee timely exercises its option to renew for a Renewal Term in accordance with this Section 2.2, the holdover provisions of Section 22 below shall not apply with respect to the period covered by such Renewal Term. Each Renewal Term shall be on the same terms and conditions set forth in this Lease, except that Fixed Monthly Rent shall be determined in accordance with Section 3.2 below based on the Fixed Monthly Rent in effect during the year immediately preceding the first year of such Renewal Term.

3. Rent.

3.1 For the use and occupancy of the Premises, Sublessee shall pay fixed monthly rent to Sublessor ("Fixed Monthly Rent" and together with all other sums payable to Sublessor hereunder, the "Rent"), starting on the Commencement Date, and payable in equal monthly installments as shown on **Exhibit D**, in advance, on the first (1st) day of each calendar month during the Term.

3.2 Annual rent escalation: Commencing January 1, 2028, and on each January 1 thereafter during the Term or Renewal Term, the Fixed Monthly Rent shall be increased by a percentage equal to the greater of (a) three percent (3%), or (b) the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U), Denver, Colorado, All Items, Not Seasonally Adjusted, as published by the U.S. Bureau of Labor Statistics during the immediately preceding year. The CPI adjustment shall be determined by comparing the CPI published for the month of November immediately preceding the adjustment date with the CPI published for November of the prior year. If such index is discontinued, unavailable, materially altered, or no longer published by the U.S. Bureau of Labor Statistics, then the parties shall utilize the successor or replacement index published by the U.S. Bureau of Labor Statistics that most closely measures changes in consumer prices for the Denver metropolitan area. If no such successor or replacement index is available, Sublessor shall designate a substantially comparable index published by a governmental agency or other generally recognized source, and such designated index shall be used for all future adjustments under this Lease.

3.3 Rent shall be payable in U.S. Dollars at the office of Sublessor specified in Section 24 below, or at such other place as Sublessor may direct in writing. All Rent payable under this Lease shall be paid by Sublessee without notice or demand, and without abatement, offset or deduction of any kind, unless expressly set forth in this Lease and irrespective of any claim Sublessee may have against Sublessor. Rent payments due for any partial month during the Term shall be prorated based on the actual number of days contained in such month. If Sublessee fails to pay any Rent payable under this Lease within ten (10) business days of the date on which such Rent is due, (a) Sublessee shall pay to Sublessor, as additional rent, a late charge of Two Hundred Fifty Dollars ($250.00) and (b) as additional rent, Sublessee shall pay Sublessor, all reasonable attorneys' fees that may be incurred by Sublessor in enforcing Sublessee's obligations under this Lease. No payment by Sublessee or receipt by Sublessor of an amount less than the then due and owing amounts of full Fixed Monthly Rent, additional rent, or other sums required of Sublessee under this Lease, shall be deemed anything other than a payment on account of the earliest Fixed Monthly Rent, additional rent, or other sum due from Sublessee under this Lease. No endorsements or statements on any check or any letter accompanying any check or payment of Fixed Monthly Rent, additional rent, or other sum due from Sublessee under the Lease, shall be deemed an accord and satisfaction of Sublessor. Sublessor may accept any check for payment from Sublessee without prejudice to Sublessor's right to recover the balance of Fixed Monthly Rent, additional rent, or other sum due from Sublessee under the Lease, or to pursue any other right or remedy provided under this Lease or Applicable Laws (as defined below).

4. Additional Rent.

4.1 Real Property Taxes. As Additional Rent under this Lease, Sublessee shall pay its proportionate share ("Proportionate Share") of all real estate taxes, property taxes, special assessments, and other governmental charges of every kind and nature (excluding Sublessor's federal and state income taxes), to the extent payable by Sublessor under the Ground Sublease, levied, assessed, or imposed upon the Hangar Facility during the Term of this Lease (collectively, the "Taxes"). For purposes of this Lease, Proportionate Share shall mean the percentage obtained by dividing the rentable square footage of the Premises leased by Sublessee, as set forth on **Exhibit D** (as the same may be adjusted from time to time pursuant to this Lease), by the total rentable square footage of the Hangar Facility, which, as of the Effective Date, contains 34,647 square feet. Sublessor shall provide Sublessee with all reasonable supporting documentation evidencing the amount of Taxes paid by Sublessor under the Ground Sublease to the extent available to Sublessor, which may include copies of TAC's invoice(s) and/or the underlying tax bill(s) or assessment notice(s) on which such invoice(s) are based, and Sublessee shall reimburse Sublessor for Sublessee's Proportionate Share of such Taxes within thirty (30) days following receipt of Sublessor's written invoice and such supporting documentation. Subject to the terms of the Ground Sublease, Sublessee shall have the right, at its sole discretion and cost and expense, to participate in any contest or appeal of Taxes undertaken by Sublessor or TAC, and if any refund or rebate of Taxes previously paid by Sublessee is obtained, Sublessee shall receive its Proportionate Share of such refund or rebate, net of Sublessee's Proportionate Share of the reasonable costs of obtaining the same. Sublessee's obligation to pay Taxes shall be prorated for any partial calendar year or portion thereof during the Term. The obligations set forth in this Section shall constitute Additional Rent, and Sublessor shall have all rights and remedies for Sublessee's failure to pay Additional Rent as are provided under this Lease for the nonpayment of Rent.

5. Security Deposit. Sublessee is not required to place funds on deposit with Sublessor as a security deposit.

6. Use of the Premises.

6.1 Governing Documents. Sublessee acknowledges that in addition to this Lease, Sublessee's use and occupancy of the Premises is subject to the terms and conditions contained in the FBO Lease and the Ground Sublease, and Sublessee hereby acknowledges receipt of a copy of such FBO Lease and Ground Sublease. Sublessee covenants to at all times comply with the terms and conditions contained in the FBO Lease and Ground Sublease in connection with the use and operation of the Premises by Sublessee, including, without limitation, the terms and conditions of Section 24 of the Ground Sublease.

6.2 Permitted Use. Sublessee shall use and occupy the Premises only as and for the parking and maintenance of Sublessee's Aircraft in the Subleased Hangar Area, the parking of passenger cars in the Subleased Garage Area, the storage of items related to the

Aircraft in the Subleased Storage Areas, general office and storage use in the Subleased Office Area, and other uses ancillary to such use (the "Permitted Use"). In the event such Permitted Use requires licenses or other governmental approvals, Sublessee shall, at Sublessee's own expense, apply for and obtain such required licenses or approvals from the appropriate authorities prior to the Commencement Date. Sublessee shall not commence or alter any operations at the Premises prior to: (a) obtaining all permits, registrations, licenses, certificates, and approvals from all applicable governmental authorities required pursuant to any Applicable Laws; and (b) delivering a copy of each permit, registration, license, certificate and approval to Sublessor, together with a copy of the application upon which such permit, registration, license, certificate and approval is based.

6.3 Telecommunications and Internet Services. Sublessor may, from time to time and in its sole discretion, make available to Sublessee certain telecommunications services, including internet access, wireless internet access, cable television, and similar services (collectively, the "Shared Services"). Sublessee acknowledges and agrees that the Shared Services, if made available, are provided solely as a convenience and are not a material inducement to entering into this Lease and shall not constitute a service required to be provided by Sublessor under this Lease. Sublessor makes no representation or warranty regarding the availability, speed, reliability, security, continuity, or suitability of any Shared Services and shall have no liability for any interruption, degradation, outage, loss of data, or termination of such Shared Services for any reason whatsoever. The unavailability or interruption of any Shared Services shall not entitle Sublessee to any abatement of rent, damages, offsets, or termination rights under this Lease. Should Sublessee require dedicated or enhanced telecommunications services, including but not limited to dedicated internet access, secure or private internet connections, telephone service, cable television service, or any other communications services, Sublessee shall be solely responsible, at its sole cost and expense, for subscribing for, obtaining, installing, maintaining, and paying for its own telephone, cable television, internet, and any other telecommunications services. Any installations or modifications to the Premises required to facilitate such services shall be subject to Sublessor's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed.

6.4 Storage of items in the Hangar Area. At Sublessor's sole discretion, Sublessee may be permitted to store a limited amount of tools and equipment which are required for the regular maintenance and upkeep of the Aircraft along the perimeter of the Hangar Area, provided that the same are stored neatly and in a clean and organized manner directly against a perimeter wall and do not interfere with the other sublessees or the movement or parking of any aircraft. Sublessee acknowledges that storage permitted under this section shall be limited to no more than 110 linear feet of wall space. Sublessor retains the right to inspect and approve all stored items at any time.

6.5 Restriction on Unlawful Activity. Sublessee shall not permit the Premises, or any part thereof, to be used for any disorderly, prohibited, unlawful or hazardous purpose, including, but not limited to any use related in any manner whatsoever to the marijuana industry (including, but not limited to, a marijuana or medical marijuana dispensary, clinic, paraphernalia shop, grow, warehouse, store, or related use), nor as a source of annoyance or embarrassment to Sublessor, nor for any purpose other than herein before specified, without the prior written consent of Sublessor, which consent may be granted or withheld in the exercise of

Sublessor's sole discretion. Sublessee shall also comply with and abide by all Applicable Laws affecting the Premises or any activity or condition on or in the Premises.

7. Sublessee's Right to Quiet Enjoyment. Upon paying the Rent and other sums required of Sublessee under this Lease, and faithfully and fully performing the terms, conditions, and covenants of this Lease on Sublessee's part to be performed, Sublessee shall peaceably and quietly have, hold, and enjoy the Premises for the Term, subject to the terms of the FBO Lease and the Ground Sublease.

8. Condition and Maintenance of the Premises.

8.1 Condition of the Premises. Sublessee acknowledges that it has examined the Premises prior to the Effective Date, that Sublessee is fully familiar with the condition of the Premises and that Sublessee accepts the Premises "As-Is," without any representations or warranties on the part of Sublessor, express or implied, as to the condition of the Premises, including, but not limited to, fitness for a particular use or purpose.

8.2 Maintenance of the Premises. Sublessor shall provide or cause to be provided to the Premises all services customarily provided at a similar hangar facility (including electricity in adequate amounts for the intended usage, heating and air conditioning as necessary to maintain comfortable temperatures, hot and cold water and similar services). Sublessor shall at all times operate and maintain the Hangar Facility in good working order and in accordance with a standard at least as high as that customarily followed in the operation and maintenance of similar hangar facilities. Sublessor shall be responsible for structural (including the roof) repairs and structural alterations (including structural alterations required to comply with Applicable Laws affecting the Premises and Hangar Facility and the use thereof which may currently be in force or hereinafter enacted), all repairs or replacements to Hangar Facility systems, all replacements of capital equipment in the Premises and Hangar Facility and all necessary maintenance and repair to the Premises. Sublessor shall also maintain all walkways, approaches, exits, entrances, roadways and parking areas and all other areas under the control of Sublessor in good condition and repair and clean and free of rubbish, lighted and provide Sublessee with access to the Premises and Hangar Facility. With respect to walkways, approaches, entrances, roadways, and parking areas, Sublessor's obligation shall include the obligation to remove all snow and ice in a timely manner and repair all paved areas as necessary.

Notwithstanding the foregoing, Sublessor shall incur no liability to Sublessee for any failure of Sublessor to provide or cause to be provided to the Premises any utility services described above unless such failure is caused by Sublessor's gross negligence or intentional misconduct. Further, Sublessor shall not be liable to Sublessee for a failure by Sublessor to perform any other covenant under this Section 8.2 if such failure is a result of the exercise of any right under the FBO Lease or the Ground Sublease that prevents the performance otherwise required from Sublessor. Notwithstanding the foregoing, if any utility service required to be provided by Sublessor under this Section 8.2 is interrupted for reasons within Sublessor's reasonable control or responsibility, and such interruption renders all or a material portion of the Premises untenantable for Sublessee's Permitted Use for more than fifteen (15) consecutive business days, Sublessee shall be entitled to an equitable abatement of Fixed Monthly Rent and Additional Rent, commencing on the sixteenth (16th) consecutive business day of such interruption and continuing until such service is restored, in proportion to the extent to which Sublessee's use of the Premises is impaired.

8.3 Sublessee Maintenance. Except as provided in Section 8.2, Sublessee will maintain the Premises, at its expense, in good, clean, healthful, and safe order and condition, all in accordance with Applicable Laws and the direction of proper officials, suffering no waste or injury, ordinary wear and tear excepted. Without limiting the foregoing, Sublessee shall maintain space in the Hangar Area around its aircraft in a clean, uncluttered condition.

8.4 Sublessee Repairs. Sublessee shall be responsible for any repairs to the Premises required as a result of damage caused by any act, omission, or negligence of Sublessee or Sublessee's agents, employees, contractors, licensees, or invitees. Upon receipt of written notice from Sublessor identifying the damage and the repairs required, Sublessee shall promptly (and in any event within thirty (30) days, or such shorter period as may be necessary in the case of an emergency or to prevent further damage to the Premises) complete such repairs in a good and workmanlike manner and in compliance with Applicable Laws. If Sublessee fails to complete such repairs within the required time period, Sublessor may, at its option, perform such repairs and Sublessee shall reimburse Sublessor for the reasonable costs thereof within thirty (30) days after receipt of an invoice therefor.

9. Insurance.

9.1 Sublessee's Insurance. Sublessee shall, at its sole cost: (a) keep, hold and maintain Sublessee's aircraft and other personal property and all improvements owned by Sublessee and located on, in or appurtenant to the Premises, or used in connection with the operation of Sublessee at the Premises, at Sublessee's sole risk; (b) provide aircraft liability and commercial general public liability and property damage insurance, including, but not limited to, contractual liability insurance, protecting and indemnifying the TAC, Sublessor and their respective officers, employees and agents, and Sublessee against any and all claims (including all costs and expenses of defending against the same) for personal injury, bodily injury, disease or death, or injury to, or destruction of, property (including loss of the use thereof) occurring upon, or arising out of the use by Sublessee of the Premises or any streets, alleys, passageways, sidewalks, gutters, curbs, vaults, or vault space upon the Premises, which aircraft liability, general public liability and property damage insurance will have combined single limits of not less than $20,000,000 in respect of personal injury, bodily injury, sickness, disease or death of any one person, resulting from any one occurrence, and $10,000,000 in respect of damage or injury to, or destruction of, property from any one occurrence; provided that Sublessee's obligation to provide commercial general public liability insurance under this subsection (b) may be satisfied, in lieu of a separate commercial general liability policy, by that certain Liability Arising out of Airport Premises (Coverage G) maintained under Sublessee's aircraft liability insurance policy, so long as such Coverage G coverage protects the TAC, Sublessor and their respective officers, employees and agents to substantially the same extent as would otherwise be required under this subsection (b) and is maintained in an amount of not less than $20,000,000 per occurrence; (c) provide worker's compensation insurance and employer's liability insurance as required by law, covering all persons with respect to whom death, bodily injury or sickness claims could be asserted against Sublessee under the provisions of any worker's compensation law, employer's liability laws or similar Applicable Laws that may, at any time, or from time to time, be enacted; and (d) If Sublessee operates owned, hired or non-owned vehicles on the Premises, provide comprehensive automobile liability, carried at a limit of liability not less than $1,000,000 combined bodily injury and property damage.

9.2 Insurance Companies. All policies of insurance required by this Section will be taken out with insurers reasonably acceptable to Sublessor and TAC and will be in form reasonably satisfactory from time to time to Sublessor and TAC. Insurance companies authorized to do business in the state in which the Premises are located, with a rating of A-VIII or better, as rated in the most recent edition of Best's Insurance Reports, will be deemed acceptable to Sublessor. Such policies will be in full force and effect on the Commencement Date and will be renewed thereafter not later than fifteen days prior to the expiration date of each policy.

9.3 Blanket Policies. Nothing in this Section will prevent Sublessee from taking out insurance of the kind and in the amounts provided for under this Section under a blanket insurance policy or policies covering other properties as well as the Premises, provided, however, that any such policy or policies of blanket insurance will be sufficient to prevent any one of the insureds from becoming a co-insurer within the terms of the applicable policy or policies, and provided further, however, that any such policy or policies of blanket insurance will, as to the Premises, otherwise comply as to endorsements and coverage with the provisions of this Section.

9.4 Named Insureds. All liability policies of insurance maintained by Sublessee pursuant to Section 9.1(b) above will name the Authority, TAC and Sublessor as additional insureds, but solely with respect to their respective interests arising directly from Sublessee's use and occupancy of the Premises and Hangar 4, and not on a blanket basis with respect to Sublessee's operations generally. Sublessee shall not be required to name the Authority, TAC, or Sublessor as loss payee under any policy of insurance maintained by Sublessee, except that any fee owner or leasehold mortgagee having an actual financial or insurable interest in the specific property covered by such policy may be named, when requested, as loss payee or mortgagee as the interest of such mortgagee may appear, by standard mortgagee clause, if obtainable, provided that any such mortgagee will agree that the proceeds of such insurance will be applied in accordance with this Lease.

9.5 Certificates of Insurance. Sublessee will cause its insurer to issue to Sublessor and to such other parties as it may delegate, a certificate of insurance reflecting maintenance of the insurance required by this Section.

9.6 Payment of Losses; Notice of Cancellation. All such policies will provide that the loss, if any, thereunder will be adjusted and paid as provided in this Lease. Each such policy will, to the extent obtainable from Colorado insurance companies, contain a provision that no act or omission of Sublessor, Sublessee or any sub-tenant will affect or limit the obligation of the insurance company so to pay the amount of any loss sustained. Each such policy maintained by Sublessee will contain a provision requiring at least thirty (30) days' prior written notice to TAC, Sublessor, and their mortgagees of cancellation of each policy for any reason other than non-payment of premium, and at least ten (10) days' prior written notice of cancellation for non-payment of premium.

9.7 Waiver of Subrogation. Sublessor and Sublessee each waives any and all rights to recover against the other, or against the officers, directors, shareholders, partners, joint venturers, employees, or agents of the other, for any loss or damage to such waiving party arising from any cause covered by any property insurance and worker's compensation insurance required to be carried by such party pursuant to this Section or any other property insurance and worker's compensation insurance actually carried by such party, to the extent of the limits of such policy. Sublessor and Sublessee, from time to time, will cause their respective insurers to issue appropriate waiver of subrogation rights endorsements to all property insurance and worker's compensation insurance policies carried in connection with the Premises or the Hangar Facility or the contents of the Premises or the Hangar Facility. Any such waiver of subrogation rights endorsement issued for the benefit of the Authority, TAC, or Sublessor shall extend only to their respective interests arising directly from Sublessee's use and occupancy of the Premises and Hangar 4, and not on a blanket basis. Sublessee agrees to cause all other occupants of the Hangar Facility claiming by, under or through Sublessee to execute and deliver to Sublessor such a waiver of claims and to obtain such waiver of subrogation rights endorsements.

10. Compliance with Laws.

10.1 General Compliance with Laws and Requirements. Sublessee shall, at Sublessee's own expense, promptly comply with: (a) each and every applicable statute, ordinance, code, rule, regulation, order, directive or requirement, currently or hereafter existing, including, but not limited to, the Americans with Disabilities Act of 1990 (the "ADA") and all environmental laws, together with all amending and successor applicable statutes, ordinances, codes, rules, regulations, orders, directives or requirements, and the common law, regardless of whether such laws are foreseen or unforeseen, ordinary or extraordinary ("Applicable Laws"), applicable to the Premises, Sublessee, Sublessee's use of or operations at the Premises, or all of them; (b) the requirements of any regulatory insurance body; or (c) the requirements of any insurance carrier insuring the Premises. The failure to mention any specific Applicable Law shall not be construed to mean that Sublessee was not intended to comply with such Applicable Law.

10.2 Environmental Laws. Sublessee shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about Hangar 4 by Sublessee, its agents, employees, contractors, or invitees, except in the ordinary course of Sublessee's business and in compliance with all Applicable Laws. If Sublessee breaches this obligation, Sublessee shall indemnify, defend and hold Sublessor harmless from any and all claims, judgments, damages, penalties, fines, costs or liabilities (including, without limitation, diminution in value of the Premises, damages for the loss of restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of space, and sum paid in settlement of claims, reasonable attorneys' fees, consultant fees and expert fees) which arise during or after the Term as a result of such contamination. This indemnification of Sublessor by Sublessee, includes, without limitation, costs incurred in connection with any investigations of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Premises. Without limiting the foregoing, if the presence of Hazardous Material on the Premises caused by Sublessee results in any contamination of the Premises, Sublessee shall promptly take all actions at its sole expense as are necessary to return the Premises to the conditions existing prior to the introduction of any such Hazardous Material in the Premises, provided that Sublessor's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises. The foregoing indemnity shall survive the expiration or earlier termination of this Lease. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material, or waste, including, but not limited to those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 261) and amendments thereto, or such substances, materials and wastes that are or become regulated under any Applicable Law.

11. Alterations, Additions, and Improvements. No alterations, additions or improvements shall be made by Sublessee to the Premises, nor to any air conditioning system, heating system, plumbing system, electrical system, nor shall antennas or fixtures be installed in or otherwise serving the Premises, without the prior written consent of Sublessor. All alterations, additions or improvements and systems installed in or attached to the Premises by Sublessee shall, at the option of Sublessor, upon the expiration or earlier termination of this Lease, belong to and become the property of Sublessor without any payment from Sublessor and if such option is exercised, shall be surrendered by Sublessee in good order and condition as part of the Premises upon the expiration or sooner termination of the Lease. All alterations, additions or improvements consented to by Sublessor shall be performed by Sublessee in a good and workmanlike manner, in compliance with all Applicable Laws. Sublessee shall keep the Premises and Hangar 4 free from any liens arising out of any work performed, materials furnished, or obligations incurred by Sublessee. Sublessee retains the right to contest any lien or encumbrance upon the Premises provided that Sublessee complies with all statutory obligations required to contest such liens. Sublessee's obligations regarding liens shall be satisfied if during any period that a lien is disputed Sublessee provides a bond (or other similar security) sufficient for the satisfaction of the lien together with costs and interest.

12. Sublessor's Right to Inspect and Repair. Sublessor or Sublessor's agents, employees or representatives, shall have the right to enter into and upon all or any part of the Premises during the Term at all reasonable hours with twenty-four (24) hours prior notice to Sublessee, for the purpose of: (a) examination; (b) determination whether Sublessee is in compliance with its obligations under this Lease; or (c) making repairs, alterations, additions or improvements to the Premises, as may be required or permitted pursuant to this Lease, or otherwise necessary by reason of Sublessee's failure to make same after notice to Sublessee to do so and a reasonable opportunity to cure, except in an emergency. This Section shall not be deemed nor construed to create an obligation on the part of Sublessor to make any inspection of the Premises or to make any repairs, alterations, additions, or improvements to the Premises for its safety or preservation.

13. Fire and Other Casualty. If the Premises are damaged or destroyed by fire or other casualty, the terms and conditions of the Ground Sublease regarding repair of the Premises shall apply. If the Ground Sublease is terminated as a result of such casualty, this Lease shall terminate as of the date of the termination of the Ground Sublease. If the Premises or any portion of the building materially affecting Sublessee's use of or access to the Premises are damaged or

destroyed by fire or other casualty not caused by the negligence or willful misconduct of Sublessee, its agents, contractors, employees, or invitees, the Fixed Monthly Rent, additional rent and other expenses shall abate until such damage or destruction is repaired in proportion to the impairment of Sublessee's use of or access to the Premises. Notwithstanding any provision to the contrary contained herein, in the event of a fire or other casualty that (a) renders the Premises untenable for a period of one hundred eighty (180) days, as reasonably estimated by a certification from an architect or contractor licensed in the State of Colorado selected by Sublessor, or (b) occurs during the last twelve (12) months of the Term, then Sublessee or Sublessor shall have the right to terminate this Lease by delivering written notice of termination to the other within fifteen (15) days after (i) receipt of the certification, in the case of (a) above, or (ii) the date of the casualty, in the case of (b) above. The terms of this Section 13 are subject to the terms of the FBO Lease and the Ground Sublease.

14. Condemnation. If the entire Premises or substantially all of the Premises shall be taken by right of eminent domain or by condemnation or shall be conveyed in lieu of any such taking, then this Lease, at the option of either Sublessor or Sublessee exercised by either party giving notice to the other of such termination within thirty (30) days after such taking or conveyance, shall forthwith cease and terminate and the rent shall be duly apportioned as of the date of such taking or conveyance. Sublessee thereupon shall surrender the Premises and all interest therein under this Lease to Sublessor and Sublessor may reenter and take possession of the Premises or remove Sublessee therefrom. In the event less than all of the Premises shall be taken by such proceeding, Sublessor shall promptly repair the Premises as nearly as possible to its condition immediately prior to said taking, unless Sublessor elects not to reconstruct or rebuild, in which event this Lease shall terminate. In the event of any such taking or conveyance, Sublessor shall receive the entire award or consideration for the portion of the Premises so taken. In that event, Rent shall abate in the proportion that the square footage of the Premises taken bears to the Premises as a whole. The terms of this Section 14 are subject to the terms of the FBO Lease and the Ground Sublease.

15. Assignment and Subletting. Sublessee shall not voluntarily or by operation of law assign, sublet, mortgage or otherwise transfer or encumber all or any part of Sublessee's interest in this Lease or in the Premises without Sublessor's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, and, to the extent, if any, required by the terms of the Ground Sublease, and/or the Authority. Any attempted assignment, subletting, mortgage, transfer, or encumbrance without such consent shall be void as against Sublessor. Regardless of Sublessor's consent or the need to obtain Sublessor's consent, no assignment or subletting shall release Sublessee from this Lease. Acceptance of Fixed Monthly Rent and additional rent from any other person shall not be deemed a waiver by Sublessor of any provision of this Lease. Consent to one assignment or subletting shall not be deemed a consent to any subsequent assignment or subletting. In the event of a consent by Sublessor to an assignment or subletting, Sublessee shall deliver to Sublessor a duplicate original of the assignment by Sublessee and assumption by Sublessee's assignee of Sublessee's obligations under this Lease, or a duplicate original of the sublease, as the case may be.

16. Indemnification and Waiver of Liability.

16.1 Sublessee's Indemnification. Neither Sublessor nor Sublessor's employees, agents, or contractors ("Sublessor's Indemnitees") shall be liable for and Sublessee shall indemnify and save harmless Sublessor and Sublessor's Indemnitees from and against any and all third-party liabilities, damages, claims, suits, costs (including costs of suit, reasonable attorneys' fees and costs of investigation) and actions of any kind (individually, a "Claim," and collectively, "Claims"), foreseen or unforeseen, arising or alleged to arise by reason of injury to or death of any person or damage to or loss of property, occurring on, in, or about the Premises, or by reason of any other claim whatsoever of any person or party, in each case to the extent caused by: (a) the negligence or any other act or omission on the part of Sublessee or any Sublessee Indemnitee (as defined below); or (b) any breach, violation or non-performance of any covenant of Sublessee under this Lease beyond the applicable periods of notice and cure; except, in each case, to the extent such Claim is caused by the negligence or willful misconduct of Sublessor or any Sublessor Indemnitee.

16.2 Sublessor's Indemnification. Neither Sublessee nor Sublessee's employees, agents, or contractors ("Sublessee's Indemnitees") shall be liable for and Sublessor shall indemnify and save harmless Sublessee and Sublessee's Indemnitees from and against any and all Claims, foreseen or unforeseen, arising or alleged to arise by reason of injury to or death of any person or damage to or loss of property, occurring on, in, or about the common areas, or by reason of the willful misconduct or gross negligence of Sublessor.

16.3 If any action or proceeding shall be brought by or against either party or either party's Indemnitees in connection with any such Claim, the party with the indemnification obligation, on notice from the other party or the other party's Indemnitees, shall defend such action or proceeding, at said party's expense, by or through attorneys reasonably satisfactory to said party or said party's Indemnitee. The provisions of this Section shall apply to all activities of the parties or any Indemnitees with respect to the Premises. The parties' obligations under this Section shall not be limited to the coverage of insurance maintained or required to be maintained by each party under this Lease. In no event shall either party or either party's Indemnitee be liable in any manner to the other party or the other party's Indemnitee as the result of the acts or omissions of the other party or the other party's Indemnitee and all liability therefore shall rest with the other party.

17. Limitation of Liability. Except with respect to Sublessor's damages related to Sublessee's holdover or Sublessor's inability to relet the Premises after Sublessee's default as provided for herein, in no event shall either party, its employees, agents or contractors be liable under this Lease to the other party or any third party, for any consequential, incidental, indirect, exemplary, special or punitive damages, including any damages for business interruption, loss of revenue or profit, whether arising out of breach of contract, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not either party was advised of the possibility of such damages.

18. Subordination; Attornment. This Lease shall be subject and subordinate at all times to the Ground Sublease, the lien of any mortgage or deed of trust or other encumbrance(s) granted by Sublessor on the Premises (a "Prior Mortgage"). This clause shall be self-operative, and no further instrument or subordination shall be required to effect the subordination of this Lease to a Prior Mortgage. Nonetheless, in confirmation of such subordination, Sublessor and Sublessee shall execute and deliver such further instrument(s) subordinating this Lease to the

lien of any such Prior Mortgage as shall be desired by such mortgagee or party secured or proposed to be secured thereby, and Sublessee hereby appoints Sublessor as its attorney-in-fact, irrevocably, to execute and deliver any such instrument(s) for Sublessee. If the interests of Sublessor in the Premises shall be transferred by reason of foreclosure or other proceedings for enforcement of any mortgage or deed of trust thereon, Sublessee shall be bound to the transferee at the option of the transferee, under the terms, covenants and conditions of this Lease for the remaining Term, including any extensions or renewals, with the same force and effect as if the transferee were Sublessor under this Lease, and, if requested by such transferee, Sublessee agrees to attorn to the transferee as its Sublessor. The holder of any mortgage or deed of trust encumbering the Premises, or Sublessor's interest therein, shall have the right, unilaterally, at any time to subordinate fully or partially its mortgage or deed of trust or other security instrument to this Lease on such terms and subject to such conditions as such holder may consider appropriate in its discretion. Upon request, Sublessee shall execute and deliver an instrument confirming any such full or partial subordination in form and substance reasonably acceptable to Sublessee.

Non-Disturbance. Notwithstanding anything to the contrary contained in this Section 18, subject to the terms of the Ground Sublease, so long as Sublessee is not then in default under this Lease beyond any applicable notice and cure period, Sublessor shall use commercially reasonable efforts to obtain from TAC and the Authority, and from the holder of any Prior Mortgage, a non-disturbance agreement providing that, in the event the Ground Sublease is terminated or any Prior Mortgage is foreclosed, Sublessee's right to possession and quiet enjoyment of the Premises under this Lease shall not be disturbed, and this Lease shall continue in full force and effect as a direct lease between Sublessee and the party succeeding to Sublessor's interest, upon the same terms and conditions set forth herein.

19. Estoppel Certificate. Within ten (10) business days of receipt of written request from Sublessor, Sublessee shall execute, acknowledge and deliver to Sublessor, a written instrument, in form and substance reasonably acceptable to Sublessee, certifying (a) that this Lease has not been modified and is in full force and effect, or if there has been a modification, that the Lease is in full force and effect as modified, stating the modification; specifying the dates to which Rent and other sums due from Sublessee under this Lease have been paid; (b) stating whether or not to the knowledge of Sublessee, Sublessor is in default, and if so, the reasons for the default; (c) stating the Commencement Date of Term; and (d) providing such other information as is reasonably requested by Sublessor.

20. Defaults; Remedies. It is hereby mutually agreed that: (a) if Sublessee shall fail (i) to pay Rent or other sums which Sublessee is obligated to pay by any provision of this Lease, when and as it is due and payable hereunder and without demand therefor, and such failure continues for a period of ten (10) days after Sublessee's receipt of written notice thereof from Sublessor, or (ii) to keep and perform each and every covenant, condition and agreement herein contained on the part of Sublessee to be kept and performed; or (b) if Sublessee shall abandon or evidence any intention to abandon all or any portion of the Premises; or (c) if the estate hereby created shall be taken by execution or other process of law; or (d) if Sublessee shall (i) generally not pay Sublessee's debts as such debts come due, (ii) becomes insolvent, (iii) make an assignment for the benefit of creditors, (iv) file, be the entity subject to, or acquiesce in a petition in any court (whether or not filed by or against Sublessee pursuant to any statute of the

United States or any state and whether or not for a trustee, custodian, receiver, agent, or other officer of Sublessee or for all or any portion of Sublessee's property) in any proceeding, whether in bankruptcy, reorganization, composition, extension, arrangement, insolvency proceedings, or otherwise then, and in each and every case, from thenceforth and at all times thereafter, at the sole option of Sublessor, Sublessor may:

20.1 Terminate this Lease, in which event Sublessee shall immediately surrender the Premises to Sublessor. If Sublessee fails to do so, Sublessor may without notice and without prejudice to any other remedy Sublessor may have, enter upon and take possession of the Premises and expel or remove Sublessee and its effects without being liable to prosecution or any claim for damages therefor; and Sublessee shall indemnify Sublessor for all loss and damage which Sublessor may suffer by reason of such termination, whether through the inability to relet the Premises or otherwise including any loss of Rent for the remainder of the Term.

20.2 Terminate this Lease, in which event Sublessee's event of default should be considered a total breach of Sublessee's obligations under this Lease and Sublessee immediately shall become liable for such damages for such breach, in an amount equal to the total of (a) the costs of recovering the Premises; (b) the unpaid Rent earned as of the date of termination, plus interest thereon at a rate per annum from the due date equal to three (3%) percent over the Wall Street Journal Prime Rate, as published in the Western Edition of The Wall Street Journal; provided, however, that such interest shall never exceed the highest lawful rate; and (c) all other sums of money and damages owing by Sublessee to Sublessor. Sublessee's right of possession shall cease and terminate and Sublessor shall be entitled to the possession of the Premises and shall remove all persons and property therefrom and reenter the Lease without process of law and without becoming liable to prosecution therefor, any notice to quit or intention to reenter being hereby expressly waived by Sublessee.

20.3 Declare the present worth (as of the date of such default) of the entire balance of Rent for the remainder of the Term to be due and payable, and collect such balances in any manner not inconsistent with Applicable Laws.

20.4 Pursue any combination of such remedies and/or other remedy available to Sublessor on account of such default under Applicable Laws.

21. Surrender of Premises. At the expiration of the Term, or any earlier termination of this Lease, Sublessee shall surrender the Premises in substantially the same condition it was in on the Commencement Date, ordinary wear and tear and damage by fire or other casualty not Sublessee's responsibility to repair excepted. In the event Sublessee fails to vacate the Premises on a timely basis as required, Sublessee shall be responsible to Sublessor for reasonable costs incurred by Sublessor as a result of such failure, but only after the expiration of the permitted holdover period specified in Section 22 below. All of Sublessee's personal property not removed by Sublessee shall conclusively be deemed to have been abandoned and may be appropriated, sold, stored, destroyed or otherwise disposed of by Sublessor without notice to Sublessee or any other person and without obligation to account therefor; and Sublessee shall pay Sublessor all reasonable expenses incurred in connection with such property, including, but not limited to, the cost of repairing any damage to the Premises caused by removal of such property. Sublessee's obligation hereunder shall survive the expiration or other termination of this Lease.

22. Holdover. Except with respect to any Renewal Term for which Sublessee has timely exercised its renewal option pursuant to Section 2.2 above, if Sublessee remains in possession of the Premises after the expiration of the Term, Sublessee, at Sublessor's option and within Sublessor's sole discretion, may be deemed a tenant on a month-to-month basis and shall comply with all of the terms of this Lease, except that the Fixed Monthly Rent shall be automatically increased to one hundred fifty percent (150%) of the last Fixed Monthly Rent payable under this Lease. Sublessee shall give Sublessor notice of its intent to hold over no less than six (6) months prior to the expiration of the Term. Nothing herein shall be deemed to be consent to such holding over. Sublessee shall defend, indemnify, protect, and hold the Sublessor harmless from and against any and all claims, suits, liabilities, actions, obligations, debts, damages, and losses resulting from Sublessee's failure to surrender possession of the Premises upon the expiration of the Term.

23. Limitations on Sublessor's Liability. Sublessee shall look only to Sublessor's interest in the Premises to satisfy any money judgment against Sublessor resulting from any default or claim under this Lease, and no other property of Sublessor, wherever situated, shall be subject to levy to satisfy such judgment.

24. Notices. All notices, consents, demands, communications, or approvals required or permitted by this Lease shall be in writing and shall be delivered personally or delivered by certified or registered mail, return receipt requested, or by reputable overnight courier service, addressed as follows:

If to Sublessor: Cloud 7 Aviation, LLC
7385 S. Peoria Street, Unit C2
Englewood CO 80112

If to Sublessee: **Madrone Advisors, LLC**
PO Box #6476
Denver, CO 80206
(email:josh@madronecap.com)

Sublessor and Sublessee may, by notice given in the same manner set forth above, designate a different address to which subsequent notices shall be sent. Notice shall be deemed given when delivered, if delivered personally or by reputable overnight delivery service that provides proof of delivery, or when mailed if sent by certified or registered mail, return receipt requested.

25. Brokers. Sublessee represents and warrants that, except for Stijgend Real Estate, LLC, no broker, finder, agent, or other intermediary has been engaged by or on behalf of Sublessee in connection with this Lease. Sublessor has not retained, authorized, or entered into any agreement with Stijgend Real Estate, LLC or any other broker, finder, agent, or intermediary in connection with this Lease and shall have no obligation whatsoever to pay any commission, fee, compensation, or other remuneration arising out of or relating to this Lease. Sublessee shall be solely responsible for the payment of all commissions, fees, and other compensation due to Stijgend Real Estate, LLC or any other broker, finder, agent, or intermediary engaged by

Sublessee. Sublessee shall indemnify, defend, and hold harmless Sublessor and its members, managers, officers, employees, agents, successors, and assigns from and against any and all claims, demands, liabilities, damages, losses, costs, and expenses (including reasonable attorneys' fees and costs) incurred by Sublessor as a result of any claim for brokerage or other commissions made by Stijgend Real Estate, LLC or any other broker, finder, or agent, whether or not meritorious, employed by Sublessee or claiming by, through, or under Sublessee.

26. Consents. Notwithstanding anything to the contrary contained herein, the parties acknowledge and agree that this Lease is subject to and conditioned upon the approval and consent of the Authority and TAC, as provided for in the Ground Sublease.

27. Miscellaneous.

27.1 No Offer. This Lease is of no force and effect unless it is signed by Sublessor and Sublessee, and a signed copy of this Lease delivered by Sublessor to Sublessee. The mailing, delivery, or negotiation of this Lease by Sublessor or Sublessee or any agent or attorney of Sublessor or Sublessee prior to the execution and delivery of this Lease as set forth in this subparagraph shall not be deemed an offer by Sublessor or Sublessee to enter into this Lease, whether on the terms contained in this Lease or on any other terms. Until the execution and delivery of this Lease as set forth in this subparagraph, Sublessor or Sublessee may terminate all negotiations and discussions of the subject matter of this Lease, without cause and for any reason, without recourse or liability.

27.2 Validity of Lease. The provisions of this Lease are severable. If any provision of the Lease is adjudged to be invalid or unenforceable by a court of competent jurisdiction, it shall not affect the validity of any other provision of this Lease.

27.3 References. In all references to any persons, entities or corporations, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this Lease may require.

27.4 Non-Waiver by Sublessor. The rights, remedies, options or elections of Sublessor or Sublessee in this Lease are cumulative, and the failure of Sublessor or Sublessee to enforce performance by the other party of any provision of this Lease applicable to such party, or to exercise any right, remedy, option or election, or the acceptance by Sublessor of the Fixed Monthly Rent or additional rent from Sublessee after any default by Sublessee, in any one or more instances, shall not act as a waiver or a relinquishment at the time or in the future, of Sublessor or Sublessee of such provisions of this Lease, or of such rights, remedies, options or elections, and they shall continue in full force and effect.

27.5 Entire Agreement. This Lease contains the entire agreement between the parties. No representative, agent, or employee of Sublessor has been authorized to make any representations, warranties, or promises with respect to the letting, or to vary, alter or modify the provisions of this Lease. No additions, changes, modifications, renewals, or extensions of this Lease shall be binding unless reduced to writing and signed by both parties.

27.6 Effective Law. This Lease shall be governed by, construed, and enforced in accordance with the laws of the State of Colorado without giving effect to its principles of conflicts of law.

27.7 Captions. The captions of the paragraphs in this Lease are for reference purposes only and shall not in any way affect the meaning or interpretation of this Lease.

27.8 Counterparts. This Lease may be executed in one or more counterparts, each of which shall be an original, and all of which constitutes one and the same Lease.

27.9 Binding Effect. This Lease is binding upon and shall inure to the benefit of the parties, their legal representatives, successors and permitted assigns.

27.10 Time of the Essence. Time is of the essence of this Lease.

27.11 No Recordation. Except as expressly permitted herein, neither this Lease, nor any memorandum, affidavit or other writing with respect to this Lease, shall be recorded by Sublessee or by anyone acting through, under or on behalf of Sublessee, without Sublessor's prior written consent.

[Signature Page Follows]

IN WITNESS WHEREOF, this Sublease Agreement has been executed by Sublessor and Sublessee as of the Effective Date.

Sublessor:

Cloud 7 Aviation, LLC
a Colorado limited liability company

DocuSigned by:
By: JOHN ELWAY
0DCD8E06A9AA401...
Name: John A. Elway
Title: Manager

Sublessee:

Madrone Advisors, LLC
a Delaware limited liability company

Signed by:
By: SEAN EVANS
A13652E140834FF...

Printed Name: Sean Evans

Title: Vice President

EXHIBIT A

Page 1 of 2

Legal Description of
Property

A PORTION OF LAND LOCATED IN THE SOUTHEAST ¼ OF SECTION 26, AND ALSO BEING IN THE SOUTHWEST ¼ OF SECTION 25, TOWNSHIP 5 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ARAPAHOE, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 26:

THENCE	S 15°35'40" W, A DISTANCE OF 3614.97 FEET TO THE EXTENDED CENTERLINE OF RUNWAY 17L/35R (CENTENNIAL AIRPORT, BEARING S 02°02'00" E, BEING THE **BASIS OF BEARINGS** FOR ALL BEARINGS HEREIN), STATION –5+00;
THENCE	S 02°02'00" E, A DISTANCE OF 500.00 FEET TO STATION 0+00;
THENCE	S 02°02'00" E, A DISTANCE OF 838.69 FEET TO STATION 8+38.69;
THENCE	N 87°58'00" E, A DISTANCE OF 802.00 FEET TO THE **TRUE POINT OF BEGINNING**, STATION 8+38.69, 802.00 FEET LEFT;
THENCE	N 87°58'00" E, A DISTANCE OF 329.00 FEET TO STATION 8+38.69, 1131.00 FEET LEFT;
THENCE	S 02°02'00" E, A DISTANCE OF 251.03 FEET TO STATION 10+89.72, 1131.00 FEET LEFT;
THENCE	S 87°58'00" W, A DISTANCE OF 244.00 FEET TO STATION 10+89.72, 887.00 FEET LEFT;
THENCE	N 02°02'00" W, A DISTANCE OF 51.03 FEET TO STATION 10+38.69, 887.00 FEET LEFT;
THENCE	S 87°58'00" W, A DISTANCE OF 85.00 FEET TO STATION 10+38.69, 802.00 FEET LEFT;
THENCE	N 02°02'00" W, A DISTANCE OF 200.00 FEET TO THE **TRUE POINT OF BEGINNING.**

THIS EASEMENT CONTAINS 78,251 SQ. FT., OR 1.79 ACRES, MORE OR LESS. THIS DESCRIPTION DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS TO BE USED SOLELY TO DESCRIBE THE ATTACHED EXHIBIT.

30691.23.6/19/02 11:25 AM.KBUS.A0306882.WPD;3

EXHIBIT A

Page 2 of 2

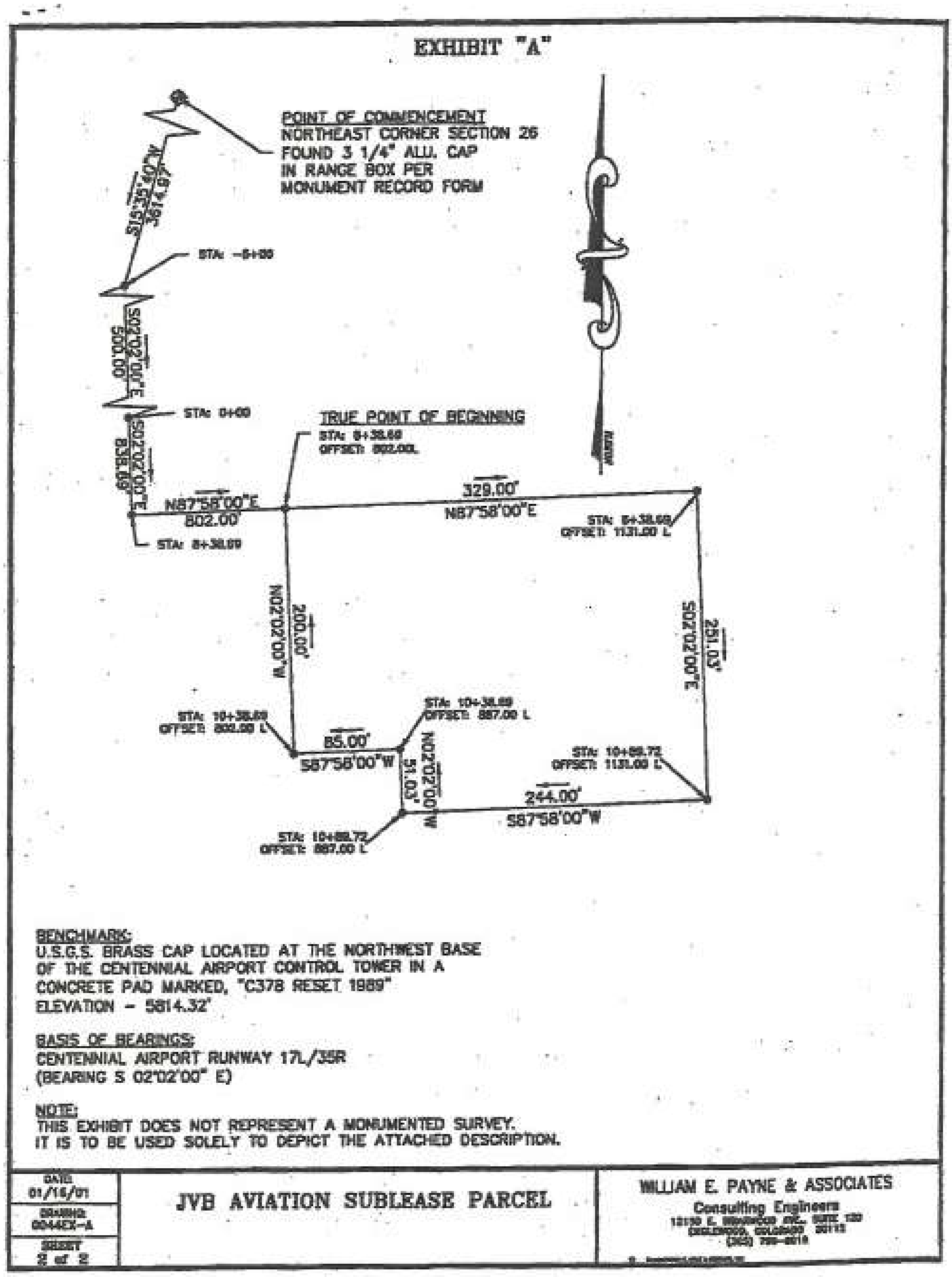


EXHIBIT B

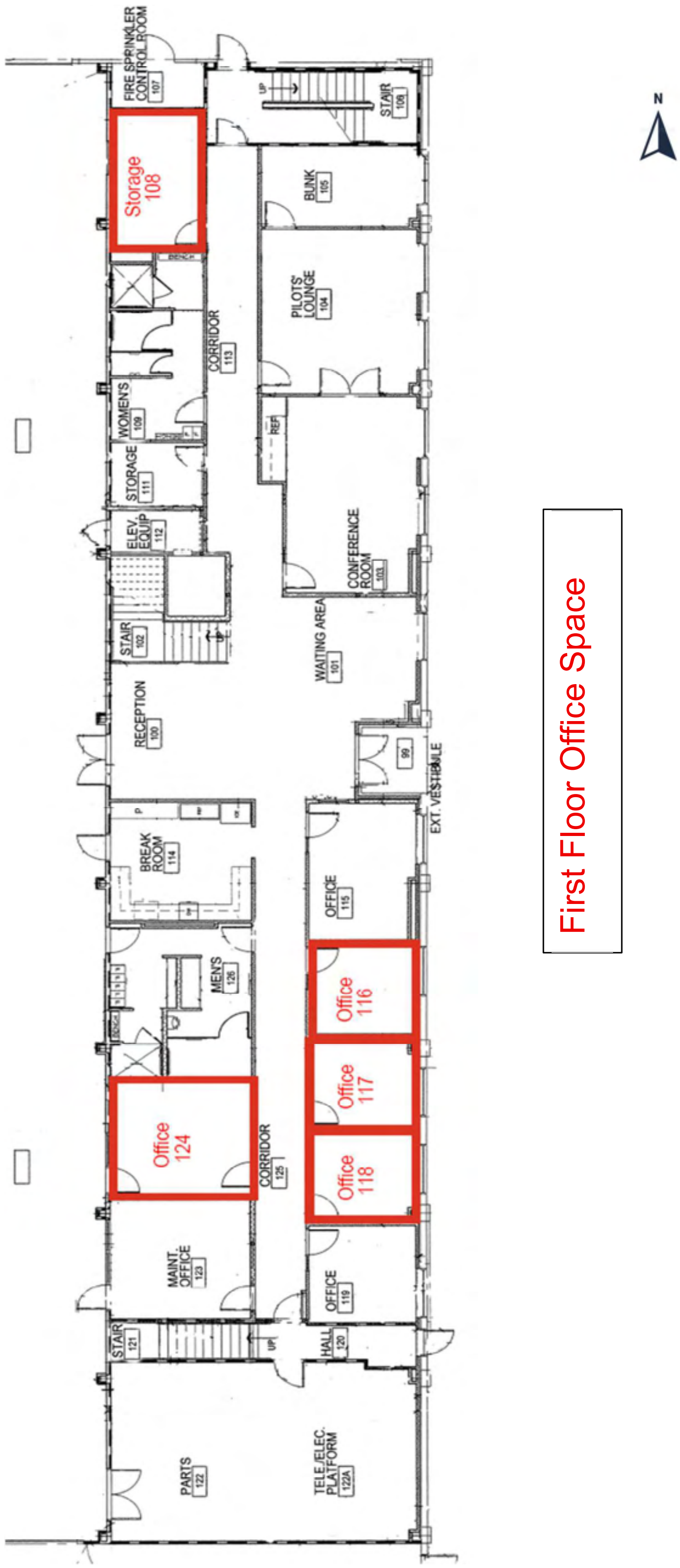

FIRE SPRINKLER CONTROL ROOM 107
STAIR 106
Storage 108
BUNK 105
PILOTS' LOUNGE 104
CORRIDOR 113
WOMEN'S 109
STORAGE 111
ELEV. EQUIP 112
CONFERENCE ROOM 103
STAIR 102
WAITING AREA 101
RECEPTION 100
99
EXT. VESTIBULE
BREAK ROOM 114
OFFICE 115
MEN'S 126
Office 116
Office 117
Office 124
CORRIDOR 125
Office 118
MAINT. OFFICE 123
OFFICE 119
STAIR 121
HALL 120
PARTS 122
TELE/ELEC. PLATFORM 122A
N
First Floor Office Space

EXHIBIT C

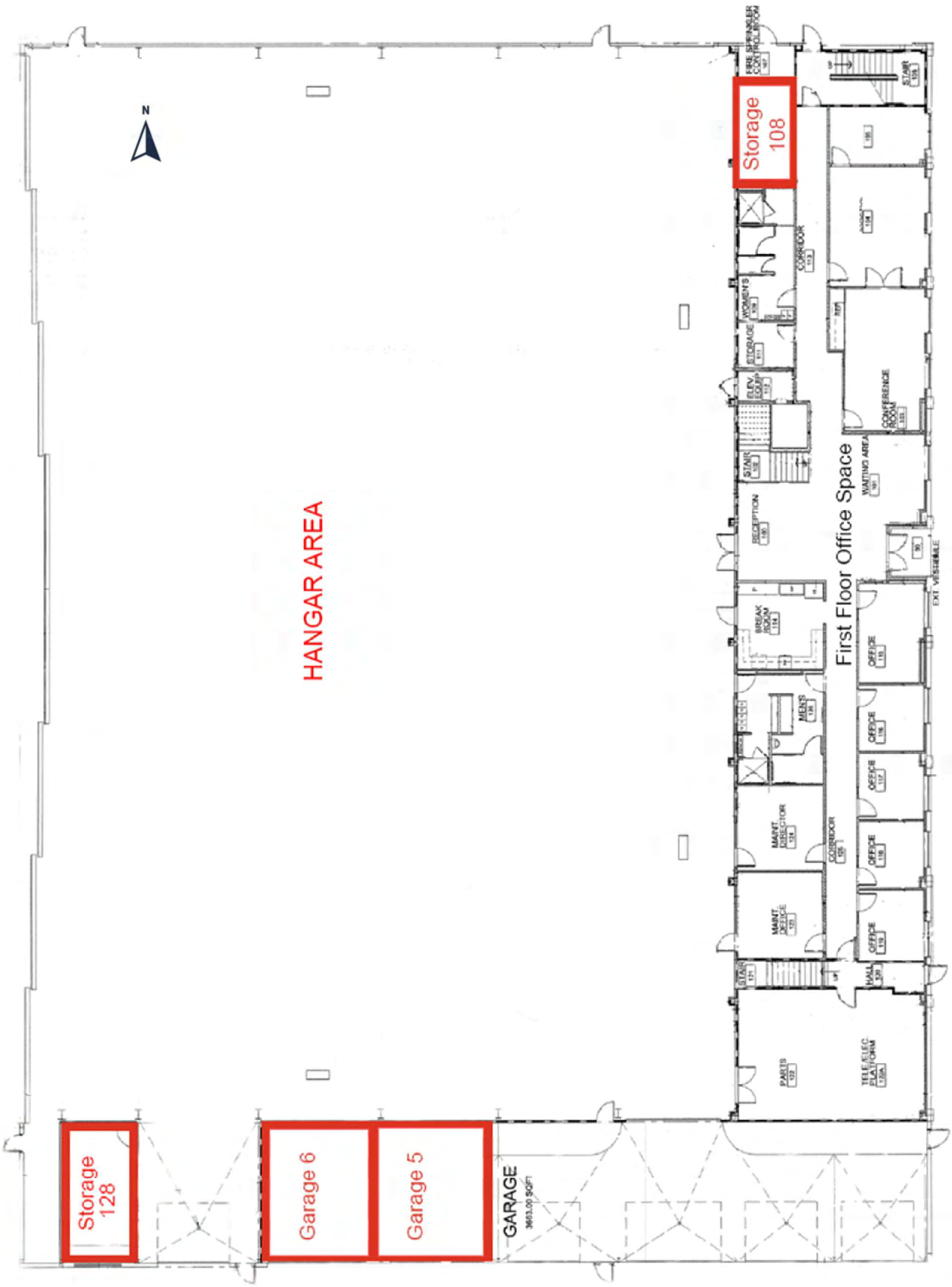

N
Storage 108
HANGAR AREA
First Floor Office Space
Storage 128
Garage 6
Garage 5
GARAGE

EXHIBIT D

CALCULATION OF FIXED MONTHLY RENT
January 1, 2027 - December 31,2027

Area	Aircraft Footprint	- - - - - - Square Feet - - - - - - Dedicated	Common	Rentable	- - - - - - - - - Rent - - - - - - - - - $/SF/Year	Annual	**Monthly**
Subleased Hangar Area	[redacted]						
Gulfstream 800							
Airbus H145							
Subleased Office Area							
Office 116							
Office 117							
Office 118							
Office 124							
Subleased Storage Area							
Storage - 108							
Storage - 128							
Subleased Garage Area							
Garage - 5							
Garage - 6							
Total							

Fixed Monthly Rent Commencing January 1, 2027 [redacted]

Annual Rent Escalator: Greater of 3.0% or % Increase in Denver CPI

Proportional Share of Hangar Facility = 16,632.49 rentable square feet / 34,647 total square feet = 48%

REPORT/ RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND RECORD OF ACTION

September 10, 2026

FROM: Luke Skaflen, Sr. Business Support Specialist – Administration

SUBJECT: Aircraft Maintenance and Management Company d/b/a Haggan Aviation - Reapplication under Centennial Airport's Minimum Standards for Commercial Aeronautical Activities.

RECOMMENDATION: Motion to approve the reapplication from Aircraft Maintenance and Management Company d/b/a Haggan Aviation and authorize the Chair and Clerk to sign the associated 10-year Agreement Under Standards.

BACKGROUND: On 8/1/2026 Aircraft Maintenance and Management Company d/b/a Haggan Aviation ("The Applicant") reapplied to continue its authorization to conduct Aircraft Maintenance activities as defined under Part 3 Section (3) of Centennial Airport's Minimum Standards for Commercial Aeronautical Activities (the "Standards"). The Applicant has operated its Aircraft Maintenance business continuously at Centennial Airport since 1996 and their 10-year agreement with the Authority will expire on September 11, 2026.

Principal owners are Mr. Eugene (Geno) Haggan, President, and Mr. Chris Haight, CEO. Key personnel are Gail Cupps, Financial Corporate Controller; Shelly Combs, Quality Assurance Manager; and Mikey Yoes, Maintenance Manager.

The Applicant is located at 12420 East Control Tower Road.

The Applicant's Premises, Hangar Keepers, and Products and Completed Operations insurance coverage exceeds the Standards insurance requirements.

This reapplication is satisfactory and meets all requirements of the Standards. A copy of the reapplication (Exhibit I) and draft Agreement Under Standards (Exhibit II) are attached for your review.

As there are no changes in the scope of service, a Public Hearing is not required.

FINANCIAL DATA: Reapplication Fee of $100 and Annual Aircraft Activity Fee of $500.

REVIEW BY OTHERS: Stacey Davenport

PRESENTERS: Luke Skaflen

Action of the Board of Commissioners

	1st	2nd	YES	NO	ABS
Bagnato	O	O	O	O	O
Baker	O	O	O	O	O
Beatty	O	O	O	O	O
Campbell	O	O	O	O	O
Summey	O	O	O	O	O

Exhibit I

CENTENNIAL AIRPORT

Arapahoe County Public Airport Authority Minimum Standards

APPLICATION FOR COMMERCIAL AERONAUTICAL ACTIVITIES

CHECK ONE: ☐ New Application ☑ Reapplication ☐ Information for an Assignment

Pursuant to PART 4 of the Minimum Standards for Commercial Aeronautical Activities adopted by the Arapahoe County Public Airport Authority, all applications must demonstrate compliance with all the PART 2, General Requirements and the specific requirements under PART 3, Sections (2) through (12) and must contain the following below listed information.

Space has been provided for response to each question. In many cases, it may be necessary to attach the requested information. If so, please indicate as "See Attached – Exhibit ___". Care should be taken in preparing this application as any incomplete or incorrect information may delay consideration by the Board.

Consistent with applicable law, financial information you submit may be confidential. If you wish to request that the financial information you submit be kept confidential, you must submit such information in a separate attached exhibit. Other information submitted as a part of this Application will be made available to the public upon request.

---

1) **BASIC BUSINESS INFORMATION**

		For Office Use
Name of Business:	Aircraft Maintenance & Management Company DBA Haggan Aviation	
Airport Business Location:	12420 E. Control Tower Road Englewood, CO 80112 *(Provide copy of sublease & drawings describing facilities and auto parking areas.)*	Sublease will be provided under separate cover
Mailing Address:	Same	
Telephone:	303-792-0688	
Type of Business Services Offered:	Aircraft Maintenance	Part 3, Section 3 of Min. Stds.
Commencement Date:	7/23/2026	
Hours of Operation:	7:30am - 4:30pm Monday-Friday	
Principal Owners:	Eugene Haggan - President Chris Haight - CEO Gail Cupps - Financial Corporate Controller	
Key Personnel & Titles:	Shelly Combs - Quality Assurance Manager Mickey Yoes - Maintenance Manager	

2) **CERTIFICATIONS & EXPERIENCE INFORMATION:**

For Office Use

- Describe past experience in the specified aviation services for which application is made:

Haggan Aviation has maintained a continuous and profitable presence at Centennial Airport since 1996, demonstrating a long-term commitment to providing high-quality aviation maintenance services to the airport community. Our maintenance team consists primarily of (A&P) mechanics, whose experience and technical expertise enable us to consistently meet the highest standards of safety, quality, and regulatory compliance. Haggan Aviation operates as an FAA-certificated Part 145 Repair Station (Certificate No. H51R588Y) (Exhibit E)

145 Certificate - Exhibit E

- Describe experience data on the key personnel or submit resumes as separate attachments:

We have over 100 years of aircraft maintenance experience between the President, CEO and key personnel.

Job Description for Controller, Dir. of Maintenance, and QA Manager - Exhibits A-C Personnel roster available upon Board request

- List all applicable local, state, and /or federal certifications and licenses currently held or to be obtained. Include copies of currently held licenses and certifications.

Colorado Sales Tax #02376647 and Repair Station Part 145 #H51R588Y and Colorado Sales Tax #02376647 (Exhibits E & I)

FAA 145 Cert - Exhibit E
Colo. Sales Tax Exhibit I

- If applicable, describe number of aircraft to be utilized including makes, models, passenger seating capacity, cargo capacity, aircraft registration numbers (n-numbers) and copies of any applicable operating certificates.

N/A

3) FINANCIAL & MARKET INFORMATION:

For Office Use

A. Provide a written confirmation of account status and history from bank (*see sample bank letter*):

We currently have our operating account with Vectra Bank of Colorado. (Exhibit F)

Bank Letter not attached, but available for board member review upon request.

B. Provide a full description of proposed nature of the operation. Include all services to be provided, number of persons to be employed, and any expansion plans, etc.:

Haggan Aviation is a full-service aircraft maintenance and repair facility specializing in aircraft ranging from turboprops to mid-size corporate jets. Since establishing operations at Centennial Airport in 1996, we have built a reputation for providing comprehensive, high-quality maintenance services tailored to the unique needs of each customer

Compete Response Exhibit __D__

C. Provide a statement of need for your proposed operation at the Airport:

Haggan Aviation's continued access to Centennial Airport is essential to serving our established customer base and supporting the ongoing demand for our maintenance and repair services. Our location at Centennial Airport allows us to efficiently provide timely, high-quality service to based and transient aircraft operators.

Compete Response Exhibit __D__

D. Provide a deposit equal to 50% of the anticipated annual aircraft and/or activity fees (*does not apply to activities under Sections 2 and 2.5 or re-applications*):

Paid in Feb 2026

E. Provide the appropriate non-refundable application fee:

Paid 8/4

PLEASE NOTE:
The Authority reserves the right to ask for additional financial and market information in order to determine whether the operator is reasonably fit, willing and able to discharge its economic obligations to the Airport community. Examples of additional information include but are not limited to market analysis, cash flow, profit and loss projections, financial statements prepared by a Certified Public Accountant, credit reports on the business or each party owning or having a financial interest in the business.

4) **INSURANCE & OTHER INFORMATION:**

- List all types and amounts of insurance coverage to be maintained for the proposed operation. Include a copy of your certificate of insurance listing the Arapahoe County Public Airport Authority as additional insured and reflecting at least the required minimum liability coverages for your proposed operation.

  Aviation General Liability & A003 (Exhibits G & H)

- If the proposed operation includes rental, sales or flight training, provide a copy of your student/renter insurance disclosure notice as well as evidence that the same notice has been incorporated in any rental agreements.

  N/A

For Office Use

Insurance Exhibit G & H. Updated certificates will be provided under separate cover.

The applicants hereby respectfully request that the Arapahoe County Public Airport Authority consider the foregoing application by the following date, 7/23/2026, for permission to perform the specified aeronautical activities at Centennial Airport.

To be acknowledged and signed by each principal owner (ie President, General Partner, CEO, CFO, Chairman, Secretary, Treasurer etc.)

Completed by Marilou Berg Title Exec. Administrator Date 7/23/2026

Signed by [signature] Title CEO Date 7/27/2026

Signed by ______ Title ______ Date ______

Signed by ______ Title ______ Date ______

For Office Use	For Office Use	For Office Use
DATE REVIEW COMPLETED: 9/1/26	DATE OF PUBLIC HEARING: N/A - Reapplication	WHEN PUBLISHED: N/A - Reapplication

FINANCIAL CORPORATE CONTROLLER

Job Description: Financial Corporate Controller

Position Title: Financial Corporate Controller
Company: Haggan Aviation
Location: Englewood Colorado
Reports To: VP of Operations
FLSA Status: Exempt
Work Hours: 40+ hours per week

Position Overview:
Haggan Aviation is seeking a highly organized and detail-oriented Financial Corporate Controller to manage and oversee financial accounting, bookkeeping, and human resource-related duties. This full-time position is essential in ensuring the smooth operation of the company's financial processes, compliance, and HR functions. The ideal candidate will possess strong accounting and financial management skills, as well as an understanding of HR administration.

Key Responsibilities:

1. **Financial Accounting & Bookkeeping**:
   - Oversee daily financial operations, ensuring accurate and timely accounting records.
   - Manage the general ledger, journal entries, and month-end close processes.
   - Prepare and review financial statements, balance sheets, and income statements.
   - Monitor accounts payable and receivable to ensure timely payments and collections.
   - Reconcile bank accounts, credit cards, and other financial statements regularly.
   - Assist in the preparation of annual financial budgets and forecasts.
   - Ensure compliance with all accounting standards, company policies, and regulations.
2. **Payroll & HR Administration**:
   - Administer payroll processing and ensure accurate payment to employees.
   - Handle employee benefits administration (health insurance, retirement plans, etc.).
   - Maintain employee records, ensuring proper documentation and confidentiality.
   - Assist with the recruitment process, including job postings, interviewing, and onboarding.
   - Ensure compliance with labor laws and company HR policies.
   - Address employee inquiries related to payroll, benefits, and HR matters.
3. **Financial Reporting & Analysis**:
   - Prepare and analyze financial reports, identifying trends, variances, and areas for improvement.
   - Provide regular financial updates to senior management and assist with strategic financial decision-making.

- Assist with tax filing preparation and coordination with external auditors as needed.

4. **General Administration & Coordination**:
   - Coordinate with other departments to ensure alignment of financial and HR goals.
   - Maintain a comprehensive filing system for both financial records and HR documents.
   - Assist with ad-hoc financial projects and tasks as requested by management.

Qualifications:

- Degree in Accounting, Finance, or related field (CPA preferred).
- Minimum of 3-5 years of experience in corporate accounting, bookkeeping, or finance.
- Proven experience with HR administrative duties (payroll, benefits, recruitment).
- Strong understanding of financial reporting and accounting principles.
- Experience with accounting software (QuickBooks, Xero, or similar).
- Familiarity with payroll systems and HR software (e.g., QuickBooks, Integrated ERP, Paycom, Workday, etc.).
- Strong attention to detail, accuracy, and organizational skills.
- Excellent communication and interpersonal skills.
- Ability to work independently and manage multiple priorities in a fast-paced environment.

Physical Requirements:

- Ability to sit at a desk for extended periods.
- Occasional lifting up to 25 pounds.

Work Environment:

- Standard office setting with some flexibility based on the company's policies.

Haggan Aviation is an equal opportunity employer and values diversity in the workplace. We encourage all qualified individuals to apply.

HAGGAN AVIATION Colorado

Director of Maintenance (DOM)

DUTIES AND RESPONSIBILITIES
The Director of Maintenance (DOM) is responsible for overseeing all aircraft maintenance operations in compliance with FAA regulations under Part 145. This leadership role ensures the safety, quality, and efficiency of all maintenance activities while actively managing aircraft schedules to meet delivery timelines and maximize shop throughput. The DOM maintains direct communication with customers to provide updates, resolve technical concerns, and ensure client satisfaction throughout each project. A key responsibility includes monitoring departmental revenue, controlling labor and material costs, and identifying opportunities to increase profitability through operational improvements. The DOM also prioritizes employee retention through mentorship, accountability, and team development initiatives. To meet evolving operational demands, the DOM must maintain a consistent level of training for both themselves and their team—coordinating quarterly with the training coordinator to complete courses relevant to supervisory and customer-facing responsibilities. Staying current with best practices in leadership, communication, and compliance is essential. This role also requires coordination with quality control, procurement, and planning teams to maintain workflow efficiency. Maintaining a proactive, hands-on presence on the shop floor is vital to fostering operational excellence. Ultimately, the DOM serves as the central point of leadership for delivering safe, timely, and cost-effective maintenance services while supporting employee development and business growth.

Duties and Responsibilities

Regulatory Oversight & Compliance

- Ensure all maintenance operations comply with FAA 14 CFR Part 145 requirements and internal company policies
- Maintain up-to-date knowledge working with quality of applicable ADs, SBs, FARs, and OEM technical publications
- Coordinate with FAA inspectors and represent the repair station during audits, inspections, and investigations if needed
- Ensure all required documentation, forms, and records are properly completed, filed, and retained

Aircraft Maintenance Management

- Oversee and direct all aircraft maintenance, repair, and modification activities
- Assign and monitor work orders to ensure timely completion and adherence to standards
- Coordinate with Planning to develop and maintain aircraft maintenance schedules and resource allocation
- Approve return-to-service authorizations in accordance with company procedures and FAA requirements

Customer Relations

- Serve as primary maintenance liaison with customers throughout the life of each work order once scheduled
- Provide progress updates, resolve technical concerns, and ensure customer expectations are met
- Review and address customer feedback, discrepancies, or post-maintenance issues in a timely and professional manner

Operational Leadership & Revenue Oversight

- Monitor departmental labor, parts, and operational costs to improve efficiency and support profitability and work with accountable manager to set up departmental cost centers
- Collaborate with accounting and executive leadership to forecast revenue and control expenditures
- Evaluate workflow bottlenecks and lead continuous improvement efforts to increase throughput
- Lead initiatives to drive shop productivity and on-time performance

Personnel & Workforce Development

- Supervise and mentor all floor supervisors, leads, and technicians to maintain accountability and job performance
- Promote employee retention and morale by fostering a **positive work environment**
- Coordinate with HR and Quality to recruit, onboard, and train qualified maintenance personnel
- Ensure safety protocols, personal protective equipment (PPE), and OSHA standards are enforced

Training & Professional Development

- Maintain personal supervisory qualifications by completing quarterly management and communication training
- Work closely with the training coordinator to schedule ongoing employee technical and regulatory training
- Take leadership, compliance, or customer service courses relevant to managing teams and client relations
- Ensure all personnel meet required initial and recurrent training standards

Cross Departmental Coordination

- Collaborate with Quality Assurance to ensure conformity inspections, audits, and internal findings are addressed

- Coordinate with Parts Department to minimize downtime due to parts shortages or procurement delays
- Align with Planning to create achievable timelines and delivery schedules
- Work with Executives on capital planning, major projects, and operational strategy

Prerequisites and Qualifications

- **FAA Airframe & Powerplant (A&P) License** – *Required*
- **Commercial Aircraft Maintenance Experience** – *Required*
- **Minimum Education** – Associate's Degree in Aviation Management, Aircraft Maintenance, or related field; *or* 10+ years of equivalent experience in aircraft maintenance & managerial aptitudes
- **Leadership Experience** – Minimum 5 years in a supervisory or management role within an FAA Part 145 Repair Station
- **Experience Working with Quality Control/Assurance Teams** – *Required*
- **Pilot Certificate** – *Preferred, not required*
- **Excellent Communication & Leadership Skills** – Demonstrated ability to lead teams and interface with customers and FAA personnel if needed
- **Technical Knowledge** – Familiarity with ERP systems, maintenance tracking software, and interpreting maintenance manuals and FAA regulations

Work Schedule and Compensation

- **Schedule**: This is a full-time position based on a 4-day, 10-hour shift schedule—either Monday through Thursday or Tuesday through Friday. Possible consideration for 8-hour shift schedule Monday through Friday. A minimum of 45 hours per week is expected. Availability for occasional overtime and weekend coordination may be required based on operational needs.
- **Compensation**: This is a salaried, non-exempt position with an annual pay range of **$110,000 to $130,000**, commensurate with experience, qualifications, and performance.

Strategic Growth & Leadership Expectations

As Haggan Aviation continues to expand, the Director of Maintenance will be expected to meet the following forward-looking leadership responsibilities in addition to core duties:

- **KPI Oversight & Performance Tracking**
  Track, analyze, and report on key operational metrics such as turn times, labor efficiency, warranty rates, on-time delivery, and return-to-service intervals.
- **Technology Proficiency & System Integration**
  Maintain strong working knowledge of ERP and aircraft maintenance tracking platforms (e.g., Corridor, Cescom, Traxxall), and lead efforts to integrate new technologies that improve operational efficiency.

- **Leadership Pipeline & Succession Planning**
  Identify high-potential team members and mentor them into future leadership roles to support organizational stability and growth.
- **Safety Management System (SMS) Involvement**
  Actively participate in or assist quality in facilitating a Safety Management System (SMS), ensuring safety risks are identified, mitigated, and documented in alignment with FAA and internal policies.
- **AOG & Crisis Response Leadership**
  Lead or support fast-paced response efforts during Aircraft on Ground (AOG) events or urgent maintenance scenarios to minimize downtime and maintain customer satisfaction.
- **Strategic & Financial Planning Participation**
  Collaborate with senior leadership on annual business planning, capital expenditures, and long-term maintenance strategy to align departmental growth with company goals.

Exhibit C

Quality Assurance Manager (QAM)

Job Description

Duties and Responsibilities

The Quality Assurance Manager (QAM) is responsible to the Accountable Manager for the overall operation of the Quality Assurance Department of the Part 145 Repair Station and, as such, has the final authority for approval for return to service of articles. In addition, the QAM is responsible for directing, planning, and laying out the details of inspection standards, methods, and procedures used by the Repair Station in complying with all applicable Federal Aviation Regulations, manufacturer's specifications, and recommendations.

It is the Quality Assurance Manager's duty to:

- Assist, supervise, and direct all personnel assigned to the Quality Assurance Department.
- Ascertain that all work is properly performed on articles and that the proper inspection records, reports, and forms used by the Repair Station are properly executed prior to approval of the article for return to service.
- Ensure technical data used in the performance of maintenance, preventive maintenance, or alterations of articles is kept current. This data includes manufacturer's data, drawings, specifications and service bulletins, standard practice data, Airworthiness Directives, related Federal Aviation Regulations, or other applicable data acceptable to or approved by the FAA, as well as customer-provided instructions for continued airworthiness (ICA) and air carrier or commercial operator program and maintenance manual data.
- Ensure that periodic checks are made on all inspection tools and monitor the calibration of precision measuring and test equipment used by the Repair Station, including maintenance-technician owned precision measuring and test equipment. Further ensures that a current record of those inspections and tests are maintained.
- Ensure that no defective, unserviceable, or unairworthy parts are used in the performance of maintenance, preventive maintenance, or alteration of articles approved for return to service by the Repair Station.
- Ensure the reporting of serious failure, malfunction, or defect of an article is completed accurately in the appropriate format and submitted timely.
- Ensure the proper execution and timely submission of FAA Form 337 when required, as well as maintenance releases.
- Ensure the final acceptance is completed on all incoming material, including new parts, supplies, and the airworthiness of articles on which work has been performed outside the Repair Station by contract.
- Ensure the preliminary, hidden damage, in-progress, and final inspection is completed on all articles processed by the Repair Station and results recorded.
- Ensure the proper tagging and identification of all parts and components.
- Ensure continuity of inspection responsibility is completed when personnel shift or assignment changes occur.

- Ensure that rejected and unserviceable parts are handled in such a way as to prevent their reuse as serviceable parts.
- Maintain files of completed work orders and inspection forms in such a manner that the file pertaining to a specific item repaired can be readily located for review.
- Other jobs and duties that may be assigned at the discretion of the company, with some functions of these duties being delegated.

Prerequisites

- Airframe and Powerplant (A&P) Certificate
  or a Repairman's Certificate issued by the company
- Experience working within the Quality Assurance Department of a Part 145 Repair Station, with 10+ years of corporate jet experience.
- Ability to pass FAA drug and alcohol program and random testing.
- Ability to read and understand English.
- Proficiency in computer applications: Word, Excel, Outlook, and Internet.

Pluses:

- Associate or Bachelor's degree in Aviation or Quality.
- Hawker / Learjet / Citation experience.
- AutoCAD experience.

Schedule

- 8- or 10-hour shifts.
- Day shift.
- 5 days per week, or split with other Quality personnel at 4 days per week.

Experience

- Minimum 10 years in aviation.

Expected Hangar Floor Duties

While the Quality Assurance Manager must maintain a presence in hangar operations, the role is primarily management and oversight.

Estimated Time on Hangar Floor: 20–30% total

Duties may include:

- Oversight and Final Approval (Return to Service): Supervising or verifying inspections before RTS approval.
- Compliance Oversight: Ensuring adherence to FARs and customer requirements during selected inspections or audits.
- Spot Inspections/Audits: Conducting random quality checks to verify standards are met.
- Issue Resolution in conjunction with DOM: Addressing discrepancies or compliance issues directly with staff as needed.

The remainder of the QAM's time will be focused on policy, planning, documentation, regulatory liaison, operational coordination, and overall quality system management.

Exhibit __D___

Page 3, Question B. Provide a full description of proposed nature of the operation. Include all services to be provided, number of persons to be employed, and any expansion plans, etc.:

Haggan Aviation is a full-service aircraft maintenance and repair facility specializing in aircraft ranging from turboprops to mid-size corporate jets. Since establishing operations at Centennial Airport in 1996, we have built a reputation for providing comprehensive, high-quality maintenance services tailored to the unique needs of each customer.

Our organization currently employs 30 professionals and operates from three hangars (Hangars D, E, and F) at Centennial Airport.

Question C. Provide a statement of need for your proposed operation at the Airport:

Haggan Aviation's continued access to Centennial Airport is essential to serving our established customer base and supporting the ongoing demand for our maintenance and repair services. Our location at Centennial Airport allows us to efficiently provide timely, high-quality service to based and transient aircraft operators.

Our current facilities, Hangars D, E, and F, adequately support our operational requirements and provide the space and infrastructure necessary to conduct our full range of maintenance, repair, avionics, paint, and interior services.

Exhibit E

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

Air Agency Certificate

Number **H51R588Y**

This certificate is issued to
AIRCRAFT MAINTENANCE & MANAGEMENT COMPANY
DBA: HAGGAN AVIATION INC.
whose business address is
12420 EAST CONTROL TOWER ROAD
ENGLEWOOD, CO. 80112

upon finding that its organization complies in all respects with the requirements of the Federal Aviation Regulations relating to the establishment of an Air Agency, and is empowered to operate an approved **REPAIR STATION**

with the following ratings:
AIRFRAME CLASS 1 & 3
RADIO CLASS 1,2,3
LIMITED AIRFRAME
LIMITED ENGINE
LIMITED PROPELLER
LIMITED ACCESSORIES

This certificate, unless canceled, suspended, or revoked, shall continue in effect **INDEFINITELY**

Date issued:
June 8, 2001
Amended Jan. 14, 2025

By direction of the Administrator
DALE OGDEN
Manager, NMSD60- Denver FSDO

This Certificate is not Transferable, AND ANY MAJOR CHANGE IN THE BASIC FACILITIES, OR IN THE LOCATION THEREOF, SHALL BE IMMEDIATELY REPORTED TO THE APPROPRIATE REGIONAL OFFICE OF THE FEDERAL AVIATION ADMINISTRATION

Any alteration of this certificate is punishable by a fine of not exceeding $1,000, or imprisonment not exceeding 3 years, or both

FAA Form 8000-4 (1-67) SUPERSEDES FAA FORM 390. Electronic Forms (PDF)

Exhibit G

USAIG Certificate of Insurance

This is to certify to:	Arapahoe County Public Airport Authority
whose address is:	7565 South Peoria St, Unit D9 Englewood, CO 80112
that:	Aircraft Maintenance & Management Company dba Haggan Aviation, ASI Charters, Inc. dba Peak Medevac International and Jet Masters, LLC
whose address is:	12420 East Control Tower Road Englewood, CO 80112

is at this date insured with one or more of the several participating companies of the United States Aircraft Insurance Group, for the Limits of Coverage stated below, at the following locations: Centennial Airport.

Descriptive Schedule of Coverages

Kind of Insurance	Policy Number	Policy Term	Limits of Insurance	
AIRPORT LIABILITY	ALO-36483	August 31, 2025 - August 31, 2026	Each Occurrence	Annual Aggregate
General Aggregate Limit (other than Products/Completed Operations)			$ Not Applicable	$ Not Applicable
Coverage A - Bodily Injury and Property Damage Liability				
Products/Completed Operations			$ 5,000,000	$ 5,000,000
Fire Damage Limit				
Any One Fire	$ 100,000			
All other under this Coverage Part			$ 5,000,000	
Coverage B - Personal and Advertising Injury Liability			$ 5,000,000	$ 5,000,000
Coverage C - Medical Payments				
Each Person Limit	$ 25,000 (Part of and not in addition to Coverage A)			
Coverage D - Ground Hangarkeeper's Property Damage Liability				
Each Aircraft Limit	$ 20,000,000		$ 20,000,000	
Hangarkeeper's Deductible	$ 25,000			
Allowance for Overhead and Supervision	150%			
Property Damage Deductible			$ 25,000	

WHO IS AN INSURED (Section II) is amended to include as an Insured **Arapahoe County Public Airport Authority** but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or

2. In connection with your premises owned by or rented to you.

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 regardless of any terms or conditions set forth in any other contract, document or agreement.

UNITED STATES AVIATION UNDERWRITERS, INC., ***Aviation Managers***
Address: 125 Broad Street, 6th Floor, New York, NY 10004

By John T. Brogan

John T. Brogan, President

date: June 26, 2026

F-108d-Cert 8 (Rev. 09/23)

Exhibit I

DR 0140 (02/16/11)
DEPARTMENT OF REVENUE
DENVER CO 80261-0013

STATE	COUNTY	RTD/CD
COLORADO	ARAPAHOE	

Must collect taxes for:

SALES TAX LICENSE

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION					ISSUE DATE			LICENSE VALID TO DECEMBER 31
	county	city	industry	type	liability date	month	day	year	
02376647-0000	10	0006	005	C	081696	May	07	26	2027

THIS LICENSE MUST BE POSTED AT THE FOLLOWING LOCATION IN A CONSPICUOUS PLACE: HAGGAN AVIATION
12420 E CONTROL TOWER RD ENGLEWOOD CO 80112-4144

THIS LICENSE IS NOT TRANSFERABLE

AIRCRAFT MAINTENANCE & MANAGEMENT CO
12420 E CONTROL TOWER RD
ENGLEWOOD CO 80112-4144

Executive Director
Department of Revenue

Letter Id: L1041311632

Detach Here

IMPORTANT INFORMATION

Now that you have your license, here's what you need to know:

- Use the letter ID above and go to **Colorado.gov/RevenueOnline** to set up your online access, manage your account, file electronic returns and submit payments. **Paper returns will NOT be mailed to you.**
- Both your sales tax return **AND** payments are due by the 20th day of the month following the end date of the reporting period in order to avoid any penalty and/or interest. Be sure you know what your filing frequency is in order to avoid missing due dates.
  - *Monthly filer* due dates: On the 20th day of the month following the reporting period end date.
  - *Quarterly filer* due dates: April 20th, July 20th, October 20th and January 20th.
  - *Annual filer* due dates: January 20th following the reporting period end date.
- If no sales were made during the reporting period, you are still required to file a return to report zero sales were made during the reporting period. Otherwise, the Department of Revenue will assess a non-filer estimate for tax.
- All licensed retailers are required to collect and remit all state-collected sales taxes based on the location where their products are delivered.
- State law requires you to collect sales tax from your customers solely for the purpose of remitting those taxes to the Colorado Department of Revenue. Businesses are entrusted with collecting and remitting taxes that belong to the State of Colorado and local jurisdictions.
- Your Colorado Sales Tax License must be displayed in a conspicuous place at your physical location.
- Your license must be renewed and the renewal fee paid at the end of the license period ending December 31 of odd-numbered years in order to maintain a valid license. Failure to renew your license will invalidate your license, but it won't automatically close your account. In order to close your account and cease any future liability, you must file form DR 1102 with the Department of Revenue.
- Having a Colorado Sales Tax License gives you the privilege to purchase non-taxable items-for-resale. Items that you consume in the course of your business are not included in this privilege.

We strongly recommend that you set up your Revenue Online account as soon as possible to remain compliant. If you have questions regarding sales tax in Colorado, please visit our Education webpage at Tax.Colorado.gov/training/education. From here, you can access sales tax training, online service help, tax tips, our video library, and other helpful links. While there, you can also sign up for free Tax Webinars.

Thank you for registering with the Colorado Department of Revenue.

AGREEMENT UNDER STANDARDS

THIS AGREEMENT, between the Arapahoe County Public Airport Authority ("Authority") and Aircraft Maintenance & Management a Colorado corporation d/b/a Haggan Aviation ("Licensee"), dated the 10th of September 2026, and effective as of the 12th of September 2026.

WHEREAS, Authority is responsible for the operation and maintenance of the Centennial Airport, hereinafter referred to as "Airport"; and

WHEREAS, the Authority has adopted Minimum Standards for Commercial Aeronautical Activities as may be amended from time to time ("Standards") at the Airport, and

WHEREAS, Licensee's current operating authorization under Standards expires on the 11th of September 2026; and

WHEREAS, Licensee has met all the reapplication requirements stipulated within said Standards for the conduct of the activities proposed and has made application for the licensing of its operation; and

WHEREAS, Licensee submitted its reapplication under Standards to the Authority on the 4th day of August 2026; and

WHEREAS, Licensee proposes to continue its based commercial aeronautical activities at Centennial Airport; and

WHEREAS, Licensee continues to sublease its premises 12420 E. Control Tower Road ("Premises") from Denver Jet Center ("Sublease Agreement"); and

WHEREAS, Licensee has continually operated its activities at Centennial Airport since September 1996.

NOW, THEREFORE, the parties hereto agree as follows:

1. Authorized Activities: Authority grants Licensee the right to conduct the following named commercial aeronautical activities under the Standards at the Premises:

<u>Aircraft Maintenance as defined under Part 3 Section (3)</u>

2. Term: The authorization granted Licensee to conduct the above-named commercial aeronautical activities shall terminate ten (10) years from the date of this Agreement or upon the expiration of the term of the Sublease Agreement as may be amended by the parties thereto whichever occurs first. Licensee may renew the agreement by submitting an application and demonstrating compliance with all requirements of the Standards in place at the time of renewal.

3. Fees:

a. Licensee shall pay to Authority the fees prescribed in Exhibit A attached hereto and made a part hereof adopted by the Authority September 8, 1994. It is understood that the fees may be increased or decreased from time to time by the Authority and Licensee agrees to be bound by any changes to the fees in Exhibit A hereafter made by the Authority and to make payment to the Authority in accordance therewith.

b. The Fees specified in the in Exhibit A shall be paid annually; the initial payment of $0.00 to be made by Licensee upon execution of this Agreement and subsequent payments made prior to February 1 of each succeeding year.

c. In the event of termination of service by Licensee subsequent to the date of this Agreement, the Annual Fees for this activity shall be adjusted in accordance with the following formula:

Prior to 1 April	Full Fee
Between 1 April and 30 June	3/4 Fee
Between 1 July and 30 September	1/2 Fee
Between 1 Oct. and 31 Dec.	1/4 Fee

4. Delinquency: The payments set forth in paragraph 3b above must be kept current. Interest from the due date shall be charged on any payment overdue at the rate of one and one-half percent (1 1/2%) for month prorated for the number of days late and based on the date of receipt of payment by Authority.

5. Place and Manner of Payments: All payments required to be made hereunder by Licensee to Authority shall be made at the Airport Manager's Office at the Airport. All payments shall be made in legal tender of the United States. All checks shall be received by Authority subject to collection of any such checks.

6. Books and Records: Licensee shall keep and maintain at Airport or at such other place as may be approved in writing by Authority, true and accurate books and records regarding Licensee's operations under the terms of this Agreement in a form satisfactory to Authority.

7. Inspection: Authorized representatives of the Authority shall have the right to inspect the premises of Licensee at reasonable intervals during regular business hours to determine whether Licensee has complied and is complying with the terms and conditions of this Agreement.

8. Notifications:

a. Licensee agrees to comply with the requirements stipulated for conduct of Aircraft Maintenance as set forth in said Standards and with the Airport Rules and Regulations, both of which may be amended from time to time by the Authority; and to notify the Authority with respect to any change in the elements of its operations, including but not limited to:

1) change in any required insurance coverage
2) change in hours of operation
3) change in qualification/certification required of its employees
4) change in location of required facilities
5) change in aircraft fleet
6) change in principals or key officials of Licensee
7) change in company name

8) change in the scope of business services along with amendments to FAA certifications concerning such operations

b. All notices required hereunder shall be made to the Authority as follows: Executive Director, 7565 South Peoria Street, Unit D9, Englewood, Colorado 80112, and to Licensee:12420 East Control Tower Road, Englewood, CO 80112 All notices shall be hand delivered or sent certified mail, return receipt requested.

9. Insurance:

a. Licensee agrees that it will at all times during the terms of this agreement, at its cost and expense, provide and keep in force a policy or policies of insurance as described on Exhibit A attached hereto and made a part hereof; and include the Authority, its officers, and agents as additional insured. All policies of insurance required herein shall be in a form and in a company or companies approved by the Authority and qualified to do business in the state of Colorado. Licensee shall furnish proper certification and evidence of compliance to the Authority. Such certification shall provide that such policy may not be materially reduced or canceled by the insurer during its term without first giving thirty (30) days written notice by registered mail, return receipt requested, to Authority.

b. Licensee shall not violate the terms or prohibitions of any insurance policy herein required.

c. Authority shall not be under any obligation to prosecute, settle or adjust any claim which may accrue under any such policy of insurance.

10. Personnel:

a. The Licensee shall have in his employ and on duty during operating hours trained personnel in such numbers as are required to meet the Standards in an efficient manner for each aeronautical service being performed.

b. All personnel of Licensee are required to hold current Federal Aviation Administration certificates and ratings, as they are required.

11. Standard Clauses:

a. This Agreement grants Licensee the non-exclusive right to use the airfield and associated operational areas in common with others as authorized, which right shall be exercised in accordance with the laws of the United States of America and the State of Colorado, the rules and regulations promulgated by their authority with reference to aviation and air navigation, and all pertinent directives, Rules and Regulations of the Authority.

b. Licensee shall make its accommodations and/or services available to the public on fair and reasonable terms without unjust discrimination on the basis of race, color, religion, sex, age, handicap, or national origin.

c. Licensee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service; provided, that Licensee may be allowed to make reasonable and nondiscriminatory prices for each unit of service; provided, that Licensee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

d. Licensee shall maintain at its own expense all necessary permits and licenses required in the conduct of its business at the Airport.

e. Licensee shall at all times retain qualified and competent personnel to conduct its authorized activities and said personnel shall be authorized to represent and act for Licensee.

f. Licensee shall observe and obey all laws, ordinances, rules and regulations of the United States of America and of the State of Colorado, Arapahoe County, and the Authority which may be applicable to its operations at the Airport.

g. Licensee shall pay, in addition to the application and annual activity fees, as required herein, all other costs connected with the operation of said business including, but not limited to, insurance and taxes.

h. Licensee shall provide the Authority a schedule of the hours of operation that Licensee will be open to the public and the names and telephone numbers of Licensee's officials who shall be available at all hours of Licensee's operations at the Airport to perform required management functions.

if. Licensee shall conform to all applicable safety, health, environmental, and sanitary codes and agrees to cooperate with the Authority in its fire prevention efforts and comply with Airport Rules and Regulations.

j. Licensee is and shall be deemed to be an independent contractor in the conduct of its business and activities hereunder and shall be responsible to all persons for its acts of omission or commission and Authority shall in no way be responsible therefore. In the use of the Airport, Licensee shall indemnify Authority, Arapahoe County and the State of Colorado, their agents and employees, from any and all liability that may proximately result because of any negligence on the part of Licensee's officers, agents, or employees.

k. Licensee shall comply with the requirements of any Executive Order barring discrimination; further, in accordance with these requirements, Licensee shall not discriminate in any manner against any employee or applicant for employment because of political or religious opinion or affiliation, sex, race, creed, color, handicap, or national origin; and further, licensee shall include a similar clause in all subcontracts, except subcontracts for standard commercial supplies or raw materials. Licensee understands acknowledges that the Authority has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to non-discrimination which have been required by Title VI of the Civil Rights Act of 1964, and by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation, as a condition precedent to the Government making grants in aid to the Authority for certain Airport programs and activities, and that the Authority is required under said regulations to include in every agreement or concession pursuant to which any person or persons other than the Authority operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Licensee agrees:

> "Licensee, in its operation at and use of the Airport, covenants that it will not, on the grounds of sex, race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Title 49, Code of Federal Regulations Department of Transportation Subtitle A, Office of the Secretary, Part 21; and in the event of such discrimination; Licensee agrees that the Authority has the right to take such action against Licensee as the Government may direct to enforce this covenant."

l. Airport Development: The Authority reserves the right to further develop or improve the landing area of the Airport as it does sees fit and without unreasonable interference or hindrance.

m. Performance of Services: It is clearly understood by the Licensee that no rights or privileges have 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 provided, however, that such services shall be subject to the Rules and Regulations established by the Authority and shall be consistent with terms of any lease or sublease of hangar space.

n. Authority's Rights: The Authority reserves the right (but shall not be obligated to the Licensee) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport together with the right to direct and control all activities of the Licensee in this regard.

o. Airport Obstruction: The Authority reserves the right to take any action it considers appropriate to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the Licensee from erecting or permitting to be erected, any building or other structure on the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.

p. Subordination: This Agreement shall be subordinate to the provisions of any existing or future agreement between the Authority and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport. This subordination includes, but is not limited to, the right of the Authority, during time of war or national emergency, to lease the landing area, or any part thereof, to the United States for military or naval use, and if any such lease is made, the provisions of this Agreement shall be suspended.

q. Indemnity: (i) The Licensee shall hold the Authority, the Airport Manager and all other Airport personnel and their agents harmless from and against all suits, claims, demands, actions, and/or causes of action of any kind or nature in any way arising out of or resulting from Licensee's activities, and shall pay all expenses in defending any claims against the Authority by reason of Licensee's activities.

(ii) Licensee shall have no duty or obligation to hold harmless the Authority, the Airport Manager and all other Airport Personnel and their agents to extent such suits, claims, demands, actions, and/or causes of action are caused by the negligence or willful misconduct of the Authority, the Airport Manager, or other Airport Personnel and their agents.

r. No Sham Affidavit: All terms and conditions with respect to this Agreement are expressly contained herein, and the Licensee agrees that no representative or agent of the Authority has made any representation or promise with respect to this Agreement not expressly contained herein.

s. Assignment: All covenants, stipulations and provisions in this Agreement shall extend to and bind the legal representatives, successors and assigns; however, Licensee shall not assign or transfer this Agreement without the written approval of Authority which approval may be denied for any reason.

t. Exclusive Right: It is understood and agreed that nothing herein shall be to grant or authorize the granting of an exclusive right within the meaning of Section 308 (a) of the Federal Aviation Act of 1958, as amended.

u. Affirmative Action Program: The Licensee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Licensee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Licensee assures that it will require that its covered suborganizations provide assurances to the Licensee that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

v. Aircraft Leaseback, Sublease, or other Aircraft Operating Agreements:

(1) All aircraft leases, leasebacks, subleases or other aircraft operating agreements involving commercial activity between an aircraft owner/operator and Licensee shall be in writing and shall conform to the Standards for the respective aeronautical activities being performed under the subject agreement.

(2) Where such agreements involve or contemplate the right or responsibility or obligation to perform maintenance on aircraft (other than Preventive Maintenance), such agreements must involve reasonable use of and payment for the aircraft commensurate with the value and usage of said aircraft.

(3) A copy of all such agreements must be submitted to the Authority along with proof of compliance with all applicable Airport insurance requirements.

12. Cancellation and Termination: Authority may cancel and terminate this Agreement, with or without process of law, without liability, in the event any payment required hereunder is in arrears and remains unpaid for a period of thirty (30) days after the same is due, upon giving ten (10) days written notice to Licensee of the Authority's intention to terminate, at the end of which time all the rights Licensee hereunder shall terminate unless such payment, which shall have been stated in such notice, shall have been paid within such ten (10) days; provided, however, Licensee will be allowed only two (2) such notice within any twenty-four (24) month period to cure within the time specified in this paragraph. The third such notice in any twenty-four (24) month period shall be final and shall cancel and terminate all of the rights hereunder of Licensee without any right on the part of Licensee to cure such default after receiving such notice. In like manner, upon thirty (30) days written notice, Authority may cancel and terminate this Agreement in the event of any other non-monetary default of Licensee not cured within said thirty (30) day period.

13. Obligations Following Termination: Except as otherwise provided herein, in the event of cancellation and termination of this agreement by Authority as herein provided, parties shall have no further obligations hereunder, except that Licensee shall remain liable to the Authority for all damages, charges and fees accrued to the date of termination.

14. No Personal Liability: No commissioner, officer, or employee of Authority shall be held personally liable under this Agreement or because of its enforcement or attempted enforcement.

15. Entire Agreement: This Agreement covers and includes the entire agreement between the parties and there are no promises, representations, warranties, conditions, terms or obligations other than those contained herein. Licensee has read and understands the whole of this Agreement and now states that no representations, promises or agreements not expressed herein have been made to induce the Licensee to enter into it. Licensee understands that no Commissioner, Officer, or Agent of Authority has the authority to change, rescind, alter or modify the agreement in whole or in part.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed this 10th day of September 2026.

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY

(Seal)

____
Thad Bagnato, Chair

ATTEST:

____
Jeff Baker, Clerk

Aircraft Maintenance & Management
d/b/a Haggan Aviation

____
(Licensee)

____
Witness

EXHIBIT A

TO

AGREEMENT UNDER STANDARDS

BETWEEN

AIRCRAFT MAINTENANCE AND MANAGEMENT COMPANY
D/B/A HAGGAN AVIATION
("Licensee")

AND

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
("Authority")

DATED
SEPTEMBER 10, 2026

EFFECTIVE
September 12, 2026

This Exhibit A includes the following excerpts from Centennial Airport's Minimum Standards for Commercial Aeronautical Activities, which may be amended from time to time.

Part 1 – *Introduction, Purpose & Definitions*
Part 2 – *General Requirements and Standards*
Part 3 Section (3) – *Specific Requirements for Aircraft Maintenance*
Part 4 – *Application Contents and Hearing Process*

Centennial Airport's Minimum Standards for Commercial Aeronautical Activities

PART 1 - INTRODUCTION, PURPOSE & DEFINITIONS

Prudent and proper administration requires that standards be adopted to establish the minimum acceptable qualifications of participants, level and quality of service, and other conditions which will be required of those proposing to conduct commercial aeronautical activities at the Airport. The requirement to impose standards on those proposing to conduct commercial aeronautical activities on a public airport relates to the public interest and provides protection from irresponsible, unsafe or inadequate service.

The adoption and enforcement of such standards ensures that the Operator is reasonably fit, willing and able to discharge both its service obligations to its patrons and its economic obligations to the Airport community and thereby protects established commercial enterprises, the aviation user, and the public.

The standards established for any particular commercial aeronautical activity must be relevant to that activity, must be reasonable in scope and must be applied objectively and uniformly. Standards, thus established and applied, promote economic stability by discouraging unqualified applicants and foster the level of services desired by the public.

PURPOSE

These regulations prescribe minimum standards for the conduct of commercial aeronautical activities at Centennial Airport and specify certain clauses which will be included in lease/concession agreements permitting the conduct of such activities.

SEVERABILITY CLAUSE

If one or more clauses, sections or provisions of these Minimum Standards shall be held to be unlawful, invalid or unenforceable by final judgment of any court or competent jurisdiction, the invalidity of such clauses, sections or provisions shall not in any way affect any other clauses, sections or provisions of these Minimum Standards.

DEFINITIONS

As used in these regulations, the following terms shall have the following meanings:

Air Cargo, An Air Cargo operator is an entity that provides the carriage of property and operates under the appropriate FAR and operates aircraft in accordance with the weight limitations established for the Airport in its Rules and Regulations.

Air Charter, An Air Charter operator is an entity that provides on-demand non-scheduled passenger services and operates under the appropriate FAR with aircraft that provide no more than 30 passenger seats and are within the weight limitations established for the Airport in its Rules and Regulations.

Aircraft, means any contrivance, now known or hereafter invented, used, or designed for navigation of or flight in the air. Excluded from this definition are ultralights, gliders, and paragliders.

Aircraft Maintenance, means the repair, adjustment or inspection of aircraft. Major repairs include major alterations to the airframe, power plant, propeller and accessories as defined in Part 43 of the Federal Aviation Regulations. Minor Repairs include normal, routine annual inspection with attendant maintenance, repair, calibration or adjustment or repair of aircraft and their accessories.

Airport, means the Centennial Airport.

Airport Operating Area (AOA), means the ramp/taxilane system.

Airport Purpose, means any Authority action, undertaking or development that is consistent in maintaining the non-certificated status of the Airport and in preserving the Airport funding category as a "Reliever Airport" serving general aviation users. Under no circumstances shall the Airport Purpose include scheduled passenger services.

Authority, means the Arapahoe County Public Airport Authority formed pursuant to Article 3, Title 41, C.R.S.

Building, means the main portion of each structure, all projections or extensions therefrom and any additions or changes thereto, and shall include garages, outside platforms and docks, carports, canopies, eaves and porches. Paving, ground cover, fences, signs and landscaping shall not be included.

Commercial Aeronautical Activity, means any activity which involves, makes possible, or relates to the operation of aircraft, the purpose of such activity being to secure earnings, income, compensation or profit, whether or not such objective(s) is accomplished. Such activities as further defined under PART 3, Sections (2) through (12) include: Fixed Base Operator; Helicopter Fixed Base Operator, Airframe & Power Plant Repair; Avionics, Instrument & Propeller repair; Air Charter; Air Cargo; Aircraft Rental; Aircraft Sales; Flight Training; Commercial Flying Club; Specialized Commercial Aeronautical Activities. However, Commercial aeronautical activity shall not include any activity that is contrary to the Airport Purpose.

Development Guidelines, means any Authority approved guidelines governing development on the Airport. It includes but is not limited to such guidelines as the Development Policy & Application Procedures for Aeronautical & Non-Aeronautical Land Use at Centennial Airport.

DOT, means Department of Transportation.

DOT Part 380 Public Charter Operations ("380 Operator"), is an entity that furnishes passenger carrying on-demand air transportation to the general public by engaging the services of established Air Charter operators with aircraft that provide no more than 30 passenger seats and are within the weight limitations established for the Airport in its Rules and Regulations.

Entity, means a person, firm, corporation, partnership.

Equipment, means all machinery, together with the necessary supplies, tools and apparatus necessary to the proper conduct of the activity being performed.

Exclusive Rights, means the power, privilege or other right excluding or debarring another from enjoying or exercising a like power, privilege or right. An exclusive right may be conferred either by express agreement, by imposition or unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties by excluding others from enjoying or exercising a similar right or rights would be an exclusive right. *The granting of an exclusive right to conduct a commercial aeronautical activity on an airport developed by or improved with federal funds is expressly forbidden by law.*

FAA, means Federal Aviation Administration.

FAR, means Federal Aviation Regulations.

Fixed Based Operator (FBO), means an entity which maintains facilities at the Airport for the purpose of engaging in the retail sale of aviation fuels, aircraft sales/rental, flight instruction and training, air charter, air cargo, aircraft airframe and engine repair, avionics and aircraft line services. (Also, refer to the definition for Helicopter Fixed Based Operator.)

General Aviation, means that portion of civil aviation that encompasses all facets of aviation except scheduled air carriers.

Hazardous Material, means any hazardous or toxic substance, material or waste which is or becomes regulated by any local government authority, the State of Colorado or the United States Government. The term *Hazardous Material* includes without limitation, any substance that is (1) defined as a *hazardous substance* under appropriate state law provisions; (2) petroleum; (3) asbestos; (4) designated as *hazardous substance* pursuant to Section 311 of the Federal Water Pollution Control Act (33 USC Section 1321); (5) defined as *hazardous waste* pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 USC Section 9601); or (6) defined as *a regulated substance* pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 USC Section 6991).

Helicopter Fixed Based Operator (HFBO), means an entity which maintains facilities at the Airport for the purpose of exclusively providing helicopter fixed base services. These services include, the retail sale of aviation fuels to helicopters, helicopter sales/rental, flight instruction and training, helicopter charter, helicopter cargo, helicopter airframe and engine repair, avionics and helicopter line services.

Improvements, means all buildings, structures and facilities including pavement, fencing, signs and landscaping constructed, installed or placed on, under or above any leased area by or with the concurrence of a leased area by or with the concurrence of a lessee. Plans and specifications for all improvements must be approved by the Authority for conformity with its building and construction standards.

Landing, shall include all flights for revenue and non-revenue purposes including, but not limited to commercial, training, private, ferry and charter flights, except that there shall be excluded flights which return to the airport after take-off due to an emergency.

Landing Fee, means a fee expressed as an amount per available revenue seat (ARS).

Lease, means a contractual agreement between the Authority and an entity granting a concession or otherwise authorizing the conduct of certain activities which is in writing and enforceable by law.

Principals, means for Corporation all directors, officers, and stockholders holding more than 10% of the company stock; means for Partnerships all general and limited partners.

Ramp, means a paved area suitable for aircraft parking.

Repair Facility, means a facility utilized for the repair of aircraft to include airframe, power plant, propellers, radios, instruments and accessories. Such facility will be operated in accordance with pertinent FAA regulations.

Service Operator or Operator, means an entity which provides any one of the services listed under PART 3, Sections (2) through (12), inclusive. The following are not included within this definition:

- Employees of Aircraft Owners: The general criteria for employee status will be that the employer withholds income taxes, withholds and pays social security taxes and pays unemployment taxes on wages paid to the employee. Where this criteria is questioned, a Form SS-8 determination will be requested from the Internal Revenue Service.
- Services authorized by an FBO or HFBO within its hangar facilities for aircraft owned or leased by its sublessees. Such authorization will be provided in writing (on a form provided by the Authority) and timely filed with the Authority.

Sublease, means a lease granted by a lessee to another entity of all or part of the property.

Terminal Area, means the terminal proper, aircraft ramps, baggage-handling facilities, vehicular parking, spaces, including rental car areas, roadways, water, sanitary sewer, storm sewer, gas, electrical, cable TV and other areas and facilities the primary function of which is to serve the terminal and aircraft operations.

Tie-down, means the area, paved, or unpaved, suitable for parking and mooring of aircraft wherein suitable tied down points have been located.

Centennial Airport's Minimum Standards for Commercial Aeronautical Activities

PART 2 — GENERAL REQUIREMENTS AND STANDARDS

The general requirements set forth herein and in the specific activity requirements under PART 3, Sections (2) through (12) are the minimum which the Authority will require in agreements authorizing commercial activities and unless specifically limited, do not preclude applicants from seeking greater operating authority.

These general requirements cover the following categories for all applicants: 1) a written agreement with the Authority; 2) ground space, facilities and accommodations; 3)licenses and certifications; 4) personnel; 5) aircraft leaseback, sublease, or other operating agreements; 6) insurance; 7) motor vehicles used in operations; and 8) fees.

WRITTEN AGREEMENT WITH AUTHORITY

Prior to the commencement of an operation, the operator will be required to enter into an agreement with the Authority. Such agreements will recite the terms and conditions under which the business will be operated on the airport, including but not limited to, the term of the agreement, the rentals, fees, and charges, the rights and obligations of the respective parties understood, therefore, that neither conditions therein contained nor, those set forth in these Minimum Standards represent a complete recitation of the provisions to be included in the written agreement. Such provisions, however, will neither change nor modify the Minimum Standards nor be inconsistent therewith. Where the operator is a sublessee of a Fixed Base Operator, the term of the Agreement will be limited to the term of the Sublease not to exceed ten years.

GROUND SPACE, FACILITIES, AND ACCOMMODATIONS

The operator shall lease, sublease, and/or construct sufficient ground space, facilities and accommodations for the proposed commercial activity. Operator must provide copies of such leases or subleases to the Authority. Also, refer to the specific activity requirements sections for more specific ground space and facilities requirements than those listed below:

a. ***A full description and drawing of the location of the ground space, facilities, and accommodations to be utilized solely for the operator's proposed commercial activity***. Operator must identify the location of its aircraft parking and staging areas, customer lounges, baggage handling for 380 Operations, vehicle parking areas, and restrooms.

b. The ***ground space*** shall include a paved walkway within the leased or subleased area to accommodate pedestrian access to the operator's office, and when appropriate, a paved aircraft apron with tie-down or hangar facilities within the leased area sufficient to accommodate the activities being performed. Ground space shall also include sufficient space for automobile parking.

c. The ***facilities and floor space allotments*** shall include office and customer lounge facilities and, if applicable baggage handling facilities for the 380 Operations. All facilities must be properly heated, ventilated, cooled and lighted.

d. The ***public accommodations*** shall include telephones for customer use, restrooms, sufficient on-site customer auto parking spaces, and handicap access in accordance with any Federal, State and local regulations.

The operator shall maintain all pavement constructed by the operator. The maintenance of the interior of the building, utility costs, snow and trash removal shall be the operator's responsibility. Grass mowing and landscape maintenance within the operator's leased premises shall be the operator's responsibility.

For construction of any new facilities, the operator will be subject to the same standards of development as are contained in the Airport Master Plan and the Development Guidelines.

LICENSES AND CERTIFICATIONS

Operator shall comply with all Federal, State, County and/or municipal laws and regulations concerning its proposed operation and provide copies of all pertinent permits, licenses, and certifications.

PERSONNEL

The operator shall have in his employ and on duty during operating hours, trained personnel in such numbers as are required to meet the Minimum Standards and Specific Requirements set forth herein. The operator shall also provide a responsible person in the office to supervise the operations in the leased area and with authorization to represent and act for and on behalf of the operator during all business hours.

All personnel are required to hold the appropriate Federal Aviation Administration Certificates and ratings as applicable.

AIRCRAFT LEASEBACK, SUBLEASE, OR OTHER AIRCRAFT OPERATING AGREEMENTS

All aircraft leases, leasebacks, subleases or other aircraft operating agreements involving commercial activity between an aircraft owner/operator and other parties operating at the airport shall conform to the standards stipulated under PART 3, Sections (2) through (12) for the respective aeronautical activities being performed under the subject agreement.

Where such agreements contemplate the right or responsibility or obligation to perform maintenance on aircraft (Other than preventive maintenance), such agreements must involve reasonable use of and payment for aircraft commensurate with the value and usage of said aircraft.

A copy of all such agreements shall be provided to the Authority upon the execution of the agreements.

All aircraft leases, leasebacks, subleases or other aircraft operating agreements involving commercial aircraft activity at or from the Airport shall include the following: ***"This agreement shall not violate the Minimum Standards for Commercial Activities as set by the Arapahoe County Public Airport Authority nor shall this instrument be used for the purpose of evading any of Centennial Airport's Rules and Regulations."***

INSURANCE

The operator shall procure, maintain, and pay premiums during the term of the agreement, for insurance of the types and the minimum limits set forth in the specific requirements for the respective commercial aeronautical activities under PART 3, Sections (2) through (12). The insurance company writing the required policy or policies, shall be licensed to do business in the State of Colorado.

When more than one aeronautical service is proposed, the minimum limits will vary (depending upon the nature of the individual services in such combination) but will not necessarily be cumulative in all instances. It would not be necessary for the operator to carry insurance policies providing the aggregate or combined total of the minimum requirements of each of the selected activities; however, the operator would be required to provide insurance on all applicable exposures.

All insurance which the operator is required by the Authority to carry and keep in force shall include the Arapahoe County Public Airport Authority, its officers, and agents as additional insured. The operator shall furnish evidence of compliance with this requirement to the Authority with proper certification that such insurance in force and will furnish additional certification as evidence of changes in insurance not less than 10 days prior to any such change, if the change results in a reduction. In the event of cancellation of coverages, 30 days prior notification shall be conveyed to the Authority by the Underwriter.

The applicable insurance coverages shall be in force during the period of any construction of the operator's facilities and/or prior to the operator's entry upon the Airport for the conduct of its business.

Disclosure Requirement - All operators conducting rental, sales, or flight training shall post a notice and incorporate within their rental agreements the coverages and limits provided to the student or renter by the operator, as well as a statement advising that additional coverage is available to such student/renter through the purchase of an individual non-ownership liability policy. Operator shall provide a copy of such Notice to the Authority.

MOTOR VEHICLES ON AIRPORT

The operator will control the transportation of pilots and passengers to and from the operator's office to the operator's apron tied-down areas. The operator performing this service with motor vehicles driving on the AOA shall do so only in accordance with the Centennial Airport Rules and Regulations.

Any operator using service vehicles on the AOA in the support and conduct of its business shall procure and maintain motor vehicle liability insurance of not less than $500,000 per occurrence of Combined Single Limit coverage for Bodily Injury and Property Damage.

FEES

The operator shall pay the standard fees as specified by the Authority. Such fees are listed on the Specific Requirements for each commercial aeronautical activity category wider PART 3, Sections (2) through (12). These fees shall be specifically included in the Agreement executed with the Authority.

Any concession activity conducted on the leased premises shall similarly be subject to the standard rates and charges set by the Authority.

Centennial Airport's Minimum Standards for Commercial Aeronautical Activities

PART 3 Section (3) - SPECIFIC REQUIREMENTS FOR AIRFRAME AND POWER PLANT REPAIR

An **Airframe and Power Plant Repair Facility** operator is an entity certified as an FAA Repair Station operating under a Part 145 Certificate and providing one or a combination of airframe and power plant repair services. This category of service will also include the sale of aircraft parts and accessories.

In addition to the General Requirements in PART 2, the following minimum requirements must be met:

GROUND SPACE, FACILITIES, AND ACCOMMODATIONS

Operator shall provide sufficient hangar space for airframe and power plant repair services and, if contemplated, to include a segregated painting area meeting local and state industrial code requirements.

Operator shall provide or lease a paved aircraft apron within the leased area to accommodate aircraft movement from its facility to the taxiway complex.

SCOPE OF SERVICE

Environmental - Operator must comply with the requirements of the Authority's Storm Water Management Plan (SWMP).

Equipment - Operator shall provide suitable tractors, tow bars, jacks, dollies, and other equipment, supplies and parts equivalent to that required for certification by the Federal Aviation Administration as an approved Repair Station.

Licenses & Certifications - Operator shall make an application to the FAA for Repair Station Certification and submit such evidence of application to the Authority. Operator must acquire the Part 145 Certificate within six months of initiation of operation and file a copy with the Authority. Repair personnel must be currently and properly certificated by the FAA with ratings appropriate to the work being performed.

Operating Hours - Operator shall provide service in this category at least eight hours daily, five days a week.

Personnel - Operator shall employ sufficient personnel who are appropriately rated by the FAA for the work being performed and who hold airframe, power plant or aircraft inspector ratings. Operator shall have an employee in the office at all times during the required operating hours.

FEES	
Application Fee:	$200.00
Annual Activity Fee:	$500.00
Annual Aircraft Fee:	Not Applicable

INSURANCE COVERAGE

Operator shall provide certificates of insurance evidencing the following coverages and minimum amounts:

Premises Liability (for Hangar Operation) $1,000,000 per occurrence of Combined Single Limit for Bodily Injury and Property Damage

Products & Completed Operations Liability for Repairs & Services and Parts not Installed $1,000,000 per occurrence

Hangarkeepers Liability:
For Twins - $250,000 per aircraft and $500,000 per occurrence
For Singles - $100,000 per aircraft and $200,000 per occurrence

Motor Vehicle Liability - If using service vehicles on the Air Operations Area in support of operations - $500,000 per occurrence of Combined Single Limit for bodily Injury and Property Damage

Please note that the limits of liability listed above are the minimum required to operate at Centennial Airport. The Authority strongly recommends that all Operators secure higher limits of liability coverage.

Centennial Airport's Minimum Standards for Commercial Aeronautical Activities

PART 4 - APPLICATION CONTENTS AND HEARING PROCESS

Applications to perform any commercial aeronautical activities shall be in writing (either on applicant's own form or one provided by the Authority) and filed with the Authority. The application must demonstrate compliance with all the PART 2, General Requirements and the specific requirements under PART 3, Sections (2) through (12), and must contain the following as defined below: 1) Basic Business Information; 2) Certifications and Experience Information; 3) Financial & Market Information; 4) Insurance and Other Information.

PLEASE NOTE: Consistent with applicable law, financial information you submit may be confidential. If you wish to request that the financial information you submit be kept confidential, you must submit such information in a separate attached exhibit so indicated. Other information submitted as a part of the Application will be made available to the public upon request.

BASIC BUSINESS INFORMATION

A. Company name, mailing address and telephone number.

B. Proposed date for commencement of operations and proposed hours of operation.

C. Type of Business Services to be offered along with copies of any federal or state operating certificates.

D. Business Location including copies of existing or proposed leases or subleases as well as the following information:

1) For currently or proposed leases or subleases of existing structures or improvements - describe the amount, parcel, size, location of office, hangar (or tiedowns), and automobile parking areas to be utilized solely for applicant's proposed operation;

2) For proposed leases or subleases of unimproved airport areas - describe land to be leased and buildings and improvements to be constructed, together with automobile parking available and required for the proposed operations.

E. List of the principal owners and key personnel and their signatures.

CERTIFICATIONS & EXPERIENCE INFORMATION

A. Statement of past experience in the specified aviation business service or commercial aeronautical activity for which the application is made.
B. Describe personnel to be used, provide experience data and include copies of any applicable federal or state operating licenses or certifications.
C. List all applicable Federal, State, or local certifications and licenses currently held or to be obtained. Include copies of currently held licenses and certifications.
D. Describe number of aircraft to be utilized including makes, models, passenger seating capacity, cargo capacity, aircraft registration numbers (n-numbers) and copies of any applicable operating certificates.

FINANCIAL & BUSINESS INFORMATION

A. Provide a written confirmation of account status and history from bank.
B. Provide a full description of the proposed nature of the operation. Include all services to be provided, number of persons to be employed, and any expansion plans, etc.
C. Provide a statement of need for your proposed operation at the airport.
D. Provide a deposit equal to 50% of the anticipated annual aircraft and/or activity fees. *(Does not apply to activities under Sections 2 and 2.5,)*
E. Provide the appropriate non-refundable application fee.

PLEASE NOTE:
The Authority reserves the right to ask for additional financial and market information in order to determine whether the operator is reasonably fit, willing and able to discharge its economic obligations to the Airport community. Examples of additional information include but are not limited to market analysis, cash flow, profit and loss projections, financial statements prepared by a Certified Public Accountant, credit reports on the business or each party owning or having a financial interest in the business.

INSURANCE & OTHER INFORMATION

A. List types and amounts of insurance coverages to be maintained for the proposed operation and provide a Certificate of Insurance evidencing such coverage.
B. If proposed operation includes rental, sales or flight training, provide a copy of the student/renter insurance disclosure notice as well as evidence that the same notice has been incorporated in any rental agreements.

HEARING ON APPLICATION

A. Upon receipt of an application and submittal of a nonrefundable application fee, the Executive Director reviews the application for compliance. A public hearing will be scheduled for the Arapahoe County Public Airport Authority Board of Commissioner's consideration.

PLEASE NOTE: Any application which proposes an activity that may affect or change the Airport Purpose will not be allowed to operate at the Airport.

B. The "Public Hearing" will be scheduled during a regular or special meeting of the Authority Board and notification of the time and place of the hearing will be published at least one time in at least one of the Authority designated publications not less than 10 days before such hearing date.

C. No public hearing shall be conducted unless the applicant or a duly appointed representative is present.

D. At the time of the public hearing, the Authority Board shall hear all evidence for and against the application. After due deliberation the Authority Board shall either take the application under advisement until a future public hearing date or render a decision upon the application which shall become a matter of public record.

E. A public hearing on an application does not imply or express approval by the Airport Authority to operate on the airport. The Authority Board reserves the right to deny any application found to be invalid, incomplete, or contrary to the Airport Purpose.

F. Proceedings in the nature of Certiorari from a decision of the Airport Authority Board of Commissioners may be made to the District Court of the Eighteenth Judicial District, State of Colorado.

REAPPLICATION

A. ***No Change in Scope of Business*** - Upon expiration of the term of an Operator's written agreement with the Authority, Operator may reapply to extend such term and such application will be considered by the Board at a Public Meeting (with no public hearing) provided that the Operator has no changes in the scope of the previously approved commercial aeronautical activity; submits an application demonstrating compliance with the Minimum Standards in place at the time of the reapplication; and submits a reapplication fee equal to 50% of the current application fee specified for the activity for which the Operator is reapplying.

B. ***Changes in Scope of Business*** - Upon expiration of the term of an Operator's written agreement with the Authority, Operator may reapply to extend such term. However, if the Operator intends to change or expand the scope of its commercial aeronautical activities on the Airport, such reapplication will be treated as if a new applicant and will be considered at a Public Hearing. Operator must submit an application demonstrating compliance with the Minimum Standards in place at the time of the reapplication and submit the full application fee specified for the activity for which the Operator is applying.

REPORT/ RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND RECORD OF ACTION

September 10, 2026

FROM: Luke Skaflen, Sr. Business Support Specialist – Administration

SUBJECT: M&N Equipment, LLC d/b/a M&N Aviation - Reapplication under Centennial Airport's Minimum Standards for Commercial Aeronautical Activities.

RECOMMENDATION: Motion to approve the reapplication from M&N Equipment, LLC d/b/a M&N Aviation and authorize the Chair and Clerk to sign the associated 10-year Agreement Under Standards.

BACKGROUND: On 8/31/2026, M&N Equipment, LLC d/b/a M&N Aviation ("The Applicant") reapplied to continue its authorization to conduct Air Charter activities as defined under Part 3 Section (5) of Centennial Airport's Minimum Standards for Commercial Aeronautical Activities (the "Standards"). The Applicant has operated its Air Charter business continuously at Centennial Airport since 2006 and their 10-year agreement with the Authority will expire on September 13, 2026.

The owners are Mr. Todd Schieck, Managing Director, Chris Blanchard, Partner and are assisted by Bjorn Knudsen, Director of Operations and Tom Rotellli, Director of Maintenance.

The Applicant's aircraft fleet includes 4 aircraft: British Aerospace BAe 125-800A, Challenger 300, Hawker 800, and a Pilatus PC-12 and has office space at 8001 S. Interport Blvd. Two Hawker 800 aircraft are based at APA.

The Applicant's premises and aircraft liability insurance coverage exceeds the Minimum Standards insurance requirements.

This reapplication is satisfactory and meets all requirements of the Standards. A copy of the reapplication (Exhibit I) and draft Agreement Under Standards (Exhibit II) are attached for your review.

As there are no changes in the scope of service, a Public Hearing is not required.

FINANCIAL DATA: Reapplication Fee of $100 and Annual Aircraft Activity Fee of $500.

REVIEW BY OTHERS: S. Ruiz, S. Davenport.

PRESENTERS: Luke Skaflen

Action of the Board of Commissioners

	1st	2nd	YES	NO	ABS
Bagnato	O	O	O	O	O
Baker	O	O	O	O	O
Beatty	O	O	O	O	O
Campbell	O	O	O	O	O
Summey	O	O	O	O	O

Docusign Envelope ID: E7906E0E-63AD-837A-8013-289208F999DA

CENTENNIAL AIRPORT

Arapahoe County Public Airport Authority Minimum Standards

APPLICATION FOR COMMERCIAL AERONAUTICAL ACTIVITIES

CHECK ONE: ☐ New Application ☑ Reapplication ☐ Information for an Assignment

Pursuant to PART 4 of the Minimum Standards for Commercial Aeronautical Activities adopted by the Arapahoe County Public Airport Authority, all applications must demonstrate compliance with all the PART 2, General Requirements and the specific requirements under PART 3, Sections (2) through (12) and must contain the following below listed information.

Space has been provided for response to each question. In many cases, it may be necessary to attach the requested information. If so, please indicate as "See Attached – Exhibit ___". Care should be taken in preparing this application as any incomplete or incorrect information may delay consideration by the Board.

Consistent with applicable law, financial information you submit may be confidential. If you wish to request that the financial information you submit be kept confidential, you must submit such information in a separate attached exhibit. Other information submitted as a part of this Application will be made available to the public upon request.

---

1) **BASIC BUSINESS INFORMATION**

		For Office Use
Name of Business:	M&N Equipment, LLC dba M&N Aviation	
Airport Business Location:	8001 S. Interport Blvd, Suite 350 Englewood, CO 80112 *(Provide copy of sublease & drawings describing facilities and auto parking areas.)*	**Office sublease Exhibit 6**
Mailing Address:	8001 S. Interport Blvd, Suite 350 Englewood, CO 80112	
Telephone:	720-979-0312	
Type of Business Services Offered:	Aircraft Management & Charter Services	**Part 3, Section 5**
Commencement Date:	05/7/2003	
Hours of Operation:	Business Office M-F 8am-5pm Charter Ops 24/7	
Principal Owners:	Todd Schieck, Managing Director Chris Blanchard, Partner	**Resumes Exhibit 1, A-D**
Key Personnel & Titles:	Bjorn Knudsen, Director of Operations Tom Rotelli, Director of Maintenance	

CENTENNIAL AIRPORT

Arapahoe County Public Airport Authority Minimum Standards

2) CERTIFICATIONS & EXPERIENCE INFORMATION:

For Office Use

- Describe past experience in the specified aviation services for which application is made:

  M&N Equipment, LLC dba M&N Aviation began operating as a Part 135 Air Carrier in May of 2003 and has had aircraft based at Centennial Airport since 2006. M&N was the primary tenant at Falcon Development Company and is now located at Signature South.

- Describe experience data on the key personnel or submit resumes as separate attachments:

  See attached - Exhibit 1 A-D

Key Personnel Resumes are Exhibit 1, A-D

- List all applicable local, state, and /or federal certifications and licenses currently held or to be obtained. Include copies of currently held licenses and certifications.

  FAA Part 135 Air Carrier Certificate - MY5A447K - See Attached - Exhibit 2

135 Certificate is Exhibit 2

- If applicable, describe number of aircraft to be utilized including makes, models, passenger seating capacity, cargo capacity, aircraft registration numbers (n-numbers) and copies of any applicable operating certificates.

  See Attached - Exhibit 3

Operating Spec's Exhibit 3

CENTENNIAL AIRPORT

Arapahoe County Public Airport Authority Minimum Standards

3) FINANCIAL & MARKET INFORMATION:

For Office Use

A. Provide a written confirmation of account status and history from bank (*see sample bank letter*):

See attached - Exhibit 4

Bank Letter not attached, but available for Board Member inspection upon request.

B. Provide a full description of proposed nature of the operation. Include all services to be provided, number of persons to be employed, and any expansion plans, etc.:

M&N Equipment, LLC dba M&N Aviation has been operating as a full service aircraft management and charter operator at Centennial Airport since 2006. We plan to continue this operation in the same manner for the safe and legal operation of all aircraft under our operational control.

C. Provide a statement of need for your proposed operation at the Airport:

The nature of our business necessitates that we operate out of Centennial Airport.

D. Provide a deposit equal to 50% of the anticipated annual aircraft and/or activity fees (*does not apply to activities under Sections 2 and 2.5 or re-applications*):

Included with application

N/a -reapplication

E. Provide the appropriate non-refundable application fee:

Included with application

Paid

PLEASE NOTE:
The Authority reserves the right to ask for additional financial and market information in order to determine whether the operator is reasonably fit, willing and able to discharge its economic obligations to the Airport community. Examples of additional information include but are not limited to market analysis, cash flow, profit and loss projections, financial statements prepared by a Certified Public Accountant, credit reports on the business or each party owning or having a financial interest in the business.

CENTENNIAL AIRPORT

Arapahoe County Public Airport Authority Minimum Standards

4) **INSURANCE & OTHER INFORMATION:**

For Office Use

Insurance is Exhibit 5

- List all types and amounts of insurance coverage to be maintained for the proposed operation. Include a copy of your certificate of insurance listing the Arapahoe County Public Airport Authority as additional insured and reflecting at least the required minimum liability coverages for your proposed operation.

  See attached - Exhibit 5

- If the proposed operation includes rental, sales or flight training, provide a copy of your student/renter insurance disclosure notice as well as evidence that the same notice has been incorporated in any rental agreements.

  N/A

The applicants hereby respectfully request that the Arapahoe County Public Airport Authority consider the foregoing application by the following date, August 31, 2026, for permission to perform the specified aeronautical activities at Centennial Airport.

To be acknowledged and signed by each principal owner (ie President, General Partner, CEO, CFO, Chairman, Secretary, Treasurer etc.)

Completed by Todd Schieck Title Managing Director Date August 31, 2026

Signed by ________ Title Managing Director Date 08/31/2026

Signed by Signed by: ________ 9F7305B929264B5 Title Partner Date 08/31/2026

Signed by ________ Title ________ Date ________

For Office Use	For Office Use	For Office Use
DATE REVIEW COMPLETED: 9/1	DATE OF PUBLIC HEARING: N/a - Reapplication	WHEN PUBLISHED: N/A Reappliaction

Exhibit 2

U.S. Department of
Transportation

Federal Aviation Administration

Air Carrier Certificate

This certifies that

M & N Equipment, LLC. - d/b/a: M & N Aviation

8001 S. Interport Boulevard, Suite 350

Englewood, CO 80112

has met the requirements of the Federal Aviation Act of 1958, as amended, and the rules, regulations, and standards prescribed thereunder for the issuance of this certificate and is hereby authorized to operate as an air carrier and conduct common carriage operations in accordance with said Act and the rules, regulations, and standards prescribed thereunder and the terms, conditions, and limitations contained in the approved operations specifications.

This certificate is not transferable and, unless sooner surrendered, suspended, or revoked, shall continue in effect indefinitely.

By Direction of the Administrator

Certificate number MY5A447K

Dale Ogden
(Signature)

Effective date May 20, 2003

Office Manager
(Title)

Issued at Denver FSDO

NM03 / DEN FSDO
(Office)

Exhibit 3

A003. Aircraft Authorization

HQ Control: 03/10/2011
HQ Revision: 02h

The certificate holder is authorized to conduct operations under the provisions of Title 14 CFR Part 135 using aircraft with the approved configuration and operations described in the following table:

M/M/S	Type Section 119	Operation Configuration	Class/Category Operation	En Route	Condition of Flight
BAE-125-800A	119.21(a)(5) - On-Demand	PAX and Cargo	MEL	IFR/VFR	Day/Night
BD-100-1A10	119.21(a)(5) - On-Demand	PAX and Cargo	MEL	IFR/VFR	Day/Night
HAWKER-800XP-800XP	119.21(a)(5) - On-Demand	PAX and Cargo	MEL	IFR/VFR	Day/Night
PC-12-45	119.21(a)(5) - On-Demand	PAX and Cargo	SEL	IFR/VFR	Day/Night

Exhibit 4

U.S. Department
of Transportation
Federal Aviation
Administration

Operations Specifications

1. The Certificate Holder applies for the Operations in this paragraph.
2. These Operations Specifications are approved by direction of the Administrator.

Digitally signed by Arzuaga, Jayson on behalf of Edward C Gassman, Principal Operations Inspector (NM03)
[1] SUPPORT INFO: Removed RAYTHN-390.
[2] EFFECTIVE DATE: 3/18/2026,
[3] AMENDMENT #: 31
DATE: 2026.03.20 09:33:10 -05:00

3. I hereby accept and receive the Operations Specifications in this paragraph.

Digitally signed by MURPHY, JUSTIN on behalf of Bjorn Knudsen, Director of Operations
DATE: 2026.03.18 14:46:28 -05:00

A001 . Issuance and Applicability **HQ Control: 09/26/2023**
HQ Revision: 030

a. These operations specifications are issued to M & N Equipment, LLC, whose principal base of operation is located at:

Primary Business Address:	Mailing Address:
8001 S. Interport Boulevard	8001 S. Interport Boulevard
Suite 350	Suite 350
Englewood, Colorado 80112	Englewood, Colorado 80112

The holder of these operations specifications is the holder of Air Carrier Certificate Number MY5A447K and shall hereafter be referred to as the certificate holder. The certificate holder is authorized to conduct:

On Demand	operations in	Common	carriage pursuant to Title 14 Code of Federal Regulations (CFR) Section	119.21(a)(5) - On-Demand	and provided, at all times, the certificate holder has appropriate written economic authority issued by the Department of Transportation.

The certificate holder will conduct these kinds of operations in accordance with the specific authorizations, limitations, and procedures in these operations specifications and all appropriate Parts of the CFR.

b. These operations specifications are effective as of the “Date Approval is effective” listed in each paragraph and will remain in effect as long as the certificate holder continues to meet the requirements of Part 119 as specified for certification.

c. The certificate holder is authorized to conduct the operations described in subparagraph a under the following other business names:

M&N Aviation

d. The certificate holder is authorized to conduct flights under 14 CFR Part 91 for crewmember training, maintenance tests, ferrying, repositioning, and the carriage of company officials using the applicable authorizations in these operations specifications, without obtaining a Letter of Authorization (LOA), provided the flight does not involve the carriage of persons or property for compensation or hire.

1. The Certificate Holder applies for the Operations in this paragraph.
2. These Operations Specifications are approved by direction of the Administrator.

Digitally signed by Brian McAmis, Principal Avionics Inspector (NM03)
[1] SUPPORT INFO: Change of address per CH request
[2] EFFECTIVE DATE: 5/20/2024, [3] AMENDMENT #: 7
DATE: 2024.05.14 14:28:45 -05:00

3. I hereby accept and receive the Operations Specifications in this paragraph.

Digitally signed by Bjorn Knudsen, Director of Operations
[1] SUPPORT INFO: Address change
DATE: 2024.05.15 11:21:49 -05:00

Exhibit 5

Marsh
1166 Avenue of the Americas
New York, NY 10036
Telephone: (212) 345-6000

Certificate of Insurance

(sometimes referred to herein as "this Certificate")

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.

This is to certify to:

Arapahoe County Public Airport Authority
7800 S. Peoria St., Box G-1
Englewood, CO 80112

(sometimes referred to herein as "the Certificate Holder(s)")

that the Insurers referred to below, EACH FOR ITS OWN PART AND NOT ONE FOR THE OTHER, are providing the following insurance:

Named Insured(s): **Policy Address:**	M&N Equipment LLC dba M&N Aviation and as endorsed 8001 S. Interport Blvd, Suite #350 Englewood, CO 80112 **(hereinafter, the "Named Insured(s) Address")**
Policy Period:	October 15, 2025 to October 15, 2026 on both dates at 12:01 A.M. local standard time at the address of the Named Insured(s) (hereinafter, the "Policy Period")
Territory:	Worldwide
Insurers:	SEE ATTACHED SCHEDULE OF INSURERS
Description of Insurance Coverage(s):	Aviation Liability and Hull Insurance
Description of Contract(s) to which this Certificate applies:	Agreement between the Certificate Holder and one or more of the Named Insured (hereinafter, the "Contract(s)"
Limit(s) of Liability:	Premises Liability $200,000,000 Each Occurrence Mobile Equipment Liability $200,000,000 Each Occurrence On Airport Auto Operations $200,000,000 Each Occurrence Fire Legal $500,000 Each Occurrence

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.

SPECIAL PROVISIONS:

Marsh

Solely as respects: (i) the Insurance Coverage(s) noted above, (ii) the Contract(s) and only to the extent of the insurance requirements and/or the Named Insured(s)' indemnity obligations under the Contract(s), subject to all of the Policy(ies)' Terms applying, (iii) the Equipment (if applicable); and (iv) the aviation operations of the Named Insured(s), the following provision(s) apply(ies):

Solely as respects aviation liability insurance: The Certificate Holder is/are included as an additional insured but only as respects operations of the Named Insured. The insurance extended by the policy shall not apply to, and the Certificate Holder shall not be insured for bodily injury or property damage which arises from the design, manufacture, modification, repair, sale, or servicing of products by the Certificate Holder.

As respects all coverages: In the event of cancellation or material change of any policy described above, the insurer will attempt to mail 30 days (10 days for non-payment of premium or Seven (7) days in respect of war and allied perils) written notice to the certificate holder(s) prior to the effective date of cancellation, at the address shown above. However, failure to do so will not impose duty or liability upon the insurer, its agents or representatives, nor will it delay said cancellation.

If this Certificate (which for the purposes of this and the next paragraph only also includes any Broker Letter issued in connection with this Certificate) contain(s) provision(s) to give notice of certain events (as undertaken by us in this Certificate) ("Events") to the Certificate Holder(s) and if those Events occur with respect to the Policy(ies) during the Policy Period, said notice(s) will be sent to the Certificate Holder(s) at the address(es) shown on the first page of this Certificate. Because this Certificate initially may be transmitted via electronic mail or means other than the U.S. Postal Service, if there is/are no Certificate Holder(s)' address(es) shown above or if the Certificate Holder(s)' address(es) shown above is/are incomplete, out of date or incorrect, it is incumbent upon the applicable Certificate Holder(s) to notify Marsh USA (in writing, at the above address) of the correct address(es) of said Certificate Holder(s). Failure to do so will relieve Marsh USA of any obligation to notify the applicable Certificate Holder(s) of any Events relating to the Policy(ies) other than to the Certificate Holder(s)' address(es) (to the extent they are complete) shown on the first page of this Certificate UNLESS, prior to the Events occurring, the applicable Certificate Holder(s) provide(s) Marsh USA (in writing, at the above address) with the correct Certificate Holder(s)' address(es), in which case Marsh USA will be obligated to provide notice of Events to the applicable Certificate Holder(s) as undertaken by us in this Certificate.

This Certificate (and unless otherwise noted herein, the coverage(s) afforded the Certificate Holder(s) (and/or those designated as Additional Insured(s) and/or loss payee(s) and/or otherwise) under this Certificate and the Policy(ies)) shall automatically terminate, without further notice, upon the earliest of (i) natural expiration of the Policy(ies) on the date shown above; (ii) cancellation of the Policy(ies) prior to the natural expiration date (as notified to the Certificate Holder(s) in accordance with the provisions of this Certificate); (iii) termination of the Contract(s); (iv) (solely with respect to this Certificate and not with respect to the coverage(s) afforded the Certificate Holder(s) (and/or those designated as Additional Insured(s) and /or loss payee(s) and/or otherwise) under this Certificate and the Policy(ies)) our ceasing to be the insurance broker for the Named Insured(s) in respect of the Policy(ies); and/or (v) in the case of aircraft hull insurance and/or aircraft spare parts insurance, termination of either the Named Insured(s) or the Certificate Holder(s)', (and/or those designated as Additional Insured(s) and/or loss payee(s) and/or otherwise) under this Certificate and the Policy(ies) insurable interest(s) in the Equipment (and in the latter cases, only with respect to those particular Certificate Holder(s) (and/or those designated as Additional Insured(s) and/or loss payee(s)and/or otherwise) under this Certificate and the Policy(ies).

This Certificate: (i) does not constitute a contract between Insurers, Marsh USA and the Certificate Holder(s); (ii) is issued as a summary of the Policy(ies) referred to herein; (iii) is issued as a matter of information only; (iv) confers no rights upon the Certificate Holder(s) (and/or any other party that may be named in this Certificate as additional insured(s) and/or loss payee(s) and/or otherwise) other than those provided by the Policy(ies); (v) neither affirmatively nor negatively alters, extends or amends any of the Policy(ies)' Terms; and, (vi) notwithstanding any requirement, term or condition of any contract, agreement or other document with respect to which this Certificate may be issued or may pertain, is subject always to the Policy(ies)' Terms. 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 Policy(ies) as an insurer as a result of this certification.

Marsh
1166 Avenue of the Americas
New York, NY 10036
Date of Issue: 10/6/2025

WC

Senior Vice President
Marsh Authorized Representative

Named Insured(s): M&N Equipment LLC dba M&N Aviation and as endorsed

Policy Period(s): October 15, 2025 to October 15, 2026 on both dates at 12:01 A.M. Local Standard Time at the address of the Named Insured(s)'

Insurance Coverage(s): Aviation Liability and Hull Insurance

SCHEDULE OF INSURERS

Insurer (hereinafter, the "Insurer(s)")	Lead Policy Number
Allianz Global Risks US Insurance Company and following insurers	A2GA000190625AM

SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and is 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)

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).

SHOULD ANY OF THE ABOVE-DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

M&N Equipment, LLC, dba M&N Aviation

October 15, 2025 to October 15, 2026

Reg. Number	Year	Make & Model	Crew	Pass	Deductible	Hull Value	Liability Limit	Third Party War Liability
N125XP	2000	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N818LX	2001	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N84UP	2000	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N800TL	1998	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N682D	1989	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N717KV	2000	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N738RJ	2011	Lear 60	2	9	$25,000	$4,000,000	$20,000,000 Each Occurrence	$20,000,000 Each Occurrence
N240V	1999	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N91RS	2006	Challenger 300	2	10	$25,000	$9,500,000	$150,000,000 Each Occurrence	$150,000,000 Each Occurrence
N707KG	2009	Bombardier Challenger 300	2	10	$25,000	$12,100,000	$300,000,000 Each Occurrence	$150,000,000 Each Occurrence
N361CA	2005	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N850DP	2000	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N75NP	2011	Challenger 605	2	11	$25,000	$15,000,000	$500,000,000 Each Occurrence	$150,000,000 Each Occurrence
N909AC	1999	Hawker 800XP	2	9	$25,000	$2,800,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N831LX	2000	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N565SK	2002	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N817SD	2005	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence
N212AG	2007	Hawker 800XP	2	8	$25,000	$2,500,000	$150,000,000 Each Occurrence	$50,000,000 Each Occurrence

Exhibit 6

Modern Aviation Properties LLC,

Landlord,

&

Tenant,

M&N Aviation Equipment LLC d/b/a M&N Aviation LLC

Lease: Office Lease

Premises: 8001 South Interport Boulevard Englewood, CO 80112 Suite 350

Dated: June 1, 2026

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LEASE

THIS LEASE is made as of the 1st day of June, 2026 (the "Effective Date"), between **Modern Aviation Properties LLC**, a Delaware limited liability company, having an office at **8207 South Interport Boulevard, Englewood CO 80112** ("Landlord"), and **M&N Aviation Equipment LLC d/b/a M&N Aviation LLC,** a Colorado limited liability company, having an office at Suite 350, 8001 South Interport Boulevard Englewood, CO 80112 ("Tenant").

Landlord and Tenant hereby covenant and agree as follows:

ARTICLE 1

BASIC LEASE PROVISIONS

PREMISES	The portion of the third floor of the Building as shown by the hatching on Exhibit A, which Landlord and Tenant agree contains 7,733 rentable square feet of ground floor space. Tenant acknowledges that Exhibit A is intended solely to depict the general location and configuration of the Premises and is not intended to be used as a basis for determining the rentable square foot area or for architectural purposes.
BUILDING	The building, fixtures, equipment and other improvements and appurtenances now located or hereafter erected, located or placed upon the land known as **8001 South Interport Boulevard Englewood, CO 80112.**
COMMENCEMENT DATE	June 1, 2026.
EXPIRATION DATE	The last day of the calendar month in which the day preceding the June 1, 2029 (3) year anniversary of the Commencement Date occurs.
TERM	The period commencing on the Commencement Date and ending on the Expiration Date.
PERMITTED USE	Administrative, executive and general business office purposes, subject to Section 3.5, and for no other purpose.
TENANT'S PROPORTIONATE SHARE	12.95%
FIXED RENT	See Schedule A

OPERATING PAYMENT	Defined in Section 8.3.
TAX PAYMENT	Defined in Section 8.2.
ADDITIONAL RENT	All sums other than Fixed Rent payable by Tenant to Landlord under this Lease, including without limitation, the Operating Payment, Tax Payment, utility charges, excess service charges, late charges, and interest and other costs related to Tenant's failure to perform any of its obligations under this Lease.
RENT	Fixed (or Base) Rent and Additional Rent, collectively. Fixed Rent shall increase by 3% at each anniversary of Commencement Date (annually), Additional Rent shall be based off actual (proportionate share) building operating expenses.
SECURITY DEPOSIT	[redacted] equal to one-month base rent.

All capitalized terms used in the text of this Lease without definition are defined in this Article 1 or in Exhibit B.

ARTICLE 2

PREMISES; TERM; RENT

Section 2.1 Lease of Premises. Subject to the terms of this Lease, Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, for the Term. Landlord shall deliver the Premises to Tenant vacant and broom-clean, free of all tenancies and occupancies. At Landlord's request, Tenant shall execute and deliver to Landlord, an agreement in the form annexed hereto as Exhibit C, setting forth the Commencement Date and the Expiration Date (but neither Landlord's failure to request any such agreement nor the failure of Tenant to execute or deliver such an agreement shall vitiate or limit in any way the provisions of the Lease).

Section 2.2 Payment of Rent. Tenant shall pay to Landlord, without notice or demand, and without any set-off, counterclaim, abatement or deduction whatsoever, except as may be expressly set forth in this Lease, in lawful money of the United States, in lawful money of the United States of America (by wire transfer pursuant to the wire instructions set forth on Exhibit F attached hereto, provided that Landlord shall be permitted to change the aforementioned wire instructions by delivering notice of such change to Tenant): (i) Fixed Rent in equal monthly installments, in advance, on the first day of each calendar month during the Term, commencing on the Commencement Date and (ii) Additional Rent, at the times and in the manner set forth in this Lease. If User pays invoices using a credit card, a 3% processing fee applies.

Section 2.3 First Month's Rent. Tenant shall pay one month's Fixed Rent upon the execution and delivery of this Lease. If the Commencement Date is on the first day of a month, such payment shall be credited towards such month's Fixed Rent payment. If the Commencement

Date is not the first day of a month, then on the first day of the calendar month following the calendar month in which the Commencement Date occurs, Tenant shall pay Fixed Rent for the period from the Rent Commencement Date through the last day of such month in which the Commencement Date occurred.

ARTICLE 3

USE AND OCCUPANCY

Section 3.1 **Permitted Uses**. (a) Tenant shall use and occupy the Premises for the Permitted Use and for no other purpose. Tenant shall use, occupy, operate and maintain the Premises throughout the Term as a dignified first-class retail establishment, in a first-class and reputable manner, in a manner that will not detract from the character, appearance or dignity of the Building and in accordance with the provisions of this Lease. Tenant shall not use or occupy or suffer the use or occupancy of any part of the Premises in a manner constituting a Prohibited Use. If Tenant uses or suffers the use of the Premises for a purpose which constitutes a Prohibited Use or violates any Requirements, or which causes the Building to be in violation of any Requirements, then Tenant shall promptly discontinue such use upon notice of such violation.

(b) **Licenses and Permits**. Tenant, at its expense, shall obtain and at all times maintain and comply with the terms and conditions of all licenses and permits required for the lawful conduct of the Permitted Use in the Premises.

Section 3.2 **Delivery of Premises**. Landlord shall not be liable for failure to deliver possession of the Premises to Tenant on any specified date for any reason whatsoever, including the failure of the current occupant of the Premises, if any, to vacate the Premises in a timely manner, and such failure shall not impair the validity of this Lease. Landlord shall be deemed to have delivered possession of the Premises to Tenant and Tenant shall be deemed to have accepted possession of the Premises from Landlord immediately upon the Commencement Date.

Section 3.3 **Tenant Advertising**. Tenant shall not use the name or likeness of the Building in any advertising (by whatever medium) without Landlord's consent.

Section 3.4 **Operating Covenants**. (a) Tenant covenants and agrees that at all times (a) Tenant's use of the Premises throughout said term will be consistent with the character and dignity of the Building, (b) the use to be conducted at, through and from the Premises will be first-class quality and reputable in every respect, and (c) the appearance of the Premises, the appearance and deportment of all personnel employed therein, and the appearance, number, location, nature and subject matter of any signs, lettering, announcements, or any other kinds of forms of inscriptions displayed in or about the Premises will be only such as meet with Landlord's reasonable approval, and if at any time disapproved by Landlord, Tenant shall remove the basis for such reasonable disapproval in such manner and within such reasonable time as may be specified by Landlord in a written notice given by it to Tenant for such purpose, provided, however that Landlord shall not disapprove signs, letting or announcements consistent with Tenant's standard trade dress.

(b) Tenant shall not place, erect or maintain on any exterior door, wall, window or the roof of the Premises or the Building, or on the glass of any window or door of the Premises, or on any location outside the Premises, any sign (flashing, moving, hanging, handwritten or otherwise), decal placard, decoration, or moving or hanging light, lettering, or any other advertising matter of any kind or description (collectively, "Signage") without the prior approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed so long as such Signage complies with all Requirements. If Tenant places, erects or maintains any Signage without Landlord's consent, the same may be removed by Landlord or Landlord's agents, at Tenant's sole cost and expense, without notice and without such removal constituting a breach of this Lease or entitling Tenant to claim damages on account thereof. If Landlord shall deem it necessary to remove any sign in order to paint or to make repairs, alterations or improvements in or upon the Premises, Landlord shall have the right to do so. On the expiration or sooner termination of the Term, Tenant shall (i) promptly remove all signs installed or displayed by Tenant, and (ii) promptly repair in a good and workmanlike manner in conformity with Requirements and all applicable provisions of this Lease, all damage to the Building caused by such removal.

(c) Tenant shall cause the Premises to be free at all times of all vermin and insects. Tenant shall take all reasonable precautions that Landlord deems necessary to prevent any such vermin or insects from existing in the Premises or permeating into other parts of the Building. Notwithstanding the foregoing, Landlord may designate an exterminator or exterminating company to provide services to a portion of the Building which includes the Premises, and Tenant shall pay Tenant's pro rata share of the cost and expense of employing such exterminator or exterminating company.

(d) Tenant shall keep the fixtures, furnishings, decorations and equipment in the Premises in reasonably good order and repair so as to preserve the good appearance of the Premises.

(e) Tenant shall not use or permit the use of the Premises or any part thereof in any way which would violate any of the covenants, agreements, terms, provisions and conditions of this Lease or for any unlawful purposes or in any unlawful manner or in violation of the Certificate of Occupancy for the Premises, and Tenant shall not suffer or permit the Premises or any part thereof to be used in any manner or anything to be done therein or anything to be brought into or kept therein which, in the judgment of Landlord, shall in any way impair or tend to impair the character, reputation or appearance of the Building as a an office building and airport hangar, impair or interfere with, or tend to impair or interfere with the operation of the Building or any of the Building services, or impair or interfere with or tend to impair or interfere with, the use of any of the other areas of the Building by, or occasion discomfort, inconvenience or annoyance to, any of the other tenants or occupants of the Building.

(f) Tenant shall not permit any odors, noise or vibration to emanate from the Premises. All machinery and mechanical equipment in the Premises shall be placed and maintained by Tenant, at Tenant's expense, in settings reasonably approved by Landlord, to control weight, vibration, and noise. Tenant shall, within ten (10) days after written notice from Landlord, install at its cost and expense, control devices or procedures to eliminate such odors, noise or vibrations (as the case or cases may be) if any. In the event such condition is not remedied within said ten (10) day period, Landlord shall have the right, but not the obligation, (in addition to all other rights and remedies of Landlord under this Lease and pursuant to law by reason of such default) to cure such condition and Tenant shall pay to Landlord the cost incurred in doing so, as Additional Rent. In the event Landlord requires Tenant to install such control devices or procedures to eliminate odors, noise or vibrations (as the case or cases may be) the material, size and location of such installations shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld or delayed.

ARTICLE 4

CONDITION OF THE PREMISES

Section 4.1 Condition. Tenant has inspected the Premises and agrees (i) to accept possession of the Premises in the "as is" condition existing on the date hereof, (ii) that neither Landlord nor Landlord's agents have made any representations or warranties with respect to the Premises or the Building except as expressly set forth herein, and (iii) except for Landlord's obligations under Section 2.1 hereof, Landlord has no obligation to perform any work, supply any materials, incur any expense or make any alterations or improvements to the Premises to prepare the Premises for Tenant's occupancy. Tenant's occupancy of any part of the Premises shall be conclusive evidence, as against Tenant, that (A) Tenant has accepted possession of the Premises in their then current condition, and (B) the Premises and the Building are in a good and satisfactory condition as required by this Lease.

ARTICLE 5

ALTERATIONS

Section 5.1 Tenant's Alterations. (a) Tenant shall not make any alterations, additions or other physical changes in or about the Premises, (collectively, "Alterations"), without Landlord's prior consent, which may be withheld in Landlord's sole discretion. Landlord will not unreasonably withhold its consent to Alterations so long as such Alterations (i) are non-structural and do not affect the Building Systems, (ii) are performed only by Landlord's designated contractors or by contractors approved by Landlord to perform such Alterations, (iii) affect only the Premises and are not visible from outside of the Premises or the Building, (iv) do not affect the certificate of occupancy issued for the Building or the Premises, (v) are consistent with the design, construction and equipment of the Building, and (vi) do not adversely affect any service furnished by Landlord in connection with the operation of the Building.

(h) **Plans and Specifications**. Prior to making any Alterations, Tenant, at its expense, shall (i) submit to Landlord for its approval, detailed plans and specifications as Landlord may reasonably request, (ii) obtain all permits, approvals and certificates required by any Governmental Authorities using an expeditor designated by Landlord, (iii) furnish to Landlord duplicate original policies or certificates of worker's compensation (covering all persons to be employed by Tenant, and Tenant's contractors and subcontractors in connection with such Alteration) and comprehensive public liability (including property damage coverage) insurance and Builder's Risk coverage (issued on a completed value basis) all in such form, with such companies, for such periods and in such amounts as Landlord may reasonably require, naming Landlord, the Indemnitees and any other parties designated by Landlord as additional insureds, and (iv) furnish to Landlord such other evidence of Tenant's ability to complete and to fully pay for such Alterations as is reasonably satisfactory to Landlord. Upon Tenant's request, Landlord shall reasonably cooperate with Tenant in obtaining any permits, approvals or certificates required to be obtained by Tenant in connection with any permitted Alteration (if the provisions of the applicable Requirements require that Landlord join in such application), provided that Tenant shall reimburse Landlord for any cost, expense or liability in connection therewith. In processing Tenant's plans and specifications with any Governmental Authority, Tenant's professionals (i.e., Tenant's architect and/or duly licensed engineer) shall not be permitted to file any application or otherwise take any action in connection or in furtherance therewith on the basis of a so-called "self-certification" without Landlord's prior written approval, which Landlord may grant or withhold in its sole discretion, and if Landlord shall grant such approval then the indemnification provided for in Section 32.1 of this Lease shall include, without limitation, all Losses incurred or suffered by Landlord and the Indemnitees in bringing any Alteration into compliance with all applicable Requirements.

(c) **Governmental Approvals; Plans**. Upon completion of any Alterations, Tenant, at its expense, shall promptly obtain certificates of final approval of such Alterations required by any Governmental Authority, and shall furnish Landlord with copies thereof, together with "as-built" plans and specifications for such Alterations in a format acceptable to Landlord. Landlord agrees to respond to Tenant's request for approval of Alterations within ten (10) Business Days of delivery of the same, or within five (5) Business Days of any resubmission that includes revisions or changes required by Landlord.

(d) **Appearance of Premises**. Tenant shall maintain the Premises and the common areas of the Building adjoining the same in a clean and orderly condition during any construction being performed at the Premises. Tenant shall promptly remove all unused construction materials, equipment shipping containers, packaging, debris and waste from the Building, and deposit it in receptacles, if any, provided by Landlord or otherwise remove the same from the Building. Tenant shall contain all construction materials, equipment, fixtures, merchandise, shipping containers and debris within the Premises. The exterior of the Building shall be clear of Tenant's equipment, merchandise, refuse, and debris at all times.

Section 5.2 Manner and Quality of Alterations. All Alterations shall be performed (i) in a good and workmanlike manner and free from defects, (ii) in accordance with the plans and specifications as required under Section 5.1, and by contractors, approved by Landlord, (iii) under the supervision of a licensed architect reasonably satisfactory to Landlord, and (iv) in compliance with all Requirements, the terms of this Lease, all procedures and regulations then prescribed by Landlord for work performed in the Building, and the Rules and Regulations. All materials and equipment to be used in the Premises shall be of first quality and at least equal to the applicable standards for the Building then established by Landlord, and no such materials or equipment shall be subject to any lien or other encumbrance.

Section 5.3 Removal of Tenant's Property. All Tenant's Property shall remain the property of Tenant, and may be removed by Tenant from time to time prior to the end of the Term. All installations and improvements in the Premises which are installed by or at the expense of Landlord or which are affixed to the Premises so that they cannot he removed without change to the Premises or the Building shall be the property of Landlord, shall not be removed by Tenant and shall be surrendered with the Premises at the end of the Term, unless Landlord notifies Tenant at the time Tenant sought Landlord's consent to any Alterations, that Landlord elects to relinquish Landlord's rights thereto and have them removed by Tenant, in which event Tenant shall remove the same from the Premises prior to the Expiration Date and repair any damage to the Premises or the Building caused by such removal. Any Alterations or Tenant's Property not removed on or before the Expiration Date or sooner termination of the Term shall be deemed abandoned and Landlord may either retain the same as Landlord's property or remove and dispose of same, and repair and restore any damage caused thereby, at Tenant's cost and without accountability to Tenant.

Section 5.4 **Mechanic's Liens**. Tenant, at its expense, shall discharge any lien or charge filed against the Premises, the Building or the Real Property in connection with any work claimed or determined in good faith by Landlord to have been done by or on behalf of, or materials claimed or determined in good faith by Landlord to have been furnished to, Tenant, within twenty (20) days after Tenant's receipt of notice thereof by payment, filing the bond required by law or otherwise in accordance with all applicable Requirements.

Section 5.5 **Labor Relations**. Tenant shall not employ, or permit the employment of, any contractor or laborer, or permit any materials to be delivered to or used in the Building, if, in Landlord's sole judgment, such employment, delivery or use will interfere or cause any conflict or disharmony with other contractors or laborers engaged in the construction, maintenance or operation of the Building by Landlord, Tenant or others, or the use and enjoyment of the Building by other tenants or occupants. In the event of such interference, conflict or disharmony, upon Landlord's request, Tenant shall cause all contractors or laborers causing such interference or conflict to leave the Building immediately. Notwithstanding the foregoing or anything contained herein to the contrary, Tenant shall not be required to use contractors or laborers who belong to any organized union or trade association.

Section 5.6 **Tenant's Costs**. Tenant shall pay to Landlord or its designee, within ten (10) days after demand, all out-of-pocket costs actually incurred by Landlord in connection with Tenant's Alterations (including the cost of the work to be performed by Tenant in connection with Tenant's initial occupancy of the Premises), including costs incurred in connection with (i) Landlord's review of the Alterations (including review of requests for approval thereof), and (ii) the provision of Building personnel during the performance of any Alterations required by trade union policy or otherwise, to operate elevators or otherwise to facilitate Tenant's Alterations.

Section 5.7 **Tenant's Equipment**. Tenant shall not move any heavy machinery, heavy equipment, freight, bulky matter or fixtures into or out of the Building without Landlord's prior consent and payment to Landlord of Landlord's reasonable charges in connection therewith. If any such machinery, equipment or other items require special handling, Tenant agrees (i) to employ only persons holding a Master Rigger's License to perform such work, and (ii) such work shall be done only during hours designated by Landlord.

Section 5.8 **Legal Compliance**. The approval of plans or specifications, or the consent by Landlord to the making of any Alterations, does not constitute Landlord's agreement or representation that such plans, specifications or Alterations comply with any Requirements or the certificate of occupancy issued for the Building. Landlord shall have no liability to Tenant or any other party in connection with Landlord's approval of plans and specifications for any Alterations, or Landlord's consent to Tenant's performing any Alterations. If, as the result of any Alterations made by or on behalf of Tenant, Landlord is required to make any alterations or improvements to any part of the Building in order to comply with any Requirements, whether or not in the Premises, Tenant shall pay all costs and expenses incurred by Landlord in connection with such alterations or improvements as provided in Article 21.

ARTICLE 6

FLOOR LOAD

Tenant shall not place a load upon any floor of the Premises that exceeds the load that such floor was designed to carry. Landlord reserves the right to reasonably designate the position of all heavy machinery, equipment and fixtures which Tenant wishes to place within the Premises, and to place limitations on the weight thereof, in accordance with the Rules and Regulations.

ARTICLE 7

REPAIRS

Section 7.1 Landlord's Repair and Maintenance. Landlord shall operate, maintain and, except as provided in Section 7.2 hereof, and subject to reimbursement pursuant to the terms of Article 8 hereof, make all necessary repairs (both structural and nonstructural) to (i) the Building Systems, and (ii) the structural elements of the Building, both exterior and interior, including the roof, foundation and curtain wall.

Section 7.2 Tenant's Repair and Maintenance. Tenant shall promptly, at its expense and in compliance with Article 5 of this Lease, (a) make all (i) nonstructural repairs to the Premises and the fixtures, equipment and appurtenances therein and all doors, windows and glass in and about the Premises (including without limitation, all storefronts and entrance doors) (ii) repairs to the mechanical, electrical, plumbing, sanitary, and sprinkler, security, life-safety and other service systems and facilities of the Building to the extent located in and serving the Premises exclusively (in the case of clauses (i) or (ii) hereof), as and when needed to preserve the Premises in good working order and condition, and (b) replace scratched or damaged doors, signs and glass in and about the Premises. Without limiting the foregoing, all damage to the Premises or to any other part of the Building, or to any fixtures, equipment, sprinkler system and/or appurtenances thereof, and/or to the sidewalk in front of the Building, whether requiring structural or nonstructural repairs, caused by or resulting from any act, omission, neglect or improper conduct of, or Alterations made by, or the moving of Tenant's fixtures, furniture or equipment, including machinery and heavy equipment, into, within or out of the Premises by any Tenant Party, shall be repaired by Landlord at Tenant's sole cost and expense. Such repairs shall be made by (A) Tenant, at Tenant's expense if the required repairs are nonstructural in nature and do not affect any Building System or any portion of the Building outside of the Premises, or (B) Landlord, at Tenant's expense, if the required repairs are structural in nature, involve replacement of exterior window glass (if damaged by any Tenant Party), or affect any Building System or any portion of the Building outside of the Premises. Tenant sball give Landlord prompt notice of any defective condition of which Tenant is aware in any structural element or any Building System located in, servicing or passing through the Premises. All Tenant repairs shall be of a quality at least equal to the original work or construction using new construction materials, and shall be made in accordance with this Lease. If Tenant fails to proceed with due diligence to make any repairs required to be made by Tenant, Landlord may make such repairs, and all costs and expenses incurred by Landlord in connection therewith shall be paid by Tenant as provided in Article 21.

Section 7.3 **Interruptions Due to Repairs**. Landlord reserves the right to make all changes, alterations, additions, improvements, repairs or replacements to the Building, including the Building Systems which provide services to Tenant, as Landlord deems necessary or desirable, provided that in no event shall the level of any Building service decrease in any material respect from the level required of Landlord in this Lease as a result thereof (other than temporary changes in the level of such services during the performance of any such work by Landlord), nor shall there be a denial of Tenant's access to the Premises. Landlord shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises during the making of such changes, alterations, additions, improvements, repairs or replacements, provided that Landlord shall have no obligation to employ contractors or labor at overtime or other premium pay rates or to incur any other overtime costs or additional expenses whatsoever. There shall be no Rent abatement or allowance to Tenant for a diminution of rental value, no actual or constructive eviction of Tenant, in whole or in part, no relief from any of Tenant's other obligations under this Lease, and no liability on the part of Landlord, by reason of inconvenience, annoyance or injury to business arising from Landlord, Tenant or others making, or failing to make, any repairs, alterations, additions or improvements in or to any portion of the Building or the Premises, or in or to fixtures, appurtenances or equipment therein.

ARTICLE 8

REAL ESTATE TAXES; OPERATING PAYMENTS

Section 8.1 **Definitions**. As used in this Article 8:

(a) "**Building Rentable Area**" shall mean 59,714 square feet of space and is comprised of all rentable space in the Building. If there is a significant change in the aggregate Building Rentable Area, of a permanent nature, as a result of an addition to the Building, partial destruction thereof or similar circumstance, Landlord's accountants shall determine and make an appropriate adjustment to the amount of the Building Rentable Area.

(b) "**Tenant's Pro Rata Share**" shall mean (A) in the case of Category A Operating Expenses, 12.95%; (B) in the case of Category B Operating Expenses, 0%; and (C) in the case of Category C Operating Expenses, a fraction, the numerator of which is the Rentable Area of the Suite 350 (i.e., 7,733 square feet) and the denominator of which is the Building Rentable Area (i.e., [59,714] square feet), and which is equal to 12.95%. At such time, if ever, any space is added to or subtracted from the Premises pursuant to the terms of this Lease, Tenant's Pro Rata Share shall be increased or decreased accordingly.

(c) "**Operating Expenses**" shall mean, collectively, Category A Operating Expenses, Category B Operating Expenses and Category C Operating Expenses.

(d) "**Category A Operating Expenses**" shall mean those operating expenses designated as "Category A Operating Expenses" in Exhibit E-1 annexed hereto and made a part hereof. The pro rata share of such expenses attributable to the Building is as set forth in Exhibit E-2 hereto (i.e., 12.95%). Tenant's Pro Rata Share of Category A Operating Expenses (i.e., 12.95%) is the product obtained by dividing (A) 7,733 square feet by (B) 59,714 total rentable building square footage.

(e) "**Category B Operating Expenses**" shall mean those operating expenses designated as "Category B Operating Expenses" in Exhibit E-1 hereto and attributable to the Building as set forth in Exhibit E-2 hereto.

(f) "**Category C Operating Expenses**" shall mean:

(i) All operating expenses of any kind or nature which are necessary, ordinary or customarily incurred, and actually incurred, with respect to the operation and maintenance of the Building Complex as determined in accordance with generally accepted accounting principles consistently applied (other than Category A Operating Expenses and Category B Operating Expenses) and shall include, but not be limited to:

(ii) Costs of supplies, including but not limited to the cost of "relamping" all tenant lighting as the same may be required from time to time;

(iii) Costs incurred in connection with obtaining and providing energy for the Building Complex, including, but not limited to, costs of natural gas, steam, electricity, solar energy, fuel oils, coal or any other energy sources as well as costs for heating, ventilation, and air conditioning services ("**HVAC**");

(iv) Costs of water, sanitary, sewer and storm drainage services;

(v) Costs of janitorial and security services, if any;

(vi) Costs of general maintenance and repairs, including costs under HVAC and other mechanical maintenance contracts; and repairs and replacements of equipment used in connection with such maintenance and repair work;

(vii) Costs of maintenance and replacement of landscaping; and costs of maintenance, repair, striping and repaving of parking areas, common areas, plazas and other areas used by tenants of the Building Complex, including trash and snow removal;

(viii) Any fees, costs or assessments imposed by any property owners association relating to the Building Complex;

(ix) Insurance premiums, including fire and all-risk coverage, together with loss of rent endorsement; public liability insurance; and any other insurance carried by Landlord on the Building Complex or any component parts thereof;

(x) Labor costs, including wages and other payments, costs to Landlord of workmen's compensation and disability insurance, payroll taxes, welfare fringe benefits and all reasonable legal fees and other costs or expenses incurred in resolving any labor disputes arising from personnel employed for the benefit of the Building Complex;

(xi) Professional building management fees;

(xii) Legal, accounting, inspection and other consultation fees (including, without limitation, fees charged by consultants retained by Landlord for services that are designed to produce a reduction in Operating Expenses or reasonably to improve the operation, maintenance or state of repair of the Building Complex) incurred for the normal operation of the Building Complex;

(xiii) The appropriately amortized costs of capital improvements and structural repairs and replacements made in or to the Building Complex or the amortized cost of any machinery or equipment installed in the Building Complex in order to conform to any applicable laws, ordinances, rules, regulations or orders of any governmental or quasi-governmental authority having jurisdiction over the Building Complex (herein, "**Required Capital Improvement**"), the costs of any capital improvements and structural repairs and replacements desired primarily to reduce Operating Expenses (herein "**Cost Savings Improvements**"). The expenditures for Required Capital Improvements and Cost Saving Improvements shall be amortized over the useful life of such capital improvement or structural repair or replacement (as determined by Landlord's accountants), and Tenant shall bear no responsibility for portions of those costs allocated to periods that are not included in the Term;

(xiv) "**Real Estate Taxes**" including all real property taxes aud assessments levied against the Building Complex by any governmental or quasi- governmental authority, including any taxes, assessments, surcharges, or service or other fees of a nature not presently in effect which shall hereafter be levied on the Building Complex as a result of the use, ownership or operation of the Building Complex or for any other reason, whether in lieu of or in addition to any current real estate taxes and assessments; provided, however, that any taxes which shall be levied on the rentals of the Building Complex shall be determined as if the Building Complex were Landlord's only property. Notwithstanding anything contained herein to the contrary, in no event shall the term "Taxes and Assessments", as used herein, include any federal, state or local income taxes levied or assessed on Landlord, unless such taxes are a specific suhstitute for real property taxes; such term shall, however, include gross taxes on rentals and expenses incurred by Landlord for tax consultants and in contesting tbe amount or validity of any such Taxes or Assessments (all of the foregoing are collectively referred to herein as "Taxes"). "Assessments" shall include any and all so-called special assessments, license tax, business license fec, business license tax, commercial rental tax, levy, charge or tax imposed by any authority having the direct power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, water, drainage or other improvement or special district thereof, against the Premises, the Building or the Building Complex, or against any legal or equitable interest of Landlord tberein. For the purposes of this Lease, any special assessment shall be decmed payable in such number of installments as is permitted by law, whether or not actually so paid;

(xv) All operating expenses specifically designated as "**Class C Operating Expenses**" in Exhibit E-1 hereto; and

(xvi) Any other expense which, under generally accepted accounting principles, would be considered a normal maintenance or operating expense.

Operating Expenses shall expressly exclude Landlord's income taxes, as well as any inheritance taxes, estate taxes, capital stock taxes or excess profit taxes; leasing commissions, advertising and promotional expenses; interest on debt or amortization payments on any mortgages or deeds of trust; costs of repairs or other work occasioned by fire, windstorm or other casualty or occurrence required to be insured by Landlord hereunder; costs of capital improvements, capital repairs or capital replacements, and any other expense required to be capitalized under generally accepted accounting principles, as determined by Landlord's accountants, other than Required Capital Improvements; any cost or expenditure for which Landlord is reimbursed by insurance proceeds; the cost of any special service furnished to any office tenant of the Building Complex which Landlord does not generally provide or generally make available to all tenants of the Building; depreciation or amortization of the Building or any other real or personal property of Landlord; legal or other professional fees incurred to negotiate leases with or enforce leases against tenants; the wages of any employee for services not related directly to the management, maintenance, operation and repair of the Building or for personnel who do not work for the benefit of the Building Complex; any interest or penalty incurred due to the late payment of any Operating Expenses; any costs associated with the investigation and/or remediation of hazardous materials present in, on or about any portion of the Building Complex; any expense reserves beyond the then-current year's anticipated expenses; any leasing commissions; and any tenant improvement costs.

Section 8.2 **Operating Expense Payments**. (a) It is hereby agreed that commencing on the Commencement Date, Tenant shall pay to Landlord as Additional Rent during the balance of the term hereof an estimate of the difference between Tenant's Pro Rata Share of Operating Expenses for each calendar year (or portion thereof) during the Term of the Lease and Tenant's Pro Rata Share of the Operating Expenses incurred (the "**Expense Stop**") (the difference of which shall be known as "**Tenant's Operating Expense Payment Obligation**") for each calendar year as reasonably estimated by Landlord, payable monthly in advance, at the rate of one-twelfth (1/12) thereof, and at the same place Base Rent is payable, with an adjustment to be made between the parties at a later date as hereinafter provided. In the event that, during a given calendar year, a material rise or decline occurs in operating expenses, Landlord may update its estimate and provide an updated Expense Stop and Tenant's Operating Expense Payment Obligation to take effect beginning the next calendar month. Landlord shall deliver to Tenant, as soon as practicable following the end of each calendar year, but in no event later than ninety (90) days after the end of such calendar year, an estimate of the difference between Tenant's Pro Rata Share of Operating Expenses for the new calendar year and Tenant's Pro Rata Share of the Expense Stop (the "**Operating Cost Report**"). Until receipt of the Operating Cost Report, Tenant shall continue to pay Tenant's Operating Expense Payment Obligation based upon the estimate for the preceding calendar year. To the extent that the Operating Cost Report reflects an estimate of Tenant's Operating Expense Payment Obligation for the new calendar year greater than the amount actually paid to the date of receipt of the Operating Cost Report for the new calendar year, Tenant shall pay such amount to Landlord within thirty (30) days of receipt of the Operating Cost Report. To the extent that the Operating Cost Report reflects an estimate of Tenant's Operating Expense Payment Obligation for the new calendar year is less than the amount actually paid to date of receipt of the

Operating Cost Report for the new calendar year, Landlord shall credit towards the current year Tenant's Operating Expense Payment Obligation the amount of such overpayment. Upon receipt of the Operating Cost Report, Tenant shall thereafter pay the amount of its monthly Tenant's Operating Expense Payment Obligation as set forth in the Operating Cost Report. Landlord shall deliver to Tenant, as soon as practicable following the end of each calendar year, but in no event later than ninety (90) days after the end of such calendar year, a statement of Operating Expenses incurred during the previous calendar year. Landlord shall reconcile Tenant's Operating Expense account by notifying Tenant of monies owed to Landlord or Landlord's reimbursement to Tenant.

(b) If the Lease term hereunder covers a period of less than a full calendar year during the first or last calendar years of the term hereof, Tenant's Operating Expense Payment Obligation for such partial calendar year shall be calculated by proportionately reducing the Tenant's Operating Expense Payment Obligation to reflect the number of months in such calendar year during which Tenant leased the Premises.

(c) Landlord's failure during the Lease Term to prepare and deliver any statements or bills, or Landlord's failure to make a demand under this Paragraph or under any other provision of this Lease shall not in any way be deemed to be a waiver of, or cause Landlord to forfeit or surrender its rights to collect any items of Additional Rent which may have become due pursuant to this Paragraph during the term of this Lease. Tenant's liability for all Additional Rent due under this Paragraph 5 shall survive the expiration or earlier termination of this Lease.

(d) With respect to that portion of the Category C Operating Expenses which Tenant is obligated to pay to Landlord to reimburse Landlord for its pro rata share of debt service (the "**Bond Sublease Charges**") for bonds issued under the Trust Indenture between Arapahoe County, Colorado and American National Bank, as Trustee (the "**Trustee**", which term shall also include any successor Trustee under the Indenture), dated as of May 17, 2007 (the "**Indenture**"), Tenant acknowledges that the same have been assigned to SunBorne XVI, Ltd. (the "**Developer**") and have been, or will be, assigned by the Developer to the Trustee. Upon receipt from the Trustee of a notice of default under the Indenture, Tenant hereby agrees to pay such Bond Sublease Charges directly to Trustee at the address set forth in such notice, as and when the same becomes due and payable under the Lease. Landlord hereby consents to the foregoing and directs Tenant to pay as required by any such notice of the Trustee. Landlord and Tenant acknowledge that pursuant to the above described assignments, the Trustee has the right to enforce all covenants of the Tenant under this Lease pertaining to payment of the Bond Sublease Charges.

(e) Landlord shall maintain accurate books and records reflecting the Operating Costs and Taxes. Tenant and its representatives shall have the right to inspect Landlord's records at Landlord's office upon at least seventy-two (72) hours' prior notice during normal business hours for a period of one hundred eighty (180) days following the delivery of the Operating Cost Report. Unless Tenant delivers to Landlord any written notice of exception to such report within said one hundred eighty (180) day period, such report shall be deemed final and accepted by Tenant. Tenant shall pay the amount shown on Operating Costs Report in the manner prescribed in this Lease, whether or not Tenant takes any such written exception, without any prejudice to such exception. If Tenant makes a timely exception, Tenant shall give Landlord written notice stating Tenant's objections. If Landlord is in agreement with Tenant's findings, Landlord shall have thirty (30) days from the date of Tenant's notice to promptly repay or credit Tenant all such overpayments. If Landlord disputes Tenant's findings Tenant may, at its expense, cause an independent certified public accountant to perform an audit of Landlord's books and records. If the independent audit certifies that Landlord's computations of the Operating Expenses, or inclusion of Tenant's exception any expense as an item of Operating Expenses, are incorrect, or that Tenant was overcharged for Operating Expenses in any year, Landlord shall have thirty (30) days from the date of Tenant's notice to promptly repay or credit Tenant all such overpayments. Tenant shall pay the cost of such audit as Additional Rent unless Landlord's original annual Operating Cost Report overstated the amount of Operating Costs by more than five percent (5%), in which event Landlord shall reimburse Tenant for the cost of said audit.

ARTICLE 9

REQUIREMENTS OF LAW

Section 9.1 **Tenant's Compliance**. (a) Tenant, at its expense, shall comply (or cause to he complied) with all Requirements applicable to the Premises (and to areas outside of the Premises, if resulting from any act or omission of Tenant, including, without limitation, any work undertaken by or on behalf of Tenant), regardless of whether imposed by their terms upon Landlord or Tenant. If Tenant obtains knowledge of any failure to comply with any Requirements that is the obligation of Tenant, Tenant shall give Landlord prompt notice thereof. All repairs and alterations, whether ordinary or extraordinary, required to be made to comply with any Requirements that are the obligation of Tenant shall be made by Tenant, at Tenant's expense and in compliance with Article 5 if such repairs or alterations are nonstructural, do not affect any Building System, and do not involve the performance of work outside of the Premises, or hy Landlord, at Tenant's expense, if such repairs or alterations are structural, affect any Building System, or involve the performance of work outside of the Premises.

(b) **Landlord's Compliance**. Except as aforesaid, Landlord shall, at its expense, comply with or cause to be complied with, all material Requirements which shall, with respect to the public portions of the Building, impose any violation, order or duty upon Landlord or Tenant and with respect to which Tenant is not obligated by Section 9.1(a) to comply. Landlord may, at its expense, contest the validity of any such Requirement.

(c) **Hazardous Materials.** Tenant or any Tenant Party shall not (i) cause or permit any Hazardous Materials to be brought into or onto the Real Property, (ii) cause or permit the storage or use of Hazardous Materials in any manner not permitted by any Requirements, or (iii) cause or permit the escape, disposal or release of any Hazardous Materials within or in the vicinity of the Real Property. Nothing herein shall be deemed to prevent Tenant's use of any Hazardous Materials customarily used in the ordinary course of Tenant's occupancy of the Premises for the Permitted Use, provided such use is in accordance with all Requirements. Tenant shall be responsible, at its expense, for all matters directly or indirectly based on, or arising or resulting from, the actual or alleged presence of Hazardous Materials in the Premises, the Building or the Real Property which is caused or permitted by Tenant or any Tenant Party. Tenant shall provide to Landlord copies of all communications received by Tenant or any Tenant Party with respect to any Requirements relating to Hazardous

Materials, and any claims made in connection therewith. Landlord or its agents may perform environmental inspections of the Premises at any time. Landlord shall be responsible, at its expense, for all matters directly or indirectly based on, or arising or resulting from, the presence of Hazardous Materials in the Premises, the Building or the Real Property which existed prior to the Commencement Date.

(d) **Landlord's Insurance.** Tenant shall not cause or permit any action or condition that would (i) invalidate or conflict with Landlord's insurance policies, (ii) violate applicable rules, regulations and guidelines of the Fire Department, Fire Insurance Rating Organization or any other authority having jurisdiction over the Real Property, (iii) cause an increase in the premiums for fire insurance then covering the Building over that payable with respect to comparable first-class mixed use residential and retail buildings, or (iv) result in insurance companies of good standing refusing to insure the Building or any property therein in amounts and against risks as reasonably determined by Landlord. If the fire insurance premiums increase as a result of Tenant's failure to comply with the provisions of this Article 9, Tenant shall promptly cure such failure and shall reimburse Landlord for the increased fire insurance premiums paid by Landlord as a result of such failure by Tenant. In any action or proceeding to which Landlord and Tenant are parties, a schedule or "make up" of rates for the Building or the Premises issued by the appropriate Fire Insurance Rating Organization, or other body fixing such fire insurance rates, shall be conclusive evidence of the fire insurance rates then applicable to the Building.

Section 9.2 Fire Alarm System; Sprinklers. The Premises contains a sprinkler system and fire-alarm and life-safety system. Tenant shall maintain that portion of the system located within the Premises in accordance with this Lease, the Rules and Regulations and all Requirements, and Landlord shall maintain such system located in the Building but outside of the Premises. If the Fire Insurance Rating Organization or any Governmental Authority or any of Landlord's insurers requires or recommends any modifications or Alterations be made or any additional equipment be supplied in connection with the sprinkler system or fire-alarm and life-safety system serving the Premises by reason of Tenant's business, or the location of the partitions, trade fixtures, or other contents of the Premises, Landlord (to the extent such modifications or Alterations are structural, affect any Building System or involve the performance of work outside the Premises), or Tenant (to the extent such modifications or Alterations are nonstructural, do not affect any Building System and do not involve the performance of work outside the Premises) shall make such modifications or Alterations, and supply such additional equipment, in either case at Tenant's expense.

Section 9.3 Limitations on Rent. If at any time during the Term, the Rent is not fully collectible by reason of any Requirements, Tenant shall take such other steps as Landlord may request, and as may be legally permissible, to permit Landlord to collect the maximum rents which may during the continuance of such restriction be legally permissible (but not in excess of the Rent reserved under this Lease). Upon the termination of such restriction during the Term, Tenant shall pay to Landlord, in addition to the Rent for the period following such termination, if legally permissible, the portion of Rent which would have been paid pursuant to this Lease but for such legal restriction, less the Rent paid by Tenant to Landlord while such restriction was in effect, together with interest thereon at the Base Rate.

ARTICLE 10

QUIET ENJOYMENT

Provided this Lease is in full force and effect and no Event of Default then exists, Tenant may peaceably and quietly enjoy the Premises without hindrance by Landlord or any Person lawfully claiming through or under Landlord, subject to the terms and conditions of this Lease and all Superior Leases and Mortgages.

ARTICLE 11

SUBORDINATION

Section 11.1 Subordination and Attornment. (a) This Lease and Tenant's rights and the rights of any Tenant Party hereunder are subject and subordinate to all Mortgages and Superior Leases. At the request of any Mortgagee or Lessor, Tenant shall attorn to such Mortgagee or Lessor, its successors in interest or any purchaser in a foreclosure sale. Tenant acknowledges and agrees that it is subject to all of the terms and conditions set forth in the Superior Leases and shall comply with the same as it relates the Premises, and its occupancy thereof, during the Term of the Lease.

(b) If a Lessor or Mortgagee or any other Person shall succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action, or the delivery of a new lease or deed, then at the request of the successor landlord and upon such successor landlord's written agreement to accept Tenant's attornment and to recognize Tenant's interest under this Lease, Tenant shall be deemed to have attorned to and recognized such successor landlord as Landlord under this Lease. The provisions of this Article 11 are self-operative and require no further instruments to give effect hereto; *provided, however*, that Tenant shall promptly execute and deliver any instrument that such successor landlord may reasonably request (1) evidencing such attornment, (2) setting forth the terms and conditions of Tenant's tenancy, and (3) containing such other terms and conditions as may be required by such Mortgagee or Lessor, provided such terms and conditions do not increase the Rent, materially increase Tenant's non-Rent obligations or materially and adversely affect Tenant's rights under this Lease. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between such successor landlord and Tenant upon all of the terms, conditions and covenants set forth in this Lease except that such successor landlord shall not be:

(i) liable for any act or omission of Landlord (except to the extent such act or omission is a default under this Lease and continues beyond the date when such successor landlord succeeds to Landlord's interest and Tenant gives notice of such act or omission to such successor landlord);

(ii) subject to any defense, claim, counterclaim, set-off or offset which Tenant may have against Landlord;

(iii) bound by any prepayment of more than one month's Rent to any prior landlord;

(iv) bound by any obligation to make any payment to Tenant which was required to be made prior to the time such successor landlord succeeded to Landlord's interest;

(v) bound by any obligation to perform any work or to make improvements to the Premises except for (A) repairs and maintenance required to be made by Landlord under this Lease, and (B) repairs to the Premises as a result of damage by fire or other casualty, or partial condemnation, pursuant to the provisions of this Lease, but only to the extent that such repairs can reasonably be made from the net proceeds of any insurance or condemnation awards actually made available to such successor landlord;

(vi) bound by any modification, amendment or renewal of this Lease made without the consent of any Lessor or Mortgagee of which Tenant has been provided notice; or

(vii) obligated to return any security deposit not actually received by any successor landlord.

(c) Any Mortgagee may elect that this Lease shall have priority over the Mortgage that it holds and, upon notification to Tenant by such Mortgagee, this Lease shall be deemed to have priority over such Mortgage, regardless of the date of this Lease. In connection with any financing of the Real Property, or of the interest of the lessee under any Superior Lease, Tenant shall consent to any reasonable modifications of this Lease requested by any lender, provided such modifications do not increase the Rent, materially increase Tenant's non-Rent obligations or materially and adversely affect Tenant's rights under this Lease. Upon notice to Tenant from any Mortgagee or Lessor that Landlord's license to collect Rent has been revoked, Tenant shall be authorized to pay Rent to such Mortgagee or Lessor, as the case may be.

Section 11.2 Termination by Tenant. As long as any Superior Lease or Mortgage shall exist, Tenant shall not seek to terminate this Lease by reason of any act or omission of Landlord (i) until Tenant shall have given notice of such act or omission to all Lessors and/or Mortgagees, and (ii) until a reasonable period of time shall have elapsed following the giving of notice of such default and the expiration of any applicable notice or grace periods (unless such act or omission is not capable of being remedied within a reasonable period of time) during which period such Lessors and/or Mortgagees shall have the right, but not the obligation, to remedy such act or omission. If any Lessor or Mortgagee elects to remedy such act or omission of Landlord, Tenant shall not seek to terminate this Lease so long as such Lessor or Mortgagee is proceeding with reasonable diligence to effect such remedy.

Section 11.3 Applicability. The provisions of this Article 11 shall (i) inure to the benefit of Landlord, any future owner of the Real Property, any Lessor or Mortgagee and any successor or assign thereof, and (ii) apply notwithstanding that, as a matter of law, this Lease may terminate upon the termination of any Superior Lease or the foreclosure of any Mortgage.

ARTICLE 12

SERVICES

Section 12.1 Heating, Ventilation and Air Conditioning. Landlord agrees, without additional charge except as otherwise provided herein and in Section 8.3 hereof, and in accordance with standards from time to time prevailing for office buildings of similar size and age in the Southeast Denver metropolitan area in the vicinity of Centennial Airport, to furnish during ordinary Business Hours such heated or cooled air to the Premises as may, in the reasonable judgment of Landlord, be reasonably required for the comfortable use and occupancy of the Premises, provided that Tenant complies with the recommendations of Landlord's engineer or other duly authorized representative, regarding occupancy and use of the Premises.

Section 12.2 Water. Landlord shall provide cold water to the Premises, at Landlord's expenses, subject to reimbursement from Tenant therefore in accordance with the provisions of Section 8.3 hereof.

Section 12.3 Refuse and Rubbish Removal. Landlord shall cause Tenant's garbage and other refuse to be removed from the Premises and the Building, in a manner reasonably determined by Landlord, at Landlord's expense, subject to reimbursement from Tenant therefore in accordance with the provisions of Section 8.3 hereof.

Section 12.4 Janitorial Service. Landlord shall provide Building standard cleaning and janitorial services to the Premises Monday – Friday, other than any days that are state or federal holidays, at Landlord's expense, subject to reimbursement from Tenant therefore in accordance with the provisions of Section 8.3 hereof.

Section 12.5 Service Interruptions.

(a) Landlord reserves the right to suspend any Building service when necessary, by reason of Unavoidable Delays, accidents or emergencies, or for repairs, alterations or improvements which, in Landlord's reasonable judgment, are necessary or appropriate, until such Unavoidable Delay, accident or emergency shall cease or such repairs, alterations or improvements are completed, and Landlord shall not be liable to Tenant for any interruption, curtailment or failure to supply services. Landlord shall use reasonable efforts to restore such service, remedy such situation and minimize interference with Tenant's business, provided that Landlord shall have no obligation to employ contractors or labor at overtime or other premium pay rates, or to incur any other overtime costs or additional expenses whatsoever. The exercise of any such right or the occurrence of any such failure by Landlord shall not (i) constitute an actual or constructive eviction, in whole or in part, (ii) entitle Tenant to any compensation, abatement or diminution of Rent, (iii) relieve Tenant from any of its obligations under this Lease, or (iv) impose any liability upon Landlord by reason of inconvenience to Tenant, or interruption of Tenant's business, or otherwise.

Section 12.6 No other Services. Except as provided in this Article 12, Landlord shall not be required to provide any services to the Premises.

ARTICLE 13

INSURANCE, PROPERTY LOSS OR DAMAGE; REIMBURSEMENT

Section 13.1 Tenant's Insurance. (a) Tenant, at its expense, shall obtain and keep in full force and effect during the Term:

(i) a policy of commercial general liability insurance on an occurrence basis against claims for bodily injury, death and/or property damage occurring in or about the Premises or the Real Property, under which Tenant is named as the insured and Landlord, Landlord's managing agent, any Lessors, any Mortgagees and any other parties whose names shall have been furnished by Landlord to Tenant from time to time are named as additional insureds, which insurance shall provide primary coverage without contribution from any other insurance carried by or for the benefit of Landlord, Landlord's managing agent or any Lessors or Mortgagees named as additional insureds, and Tenant agrees to obtain blanket broad-form contractual liability coverage to insure its indemnity obligations set forth in Article 32 hereof. The minimum limits of liability shall be a combined single limit with respect to each occurrence in an amount of not less than $1,000,000.00; *provided, however*, that Landlord may require Tenant to increase such coverage, from time to time, to that amount of insurance which in Landlord's reasonable judgment is then being customarily required by landlords for similar space in first-class buildings in the area. If the aggregate limit applying to the Premises is reduced by the payment of a claim or establishment of a reserve equal to or greater than 50% of the annual aggregate, Tenant shall immediately arrange to have the aggregate limit restored by endorsement to the existing policy or the purchase of an additional insurance policy unless, in Landlord's reasonable judgment, Tenant maintains sufficient concurrent excess liability insurance to satisfy the liability requirements of this Lease without the reinstatement of the aggregate limit;

(ii) insurance against loss or damage by fire, and such other risks and hazards as are insurable under then available standard forms of "all risk" property insurance policies, insuring Tenant's Property, and all Alterations and improvements to the Premises for the full insurable value thereof or replacement cost value thereof, whichever is greater, having a deductible amount, if any, of not more than $10,000.00;

(iii) during the performance of any Alteration, until completion thereof, Tenant shall cause it's contractor to maintain Builder's risk insurance on an "all risk" basis and on a completed value form including a Permission to Complete and Occupy endorsement, for full replacement value covering the interest of Landlord and Tenant (and their respective contractors and subcontractors), any Mortgagee and any Lessor in all work incorporated in the Building and all materials and equipment in or about the Premises;

(iv) Workers' Compensation Insurance, as required by law;

(v) Business Interruption Insurance; and

(vi) such other insurance in such amounts as Landlord, any Mortgagee and/or any Lessor may reasonably require from time to time.

(b) All insurance required to be carried by Tenant pursuant to the terms of this Lease (i) shall contain a provision that (A) no act or omission of Tenant shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained, (B) the policy shall be noncancellable and/or no material change in coverage shall be made thereto unless Landlord, Lessors and Mortgagees shall have received ten (10) days' prior notice of the same by certified mail, return receipt requested, and (C) Tenant shall be solely responsible for the payment of all premiums under such policies and Landlord, Lessors and Mortgagees shall have no obligation for the payment thereof, and (ii) shall be effected under valid and enforceable policies issued by reputable and independent insurers permitted to do business in the State of Colorado, and rated in Best's Insurance Guide, or any successor thereto (or if there be none, an organization having a national reputation) as having a Best's Rating of "A-" and a "Financial Size Category" of at least "X" or if such ratings are not then in effect, the equivalent thereof or such other financial rating as Landlord may at any time consider appropriate. Tenant shall have the right to insure and maintain the insurance coverages set forth in this Section 13.1 under blanket insurance policies covering other premises occupied or owned by Tenant and its Affiliates, so long as such blanket policies comply as to terms and amounts with the insurance provisions set forth in this Lease without co-insurance, and provided that upon request, Tenant shall deliver to Landlord a certificate of Tenant's insurer evidencing the portion of such blanket insurance allocated to the Premises.

(c) On or prior to the Commencement Date, Tenant shall deliver to Landlord appropriate policies of insurance, including evidence of waivers of subrogation, required to be carried by each party pursuant to this Article 13. Evidence of each renewal or replacement of a policy shall be delivered by Tenant to Landlord at least ten (10) days prior to the expiration of such policy. In lieu of the policies of insurance required to be delivered to Landlord pursuant to this Article 13 (the "Policies"), Tenant may deliver to Landlord a certification from Tenant's insurance company (on the form currently designated "Acord 27", or the equivalent), with such certification evidencing coverage, and which shall expressly provide that such certification (i) conveys to Landlord and any other named insured and/or additional insureds thereunder (the "Insured Parties") all the rights and privileges afforded under the applicable Policies as primary insurance, and (ii) contains an unconditional obligation of the insurance company to advise all Insured Parties in writing by certified mail, return receipt requested, at least ten (10) days in advance, of any termination due to non-payment, and seven (7) days in respect of war or allied perils or any other change to the applicable Policies that would affect the interest of any of the Insured Parties.

Section 13.2 Waiver of Subrogation. Landlord and Tenant shall each procure an appropriate clause in or endorsement to any property insurance covering the Premises, the Building and personal property, fixtures and equipment located therein, wherein the insurance companies shall waive subrogation or consent to a waiver of right of recovery, and Landlord and Tenant agree not to make any claim against, or seek to recover from, the other for any loss or damage to its property or the property of others resulting from fire and other hazards to the extent covered by such property insurance; *provided, however*, that the release, discharge, exoneration and covenant not to sue contained herein shall be limited by and coextensive with the terms and provisions of the waiver of subrogation or waiver of right of recovery. Tenant acknowledges that Landlord shall not carry insurance on, and shall not be responsible for, (i) damage to any Alterations or improvements to the Premises, (ii) Tenant's Property, and (iii) any loss suffered by Tenant due to interruption of Tenant's business.

ARTICLE 14

DESTRUCTION - FIRE OR OTHER CAUSE

Section 14.1 Restoration. If the Premises are damaged by fire or other casualty, or if the Building is damaged such that Tenant is deprived of reasonable access to the Premises, Tenant shall give notice to Landlord, and the damage to the "core and shell" of the Premises shall be repaired by Landlord, at its expense ("Landlord's Restoration"), but Landlord shall have no obligation to repair or restore (i) Tenant's Property, or (ii) any Alterations or improvements to the Premises, and/or any of the finishes, interior details or characteristics of the Premises in existence whether installed by Landlord or Tenant, including without limitation, any wood paneling, stone work, wall and floor and ceiling treatments, plaster finishes and details, trim, metal work, interior doors. Tenant acknowledges that Landlord's Restoration shall be limited to repairing the Premises to the condition of unfinished space (i.e., space demised solely by unfinished floor and ceiling "slabs" and unfinished demising walls) and restoring access to all Building Systems in the manner existing as of the Commencement Date. So long as Tenant is not in default beyond applicable grace or notice provisions in the payment or performance of its obligations under this Section 14.1, then until Landlord's Restoration is Substantially Completed or would have been Substantially Completed but for Tenant Delay, Fixed Rent and Operating Expenses shall be reduced in the proportion by which the area of the part of the Premises which is not useable (or accessible) and is not used by Tenant bears to the total area of the Premises.

Section 14.2 Termination Right.

(a) **Landlord's Termination Right**. Notwithstanding anything to the contrary contained in Section 14.1, if the Premises are totally damaged or are rendered wholly untenantable, or if the Building is so damaged that in Landlord's opinion, substantial alteration, demolition, or reconstruction of the Building is required (whether or not the Premises are so damaged or rendered untenantable), then in either of such events, Landlord may, not later than sixty (60) days following the date of the damage, give Tenant a notice terminating this Lease. If this Lease is so terminated, (i) the Term shall expire upon the date set forth in Landlord's notice, which shall not be less than thirty (30) days after such notice is given, and Tenant shall vacate the Premises and surrender the same to Landlord no later than the date set forth in the notice, (ii) Tenant's liability for Rent shall cease as of the date of the damage, (iii) any prepaid Rent for any period after the date of the damage shall be refunded by Landlord to Tenant, and (iv) Landlord shall be entitled to collect all insurance proceeds of policies held by Landlord or Tenant providing coverage for Alterations and other improvements to the Premises, provided however, that Tenant shall be entitled to retain insurance proceeds related to Tenant's trade fixtures installed in the Premises. Landlord shall retain such proceeds from Tenant's insurance only to the extent that Landlord performed or paid for such Alterations and improvements, whether by contribution, offset or otherwise, and the balance of such proceeds, if any, shall be paid to Tenant.

(b) **Tenant's Termination Right**. In case of a total destruction of the Building or the Premises, or if the Premises are rendered wholly untenantable due to a casualty, Tenant may terminate this Lease by notice to Landlord, (x) unless, in the reasonable opinion of a reputable architect or contractor selected by Landlord, who shall be experienced with regard to restoration of comparable buildings following such a casualty (which opinion shall be delivered to Tenant within sixty (60) days following the occurrence of such damage), the damage or destruction can be repaired and restored such that the Building and the Premises shall be tenantable within twelve (12) months following the occurrence of such damage (subject to extension as set forth immediately below), or (y), if Landlord has not completed the making of the required repairs and restored and rebuilt the Building and the Premises within twelve (12) months from the date of such damage or destruction, or within such period after such date (not exceeding three (3) months) as shall equal the aggregate period Landlord may have been delayed in doing so by adjustment of insurance, labor trouble, governmental controls, act of God, or any other cause beyond Landlord's reasonable control, and such termination shall be effective upon the expiration of thirty (30) days after the date of such notice.

Section 14.3 Final 12 Months. Notwithstanding anything set forth to the contrary in this Article 14, in the event that any fire or other casualty occurs during the final twelve (12) months of the Term, and Landlord reasonably determines that Landlord's Restoration will not be Substantially Completed until the earlier of the (i) Expiration Date, or (ii) the (ninetieth (90^{th}) day after the date when such damage occurs, then either Landlord or Tenant may terminate this Lease by notice to the other party within thirty (30) days after the occurrence of such damage and this Lease shall expire on the thirtieth (30^{th}) day after the date of such notice.

Section 14.4 Inability to Collect. Notwithstanding any of the foregoing provisions of this Article 14, and so long as Landlord has maintained an insurance policy on the Building, if Landlord or any Lessor or Mortgagee shall be unable to collect all of the insurance proceeds (including rent insurance proceeds) applicable to damage or destruction of the Premises or the Building by reason of any action or inaction on the part of Tenant or any Tenant Party, then, without prejudice to any other remedies which may be available against Tenant, (i) there shall be no abatement of Rent, and (ii) Landlord shall have no obligation to restore the Premises.

Section 14.5 Landlord's Liability. Any Building employee to whom any property shall be entrusted by or on behalf of Tenant shall be deemed to be acting as Tenant's agent with respect to such property and neither Landlord nor any of the Indemnitees shall be liable for any damage to such property, or for the loss of or damage to any property of Tenant by theft or otherwise. None of the Indemnitees shall be liable for any injury or damage to persons or property or interruption of Tenant's business resulting from fire or other casualty, any damage caused by other tenants or persons in the Building or by construction of any private, public or quasi-public work, or any latent defect in the Premises or in the Building (except that Landlord shall be required to repair the same to the extent provided in Article 7). No penalty shall accrue for delays which may arise by reason of adjustment of fire insurance on the part of Landlord or Tenant, or Unavoidable Delays, in connection with any repair or restoration of any portion of the Premises or of the Building. Landlord shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises during the performance of any such repair or restoration; *provided, however*, Landlord shall have no obligation to employ contractors or labor at overtime or other premium pay rates or to incur any other overtime costs or additional expenses whatsoever. Nothing in this Section 14.5 shall affect any right of Landlord to be indemnified by Tenant under Article 32 for payments made to compensate for losses of third parties.

ARTICLE 15

EMINENT DOMAIN

Section 15.1 (a) **Total Taking**. If all or substantially all of the Premises, the Building or the Real Property shall be acquired or condemned for any public or quasi-public purpose, this Lease shall terminate and the Term shall end as of the date of the vesting of title, with the same effect as if such date were the Expiration Date.

(b) **Partial Taking.** If only a part of the Premises, the Building or the Real Property shall be acquired or condemned and Tenant is able to conduct its business from the Premises, this Lease and the Term shall continue in full force and effect, provided that from and after the date of the vesting of title, Fixed Rent and Operating Expenses shall be modified to reflect the reduction of the Premises and/or the Building as a result of such acquisition or condemnation. Notwithstanding the foregoing, whether or not the Premises are affected, Landlord may give to Tenant, within sixty (60) days following the date upon which Landlord receives notice that all or a material portion of the Building or the Real Property has been acquired or condemned, a notice of termination of this Lease.

(c) **Apportionment of Rent.** Upon any termination of this Lease pursuant to the provisions of this Article 15, Fixed Rent and Operating Expense shall be apportioned as of, and shall be paid or refunded up to and including, the date of such termination.

(d) **Applicability.** The provisions of Sections 15.1 and 15.2 shall not apply to any acquisition or condemnation of all or any part of the Premises for a period of twelve (12) months or less.

Section 15.2 **Awards**. Upon any acquisition or condemnation of all or any part of the Building or the Real Property, Landlord shall receive the entire award for any such acquisition or condemnation, and Tenant shall have no claim against Landlord or the condemning authority for the value of any unexpired portion of the Term, Tenant's Alterations or improvements; and Tenant hereby assigns to Landlord all of its right in and to such award. Nothing contained in this Article 15 shall be deemed to prevent Tenant from making a separate claim in any condemnation proceedings for the then value of any Tenant's Property included in such taking and for any moving expenses, provided any such award is in addition to, and does not result in a reduction of, the award made to Landlord.

Section 15.3 **Temporary Taking**. Notwithstanding the provisions of Section 15.1, if all or any part of the Premises is acquired or condemned for a period of twelve (12) months or less during the Term for any public or quasi-public use or purpose, Tenant shall give prompt notice to Landlord, and the Term shall not be reduced or affected in any way, and Tenant shall continue to pay all Rent payable by Tenant without reduction or abatement and to perform all its other obligations under this Lease, except to the extent prevented from doing so by the condemning authority. Tenant shall be entitled to receive any award or payment from the condemning authority for such use, which award shall be received, held and applied by Tenant as a trust fund for payment of Rent falling due, provided that if the acquisition or condemnation is for a period extending beyond the Term, such award shall be apportioned between Landlord and Tenant and Landlord shall receive the portion of such award relating to the period after the Term. If the acquisition or condemnation of all or any part of the Premises is for a period of more than twelve (12) months, the provisions of Sections 15.1 and 15.2 shall apply.

ARTICLE 16

ASSIGNMENT AND SUBLETTING

Section 16.1 **No Assignment or Subletting**. (a) Tenant shall not assign, mortgage, pledge, encumber, or otherwise transfer this Lease, whether by operation of law or otherwise, and shall not sublet (or underlet), license, franchise, or permit, or suffer the Premises or any part thereof to be used or occupied by others (whether for desk space, mailing privileges or otherwise), without Landlord's prior consent in each instance. Any assignment, sublease, license, franchise, mortgage, pledge, encumbrance or transfer in contravention of the provisions of this Article 16 shall be null and void.

(b) **Collection of Rent.** If, without Landlord's consent, this Lease is assigned, or any part of the Premises is sublet or occupied by anyone other than Tenant, or this Lease or the Premises or any of Tenant's Property is encumbered (by operation of law or otherwise), Landlord may collect rent from the assignee, subtenant or occupant and apply the net amount collected to the Rent herein reserved. No such collection of rent shall be deemed to be (i) a waiver of the provisions of this Article 16, (ii) an acceptance of the assignee, subtenant or occupant as tenant, or (iii) a release of Tenant from the performance of any of the terms, covenants and conditions to be performed by Tenant under this Lease, including the payment of Rent.

(c) **No Waiver.** Landlord's consent to any assignment or subletting shall not relieve Tenant from the obligation to obtain Landlord's express consent to any further assignment or subletting. In no event shall any permitted subtenant assign or encumber its sublease or further sublet any portion of its sublet space, or otherwise suffer or permit any portion of the sublet space to be used or occupied by others. The listing of any name other than that of Tenant in the directory, or on the doors of the Premises or elsewhere, shall not vest in any such named party any right or interest in this Lease or in the Premises, nor be deemed to constitute

Landlord's consent to any assignment or transfer of this Lease, or to any sublease of the Premises, or to the use or occupancy thereof by others.

Section 16.2 __Tenant's Notice__. If Tenant desires to assign this Lease or sublet all of the Premises (no partial sublet is permitted), Tenant shall give notice thereof to Landlord, which shall be accompanied by (i) a true and complete copy of the fully executed assignment or sublease document between the parties together with a statement reasonably detailing the identity of the proposed assignee or subtenant, the nature of its business and its proposed use of the Premises, and (ii) current financial information with respect to the proposed assignee or subtenant, including its most recent financial statements. Tenant shall provide Landlord with any other information Landlord may reasonably request. Such notice shall be deemed an offer from Tenant to Landlord whereby Landlord shall be granted the right, at Landlord's option, to terminate this Lease by providing written notice to Tenant within thirty (30) days from the date of Tenant's notice.

Section 16.3 __Landlord's Termination__. If Landlord exercises its option to terminate this Lease pursuant to __Section 16.2__: (i) this Lease shall end and expire on the date that such assignment or sublease was to commence, (ii) Fixed Rent and Operating Expenses shall be apportioned, paid or refunded as of such date, (iii) Tenant, upon Landlord's request, shall enter into an amendment of this Lease ratifying and confirming such termination, and, (iv) Landlord shall be free to lease the Premises (or any part thereof) to Tenant's prospective assignee or subtenant.

Section 16.4 __Conditions to Assignment or Subletting__. (a) If Landlord does not exercise its option to terminate this Lease pursuant to __Section 16.2__, and provided that no Event of Default then exists, Landlord's consent to the proposed assignment or subletting shall not be unreasonably withheld.

(b) With respect to each and every assignment and/or subletting authorized by Landlord under the provisions of this Lease, it is further agreed that:

(i) the form of the proposed assignment or sublease shall be reasonably satisfactory to Landlord and shall comply with the provisions of this Article;

(ii) no sublease shall be for a term ending later than one day prior to the Expiration Date of this Lease;

(iii) no sublease shall be delivered to any subtenant, and no subtenant shall take possession of any part of the Premises, until an executed counterpart of sucb sublease has been delivered to Landlord and approved in writing by Landlord as provided in __Section 16.4(a)__;

(iv) if an Event of Default shall occur at any time prior to the effective date of such assignment or subletting, then Landlord's consent thereto, if previously granted, shall be immediately deemed revoked without further notice to Tenant, and if such assignment or subletting would have been permitted without Landlord's consent pursuant to __Section 16.7__, such permission shall be void and without force and effect, and in either such case, any such assignment or subletting shall constitute a further Event of Default hereunder; and

(v) each sublease shall be subject and subordinate to this Lease and to the matters to which this Lease is or shall be subordinate, it being the intention of Landlord and Tenant that Tenant shall assume and be liable to Landlord for any and all acts and omissions of all subtenants and anyone claiming under or through any subtenants which, if performed or omitted by Tenant, would be a default under this Lease; and Tenant and each subtenant shall be deemed to have agreed that upon the occurrence and during the continuation of an Event of Default hereunder, Tenant has hereby assigned to Landlord, and Landlord may, at its option, accept such assignment of, all right, title and interest of Tenant as sublandlord under such sublease, together with all modifications, extensions and renewals thereof then in effect, and such subtenant shall, at Landlord's option, attorn to Landlord pursuant to the then executory provisions of such sublease, except that Landlord shall not be (A) liable for any previous act or omission of Tenant under such sublease, (B) subject to any counterclaim, offset or defense not expressly provided in such sublease, which theretofore accrued to such subtenant against Tenant, (C) bound by any previous modification of such sublease not consented to by Landlord, or by any prepayment of more than one month's rent and additional rent under such sublease, (D) bound to return such subtenant's security deposit, if any, except to the extent that Landlord shall receive actual possession of such deposit and such subtenant shall be entitled to the return of all or any portion of such deposit under the terms of its sublease, or (E) obligated to make any payment to or on behalf of such subtenant, or to perform any work in the subleased space or the Building, or in any way to prepare the subleased space for occupancy, beyond Landlord's obligations under this Lease. The provisions of this Section 16.4(b)(v) shall be self-operative, and no further instrument shall be required to give effect hereto, provided that the subtenant shall execute and deliver to Landlord any instruments Landlord may reasonably request to evidence and confirm such subordination and attornment.

Section 16.5 **No Release of Tenant; Indemnification of Landlord**. Notwithstanding any assignment or subletting or any acceptance of Rent by Landlord from any assignee or subtenant, Tenant shall remain fully liable for the payment of all Rent due and for the performance of all other terms, covenants and conditions contained in this Lease on Tenant's part to be observed and performed, and any default under any term, covenant or condition of this Lease by any subtenant shall be deemed a default under this Lease by Tenant. Tenant shall indemnify, defend, protect and hold harmless Landlord from and against any and all Losses (as defined in Section 32.1(b)) resulting from any claims that may be made against Landlord by the proposed assignee or subtenant or by any brokers or other Persons claiming a commission or similar compensation in connection with the proposed assignment or sublease, irrespective of whether Landlord shall give or decline to give its consent to any proposed assignment or sublease, or if Landlord shall exercise any of its options under this Article 16.

Section 16.6 **Tenant's Failure to Complete**. If Landlord consents to a proposed assignment or sublease and Tenant fails to execute and deliver to Landlord such assignment or sublease within ninety (90) days after the giving of such consent, then Tenant shall again comply with all of the provisions and conditions of Sections 16.2 and 16.4 hereof before assigning this Lease or subletting the Premises.

Section 16.7 **Transfers**. (a) If Tenant is a corporation, the transfer by one or more transfers, directly or indirectly, by operation of law or otherwise, of a majority of the stock of Tenant shall be deemed a voluntary assignment of this Lease; *provided, however*, that the provisions of this Article shall not apply to the transfer of shares of stock of Tenant if and so long as Tenant is publicly traded on a nationally recognized stock exchange. For purposes of this Section the term "transfers" shall be deemed to include the issuance of new stock or of treasury stock which results in a majority of the stock of Tenant being held by a Person or Persons that do not hold a majority of the stock of Tenant on the date hereof. If Tenant is a partnership, the transfer by one or more transfers, directly or indirectly, by operation of law or otherwise, of a majority interest in the partnership or otherwise in violation of the provisions of Section 29.2 shall be deemed a voluntary assignment of this Lease. If Tenant is a limited liability company, trust, or any other legal entity (including a corporation or partnership), the transfer by one or more transfers, directly or indirectly, of Control of such entity, however characterized, shall be deemed a voluntary assignment of this Lease. The provisions of Article 16 shall not apply to transactions with an entity into or with which Tenant is merged or consolidated or to which substantially all of Tenant's assets are transferred (a "Permitted Transferee") so long as (i) such transfer was made for a legitimate independent business purpose and not for the purpose of transferring this Lease, (ii) the successor to Tenant has a net worth computed in accordance with generally accepted accounting principles at least equal to the greater of (A) the net worth of Tenant immediately prior to such merger, consolidation or transfer, and (B) the net worth of the original Tenant on the date of this Lease, (iii) proof satisfactory to Landlord of such net worth is delivered to Landlord at least ten (10) days prior to the effective date of any such transaction, and (iv) the Premises shall be used only for the Permitted Use and in keeping with the standards of the Building and the provisions of this Lease.

(b) **Applicability**. The limitations set forth in this Section 16.7 shall apply to subtenant(s), assignee(s) and guarantor(s) of this Lease, if any, and any transfer by any such entity in violation of this Section 16.7 shall be a transfer in violation of Section 16.1.

(c) **Modifications, Takeover Agreements**. Any modification, amendment or extension of a sublease and/or any other agreement by which a landlord (or its affiliate) of a building other than the Building agrees to assume or perform the obligations of Tenant under this Lease shall be deemed a sublease for the purposes of Section 16.1 hereof.

Section 16.8 **Assumption of Obligations**. Any assignment or transfer (other than a sublease), whether made with Landlord's consent or without Landlord's consent, if and to the extent permitted hereunder, shall not be effective unless and until the assignee executes, acknowledges and delivers to Landlord (i) an agreement in form and substance satisfactory to Landlord whereby the assignee (A) assumes Tenant's obligations under this Lease, and (B) agrees that, notwithstanding such assignment or transfer, the provisions of Section 16.1 hereof shall be binding upon it in respect of all future assignments and transfers, and (ii) certificates or policies of insurance as required under Article 13.

Section 16.9 **Tenant's Liability**. The joint and several liability of Tenant and any successors-in-interest of Tenant and the due performance of Tenant's obligations under this Lease shall not be discharged, released or impaired by any agreement or stipulation made by Landlord, or any grantee or assignee of Landlord, extending the time, or modifying any of the terms and provisions of this Lease, or by any waiver or failure of Landlord, or any grantee or assignee of Landlord, to enforce any of the terms and provisions of this Lease.

Section 16.10 **Lease Not Affirmed or Rejected**. If at any time after an assignment by Tenant named herein, this Lease is not affirmed or rejected in any proceeding of the types described in Section 19.1(h) or (i) or any similar proceeding, or upon a termination of this Lease due to any such proceeding, Tenant named herein, upon request of Landlord given within thirty (30) days after such disaffirmance, rejection or termination (and actual notice thereof to Landlord in the event of a disaffirmance or rejection or in the event of termination other than by act of Landlord), shall (i) pay to Landlord all Rent and other charges due and owing by the assignee to Landlord under this Lease to and including the date of such disaffirmance, rejection or termination, and (ii) as "tenant," enter into a new lease of the Premises with Landlord for a term commencing on the effective date of such disaffirmance, rejection or termination and ending on the Expiration Date, unless sooner terminated in accordance therewith, at the same Rent and upon the then executory terms, covenants and conditions contained in this Lease, except that (A) the rights of Tenant named herein under the new lease shall be subject to the possessory rights of the assignee under this Lease and the possessory rights of any Persons claiming through or under such assignee or by virtue of any statute or of any order of any court, (B) such new lease shall require all defaults existing under this Lease to be cured by Tenant named herein with due diligence, and (C) such new lease shall require Tenant named herein to pay all Rent which, had this Lease not been so disaffirmed, rejected or terminated, would have become due under the provisions of this Lease after the date of such disaffirmance, rejection or termination with respect to any period prior thereto. If Tenant named herein defaults in its obligations to enter into such new lease for a period of 10 days after Landlord's request, then, in addition to all other rights and remedies by reason of default, either at law or in equity, Landlord shall have the same rights and remedies against Tenant named herein as if it had entered into such new lease and such new lease had thereafter been terminated as of the commencement date thereof by reason of Tenant's default thereunder.

ARTICLE 17

ELECTRICITY

Section 17.1 **Electricity Charge**. Landlord shall provide electricity for normal office purposes, including, but not limited to, lighting, including task and task ambient lighting systems and for normal office equipment, including, but not limited to, duplicating (reproduction) machines, communications and audio visual equipment, vending machines, personal computers (provided they do not require any additional voltage or special electrical requirements) executive kitchen equipment and internal communication systems. To the extent that electric current is utilized in excess of the amounts indicated above or [twelve (12)] watts per square feet, whichever is less, Tenant's Additional Rent shall be increased from time to time by Landlord in such amounts to cover the cost of providing for such increased use (the "Electricity Charge"). Landlord shall have the right, if it determines based on its own judgment that Tenant is using electric current for purposes other than those described above or for other than normal office use, to require Tenant to install a check meter to determine the amount which Tenant is utilizing. The cost of such excess usage, and check meter, including, but not limited to, monitoring, installation and repair thereof, shall be paid by Tenant.

Section 17.2 **Service Disruption**. Landlord shall not be liable in any way to Tenant for any failure, defect or interruption of, or change in the supply, character and/or quantity of, electric service furnished to the Premises for any reason except if attributable solely to the gross negligence or willful misconduct of Landlord (but in no event shall Landlord be responsible for any consequential damages), nor shall there be any allowance to Tenant for a diminution of rental value, nor shall the same constitute an actual or constructive eviction of Tenant, in whole or in part, or relieve Tenant from any of its Lease obligations, and no liability shall arise on the part of Landlord by reason of inconvenience, annoyance or injury to business, whether electricity is provided by public or private utility or by any electricity generation system owned and operated by Landlord.

Section 17.3 **Maximum Capacity**. Tenant's use of electricity in the Premises shall not at any time exceed the capacity of any of the electrical conductors, machinery and equipment in or otherwise serving the Premises. In order to insure that such capacity is not exceeded and to avert possible adverse effects upon the Building's electric service, Tenant shall not, without Landlord's prior written consent in each instance, at any time connect any fixtures, machinery, appliances or equipment to the Building's electrical distribution system which, together with the lighting fixtures and other equipment in the Premises, could in the aggregate demand or consume electricity in excess of the amount which can safely be used within the Premises. Should Landlord grant such consent, all additional risers and other equipment required therefor shall be provided by Landlord, and Tenant shall reimburse Landlord for Landlord's actual costs therefor upon Landlord's demand and the same shall be Additional Rent hereunder.

Section 17.4 **Discontinuance of Electric Service**. If required by law or public regulation or the tariff of the public utility having jurisdiction, or if Landlord discontinues such service to more than fifty per cent (50%) of the area then under lease to tenants on the ground floor of the Building, then Landlord may discontinue furnishing electricity to Tenant in the Premises at any time upon not less than sixty (60) days' notice (or upon such lesser number of days' notice of required by law or other applicable Requirement); provided, however, that if permitted by applicable law, regulations, the tariffs of the public utility or private provider of utility services supplying electricity to the Building and any other applicable Requirements, so long as Tenant shall be diligently attempting to obtain electricity from an alternative source, Landlord shall not discontinue furnishing electricity to Tenant until Tenant has arranged for a reasonably satisfactory alternate source of electricity. If Landlord exercises such right to discontinue furnishing electricity to Tenant, this Lease shall continue in full force and effect and shall be unaffected thereby. If Landlord so discontinues furnishing electricity to Tenant, Tenant shall arrange to obtain electricity directly from the public utility company or private provider of utility services furnishing electric service to the Building. Such electricity may be furnished to Tenant by means of the then existing Building system feeders, risers and wiring to the extent that the same are, in Landlord's reasonable judgment, available, suitable and safe for such purposes. All meters and additional panel boards, feeders, risers, wiring and other conductors and equipment which may be required to obtain electricity directly from such public utility company or private provider of electricity service shall be installed and maintained by Tenant at Tenant's sole expense.

Section 17.5 **Tax on Electricity**. If any tax is imposed upon Landlord by any Federal, State, Municipal or other taxing authority with respect to the Electricity Charge, furnished as a service to Tenant, Tenant covenants and agrees that where permitted by law or applicable regulations, Tenant will pay directly (or, at Landlord's option will reimburse Landlord for) Tenant's pro rata share of such taxes.

Section 17.6 **No Interference by Tenant.** Tenant shall not interfere with electrical service to other tenants of the Building. Tenant shall not make or perform, or permit the making or performance of, any Alterations to wiring installations or other electrical facilities in or serving the Premises without the prior consent of Landlord in each instance, and in compliance with this Lease.

ARTICLE 18

ACCESS TO PREMISES

Section 18.1 **Landlord's Access**. (a) Tenant shall permit Landlord, Landlord's agents, utility companies and other service providers servicing the Building to erect, use and maintain concealed ducts, pipes and conduits in and through the Premises, provided such use does not cause the useable area of the Premises to be reduced beyond a *de minimis* amount. Landlord shall promptly repair any damage to the Premises or Tenant's Property caused by any work performed pursuant to this Article 18.

(b) Landlord, any Lessor or Mortgagee and any other party designated by Landlord and their respective agents shall have the right to enter the Premises at all reasonable times, upon reasonable notice (which notice may be oral) except in the case of emergency, in which event notice shall not be required, (i) to examine the Premises, (ii) to show the Premises to prospective purchasers, Mortgagees or Lessors of the Real Property and their respective agents and representatives or others, and, during the last twelve (12) months of the Term, to prospective lessees of premises in the Building, and (iii) to make such repairs, alterations or additions to the Premises or the Building (A) as Landlord may deem necessary or desirable, (B) which Landlord may elect to perform following Tenant's failure to perform, or (C) to comply with any Requirements, and Landlord shall be allowed to take all material into the Premises that may be required for the performance of such work without the same constituting an actual or constructive eviction of Tenant in whole or in part and without any abatement of Rent.

(c) All parts (except surfaces facing the interior of the Premises) of all walls, windows and doors bounding the Premises, including exterior Building walls, exterior core corridor walls, and doors and entrances (other than doors and entrances solely connecting areas within the Premises), all balconies, terraces and roofs adjacent to the Premises, all space in or adjacent to the Premises used for shafts, stacks, risers, fan rooms, electrical and communications closets, stairways, mail chutes, conduits and other mechanical facilities, Building Systems and Building facilities are not part of the Premises, and Landlord shall have the use thereof and access thereto through the Premises for the purposes of Building operation, maintenance, alteration and repair.

Section 18.2 Alterations to Building. Landlord has the right at any time to (i) change the name, number or designation by which the Building is commonly known, or (ii) alter the Building to change the arrangement or location of entrances or passageways, doors and doorways, and corridors, elevators, stairs, toilets, or other public parts of the Building without any such acts constituting an actual or constructive eviction and without incurring any liability to Tenant, so long as such changes do not deny Tenant access to the Premises. Without limiting the generality of the foregoing, Landlord shall have the right to erect and maintain sidewalk bridges and/or scaffolding on or about the Premises and/or the Building, in which event Landlord shall place appropriate signage identifying Tenant on such sidewalk bridges and/or scaffolding. Landlord shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises during the making of such changes or alterations, provided that Landlord shall have no obligation to employ contractors or labor at overtime or other premium pay rates or to incur any other overtime costs or additional expenses whatsoever.

ARTICLE 19

DEFAULT

Section 19.1 Tenant's Defaults. Each of the following events shall be an "Event of Default" hereunder:

(a) Tenant fails to pay when due any installment of Fixed Rent or Additional Rent and such default continues for five (5) days after Landlord's written notice of such default is given to Tenant; *provided, however*, that if Tenant shall default in the timely payment of Fixed Rent or Additional Rent two (2) times in any period of twelve (12) months, then, notwithstanding that such defaults shall have each been cured within the applicable period provided above, upon any further default in the timely payment of Fixed Rent or Additional Rent, Landlord may serve a three (3) days' notice of termination upon Tenant and Tenant shall have no right to cure such default (it being understood that such further default shall automatically and without notice be deemed to be an Event of Default); or

(b) Tenant defaults in observing or performing the provisions of Sections 3.1(a) or 3.4, and such default continues for five (5) Business Days after written notice; or

(c) if Landlord applies or retains any part of the Security Deposit, and Tenant fails to deposit with Landlord the amount so applied or retained by Landlord, or to provide Landlord with a replacement Letter of Credit (as defined in Section 34.2), if applicable, within five (5) days after written notice by Landlord to Tenant stating the amount applied or retained; or

(d) Tenant defaults in the observance or performance of any other term, covenant or condition of this Lease to be observed or performed by Tenant (other than a default of the type described in Sections 19.1(a), (b), (c), (e), (f), (g), (h), or (i)) and such default continues for more than fifteen (15) days after written notice by Landlord to Tenant of such default; or if such default is of such a nature that it can be remedied but cannot be completely remedied within fifteen (15) days, Tenant fails to commence to remedy such default within fifteen (15) days after such written notice; or, with respect to any such default, Tenant, having commenced such remedy within fifteen (15) days after sucb written notice, fails to diligently prosecute to completion all steps necessary to remedy such default, or Tenant fails to complete such remedy within sixty (60) days; or

(e) Tenant defaults in the observance or performance of any term, covenant, or condition on Tenant's part to be observed or performed under any other lease with Landlord or Landlord's predecessor-in-iuterest for space in the Building, and such default shall continue beyond any grace period set forth in such other lease for the remedying of such default; or

(f) Tenant's interest in this Lease shall devolve upon or pass to any Person, whether by operation of law or otherwise, except as expressly permitted under Article 16 hereof; or

(g) Tenant generally does not, or is unable to, or admits in writing its inability to, pay its debts as they become due; or

(h) Tenant files a voluntary petition in bankruptcy or insolvency, or is adjudicated a bankrupt or insolvent, or files any petition or answer seeking any reorganization, liquidation, dissolution or similar relief under any present or future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or makes an assignment for the benefit of creditors or seeks or consents to or acquiesces in the appointment of any trustee, receiver, liquidator or other similar official for Tenant or for all or any part of Tenant's property; or

(i) if, within sixty (60) days after the commencement of any proceeding against Tenant, whether by the filing of a petition or otherwise, seeking bankruptcy, insolvency, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, such proceeding shall not have been dismissed, or if, within sixty (60) days after the appointment of any trustee, receiver, liquidator or other similar official for Tenant, or for all or any part of Tenant's property, without the consent or acquiescence of Tenant, such appointment shall not have been vacated or otherwise discharged, or if any lien, execution or attachment or other similar filing shall be made or issued against Tenant or any of Tenant's property pursuant to which the Premises shall be taken or occupied or attempted to be taken or occupied by someone other than Tenant.

Upon the occurrence of any one or more of such Events of Default, Landlord may, at its sole option, give to Tenant three (3) days' notice of cancellation of this Lease, in which event this Lease and the Term shall come to an end and expire (whether or not the Term shall have commenced) upon the expiration of such three (3) day period with the same force and effect as if the date set forth in the notice was the Expiration Date stated herein; and Tenant shall then quit and surrender the Premises to Landlord, but Tenant shall remain liable for damages as provided in Article 20 hereof.

Section 19.2 Tenant's Liability. If, at any time, (i) Tenant shall be comprised of (2) two or more Persons, (ii) Tenant's obligations under this Lease shall have been guaranteed by any Person other than Tenant, or (iii) Tenant's interest in this Lease shall have been assigned, the word "Tenant," as used in Sections 19.1(g), (h), and (i), shall be deemed to mean any one or more of the Persons primarily or secondarily liable for Tenant's obligations under this Lease. Any monies received by Landlord from or on behalf of Tenant during the pendency of any proceeding of the types referred to in this Article shall be deemed paid as compensation for the use and occupancy of the Premises and the acceptance of any such compensation by Landlord shall not be deemed an acceptance of Rent or a waiver on the part of Landlord of any rights under this Lease. This Lease and the obligations of Tenant to pay Rent and to perform all of the other covenants and agreements of Tenant hereunder shall not be affected, impaired or excused by any Unavoidable Delays.

ARTICLE 20

REMEDIES AND DAMAGES

Section 20.1 Landlord's Remedies. (a) If any Event of Default occurs, and this Lease terminates as provided in Article 19:

(i) **Surrender of Possession.** Tenant shall quit and surrender the Premises to Landlord, and Landlord and its agents may immediately, or at any time after such Event of Default, re-enter the Premises or any part thereof, without notice, either by summary proceedings, or by any other applicable action or proceeding, or by force (to the extent permitted by law) or otherwise in accordance with applicable legal proceedings (without being liable to indictment, prosecution or damages therefor), and may repossess the Premises and dispossess Tenant and any other Persons from the Premises and remove any and all of their property and effects from the Premises.

(ii) **Landlord's Reletting.** Landlord, at Landlord's option, may relet all or any part of the Premises from time to time, either in the name of Landlord or otherwise, to such tenant or tenants, for any term ending before, on or after the Expiration Date, at such rental and upon such other conditions (which may include concessions and free rent periods) as Landlord, in its sole discretion, may determine. Landlord shall have no obligation to and shall not be liable for refusal or failure to relet or, in the event of any such reletting, for refusal or failure to collect any rent due upon any such reletting; and no such refusal or failure shall relieve Tenant of, or otherwise affect, any liability under this Lease. Landlord, at Landlord's option, may make such alterations, decorations and other physical changes in and to the Premises as Landlord, in its sole discretion, considers advisable or necessary in connection with such reletting or proposed reletting, without relieving Tenant of any liability under this Lease or otherwise affecting any such liability.

(b) **Other Remedies.** Upon the breach or threatened breach by Tenant, or any Persons claiming through or under Tenant, of any term, covenant or condition of this Lease, Landlord shall have the right to enjoin such breach and to invoke any other remedy allowed by law or in equity as if re-entry, summary proceedings and other special remedies were not provided in this Lease for such breach. The rights to invoke the remedies set forth above are cumulative and shall not preclude Landlord from invoking any other remedy allowed at law or in equity.

(c) **Tenant's Waiver.** Tenant, on its own behalf and on behalf of all Persons claiming through or under Tenant, including all creditors, hereby waives all rights which Tenant and all such Persons might otherwise have under any Requirements (i) to the service of any notice of intention to re-enter or to institute legal proceedings, (ii) to redeem, or to re-enter or repossess the Premises, or (iii) to restore the operation of this Lease, after (A) Tenant shall have been dispossessed or ejected by judgment or by warrant of any court or judge, (B) any re-entry by Landlord, or (C) any expiration or early termination of the term of this Lease, whether such dispossession, re-entry, expiration or termination shall be by operation of law or pursuant to the provisions of this Lease. The words "re-enter," "re-entry" and "re-entered" as used in this Lease shall not be deemed to be restricted to their technical legal meanings.

Section 20.2 **Landlord's Damages**. (a) If this Lease and the Term expires and comes to an end as provided in Article 19, or by or under any summary proceeding or any other action or proceeding, or if Landlord shall re-enter the Premises as provided in Section 20.1, then, in any of such events:

(i) Tenant shall pay to Landlord all Rent payable under this Lease by Tenant to Landlord up to the Expiration Date or to the date of re-entry upon the Premises by Landlord, as the case may be;

(ii) Landlord shall be entitled to retain all monies, if any, paid by Tenant to Landlord, whether as prepaid Rent, the Security Deposit or otherwise, and to draw upon any Letter of Credit or other security deposited by Tenant hereunder and retain the proceeds thereof, which monies, to the extent not otherwise applied to amounts due and owing to Landlord, shall be credited by Landlord against any damages payable by Tenant to Landlord;

(iii) Tenant shall pay to Landlord, in monthly installments, on the days specified in this Lease for payment of installments of Fixed Rent, any Deficiency; it being understood that Landlord shall be entitled to recover the Deficiency from Tenant each month as the same shall arise, and no suit to collect the amount of the Deficiency for any month shall prejudice Landlord's right to collect the Deficiency for any subsequent month by a similar proceeding; and

(iv) whether or not Landlord shall have collected any monthly Deficiency, Tenant shall pay to Landlord, on demand, in lieu of any further Deficiency and as liquidated and agreed final damages, a sum equal to the amount by which the Rent for the period which otherwise would have constituted the unexpired portion of the Term (assuming Additional Rent during such period to be the same as had been payable for the year immediately preceding such termination or re-entry, increased in each succeeding year by 4% (on a compounded basis)) exceeds the then fair and reasonable rental value of the Premises, for the same period (with both amounts being discounted to present value at a rate of interest equal to 2% below the then Base Rate) less the aggregate amount of Deficiencies theretofore collected by Landlord pursuant to the provisions of Section 20.2(a)(iii) for the same period. If, before presentation of proof of such liquidated damages to any court, commission or tribunal, Landlord shall have relet the Premises or any part thereof for the period which otherwise would have constituted the unexpired portion of the Term or any part thereof, the amount of rent reserved upon such reletting shall be deemed, prima facie, to be the fair and reasonable rental value for the part or the whole of the Premises so relet during the term of the reletting.

(b) **Reletting.** If the Premises, or any part thereof, shall be relet together with other space in the Building, the rents collected or reserved under any such reletting and the expenses of any such reletting shall be equitably apportioned for the purposes of this Section. Tenant shall not be entitled to any rents collected or payable under any reletting, whether or not such rents exceed Fixed Rent reserved in this Lease. Nothing contained in Articles 19 or 20 shall be deemed to limit or preclude the recovery by Landlord from Tenant of the maximum amount allowed to be obtained as damages under applicable Requirements, or of any sums or damages to whicb Landlord may be entitled in addition to the damages set forth in this Section.

Section 20.3 Default Interest; Other Rights of Landlord. Any Rent or damages payable under this Lease and not paid when due shall bear interest at the Interest Rate from the due date until paid, and the interest shall be deemed Additional Rent. If Tenant fails to pay any Additional Rent when due, Landlord, in addition to any other right or remedy, shall have the same rights and remedies as in the case of a default by Tenant in the payment of Fixed Rent. If Tenant is in arrears in the payment of Rent, Tenant waives Tenant's right, if any, to designate the items against which any payments made by Tenant are to be credited, and Landlord may apply any payments made by Tenant to any items Landlord sees fit, regardless of any request by Tenant. Landlord reserves the right, without liability to Tenant and without constituting any claim of constructive eviction, to suspend furnishing or rendering to Tenant any overtime Building services or labor, materials or other property or services for which Tenant is obligated to pay a separate charge under this Lease (excluding electricity and water), in the event that (but only for so long as) Tenant is in arrears in paying Landlord for such items for more than five (5) days after notice from Landlord to Tenant demanding the payment of such arrears.

ARTICLE 21

LANDLORD'S RIGHT TO CURE; REIMBURSEMENT.

Section 21.1 **Landlord's Right to Cure**. If Tenant defaults in the performance of its obligations under this Lease, Landlord, without thereby waiving such default, may perform such obligation for the account and at the expense of Tenant: (i) immediately or at any time thereafter, and without notice, in the case of emergency or in case the default (A) materially interferes with the use by any other tenant of any space in the Building, (B) materially interferes with the efficient operation of the Building, (C) will result in a violation of any Requirements, (D) will result in a default under any Mortgage or Superior Lease, or (E) will result in a cancellation of any insurance policy maintained by Landlord, and (ii) in any other case if such default continues after ten (10) days from the date Landlord gives written notice of Landlord's intention so to perform the defaulted obligation. All costs and expenses incurred by Landlord in connection with any such performance by it for the account of Tenant and all costs and expenses, including reasonable counsel fees and disbursements, incurred by Landlord in any action or proceeding (including any summary dispossess proceeding) brought by Landlord to enforce any obligation of Tenant under this Lease and/or right of Landlord in or to the Premises, shall be paid by Tenant to Landlord on demand, with interest thereon at the Interest Rate from the date incurred by Landlord. Except as expressly provided to the contrary in this Lease, all costs and expenses which, pursuant to this Lease (including the Rules and Regulations) are incurred by Landlord and payable to Landlord by Tenant, and all charges, amounts and sums payable to Landlord by Tenant for any property, material, labor, utility or other services which, pursuant to this Lease or at the request and for the account of Tenant, are provided, furnished or rendered by Landlord, shall become due and payable by Tenant to Landlord in accordance with the terms of the bills rendered by Landlord to Tenant.

Section 21.2 **Reimbursement For Tenant's Default**. Tenant shall reimburse Landlord, within five (5) days after demand, for all expenditures (including reasonable attorney fees and disbursements) made by, or damages, costs or fines sustained or incurred by, Landlord due to any default by Tenant under this Lease, with interest thereon at the Interest Rate, from the date such expenditures were made, or damages, costs or fines incurred, until the date reimbursed by Tenant.

ARTICLE 22

NO REPRESENTATIONS BY LANDLORD; LANDLORD'S APPROVAL

Section 22.1 **No Representations**. Except as expressly set forth herein, Landlord and Landlord's agents have made no warranties, representations, statements or promises with respect to (i) the rentable and useable areas of the Premises or the Building, (ii) the amount of any current or future Taxes, (iii) the compliance with applicable Requirements of the Premises or the Building, or (iv) the suitability of the Premises for any particular use or purpose. No rights, easements or licenses are acquired by Tenant under this Lease, by implication or otherwise. Tenant is entering into this Lease after full investigation and is not relying upon any statement or representation made by Landlord not embodied in this Lease.

Section 22.2 **Written Approval.** All references in this Lease to the consent or approval of Landlord mean the written consent or approval of Landlord, duly executed by Landlord. All consents or approvals of Landlord may be granted or withheld in Landlord's sole discretion unless specifically provided to the contrary in this Lease.

Section 22.3 **No Money Damages**. (a) Wherever in this Lease Landlord's consent or approval is required, if Landlord refuses to grant such consent or approval, whether or not Landlord expressly agreed that such consent or approval would not be unreasonably withheld, Tenant shall not make, and Tenant hereby waives, any claim for money damages (including any claim by way of set-off, counterclaim or defense) based upon Tenant's claim or assertion that Landlord unreasonably withheld or delayed its consent or approval. Tenant's sole remedy shall be an action or proceeding to enforce such provision, by specific performance, injunction or declaratory judgment.

(b) In no event under this Lease shall Landlord be liable for, and Tenant, on behalf of itself and all other Tenant Parties, hereby waives any claim for, any indirect, consequential or punitive damages, including loss of profits or business opportunity, arising under or in connection with this Lease.

ARTICLE 23

END OF TERM

Section 23.1 **Expiration**. Upon the expiration or other termination of this Lease, Tenant shall quit and surrender the Premises to Landlord, vacant, broom clean and in the same condition as of the Commencement Date, ordinary wear and tear and damage for which Tenant is not responsible under the terms of this Lease excepted, and Tenant shall remove all of Tenant's Property and Tenant's Alterations as may be required pursuant to Article 5 of this Lease.

Section 23.2 **Holdover Rent**. Landlord and Tenant recognize that the damage to Landlord resulting from any failure by Tenant to timely surrender possession of the Premises may be substantial, may exceed the amount of the Rent theretofore payable hereunder, and will be impossible to accurately measure. Tenant therefore agrees that if possession of the Premises is not surrendered to Landlord on or before the Expiration Date or sooner termination of the Term, in addition to any other rights or remedies Landlord may have hereunder or at law, Tenant shall:

(a) pay to Landlord for each month (or any portion thereof) during which Tenant holds over in the Premises after the Expiration Date or sooner termination of the Term, as liquidated damages and not as a penalty, a sum equal to 200% of the greater of (i) the Rent payable under this Lease for the last full calendar month of the Term, or (ii) the fair market rental value of the Premises for such month (as reasonably determined by Landlord);

(b) be liable to Landlord for (i) any payment or rent concession which Landlord may be required to make to any tenant obtained by Landlord for all or any part of the Premises (a "New Tenant") in order to induce such New Tenant not to terminate its lease by reason of the holding-over by Tenant, and (ii) the loss of the benefit of the bargain if any New Tenant shall terminate its lease by reason of the holding-over by Tenant; and

(c) indemnify Landlord against all claims for damages by any New Tenant. No holding-over by Tenant, nor the payment to Landlord of the amounts specified above, shall operate to extend the Term hereof. Nothing herein contained shall be deemed to permit Tenant to retain possession of the Premises after the Expiration Date or sooner termination of this Lease, and no acceptance by Landlord of payments from Tenant after the Expiration Date or sooner termination of the Term shall be deemed to be other than on account of the amount to be paid by Tenant in accordance with the provisions of this Article 23.

ARTICLE 24

NO SURRENDER: NO WAIVER

Section 24.1 No Surrender or Release. No act or thing done by Landlord or Landlord's agents or employees during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender of the Premises shall be valid unless in writing and signed by Landlord. The delivery of keys to any employee of Landlord or Landlord's agent shall not operate as a termination of this Lease or a surrender of the Premises.

Section 24.2 No Waiver. No provision of this Lease shall be deemed to have been waived by any party unless such waiver is in writing and is signed by the party against whom such waiver is asserted, and any such waiver shall be effective only for the specific purpose and in the specific instance in which given. The failure of either party to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Lease, or any of the Rules and Regulations, shall not be construed as a waiver or relinquishment for the future performance of such obligations of this Lease or the Rules and Regulations, or of the right to exercise such election but the same shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt by Landlord of any Rent payable pursuant to this Lease or any other sums with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly Fixed Rent or Additional Rent herein stipulated shall be deemed to be other than a payment on account of the earliest stipulated Fixed Rent or Additional Rent, or as Landlord may elect to apply such payment, nor shall any endorsement or acceptance of any check or other payment in the face of a statement on such check or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Fixed Rent or Additional Rent or pursue any other remedy provided in this Lease. The existence of a right of renewal or extension of this Lease, or the exercise of such right, shall not limit Landlord's right to terminate this Lease in accordance with the terms hereof.

ARTICLE 25

WAIVER OF TRIAL BY JURY

Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other on any matters in any way arising out of or connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, or the enforcement of any remedy under any Requirements. If Landlord commences any summary proceeding against Tenant, Tenant will not interpose any counterclaim of any nature or description in any such proceeding (unless failure to impose such counterclaim would preclude Tenant from asserting in a separate action the claim which is the subject of such counterclaim), and will not seek to consolidate such proceeding with any other action which may have been or will be brought in any other court by Tenant.

ARTICLE 26

INTENTIONALLY OMITTED

ARTICLE 27

NOTICES

(a) Except as otherwise expressly provided in this Lease, any consents, notices, demands, requests, approvals or other communications given under this Lease shall be in writing and shall be deemed sufficiently given or rendered if delivered by hand (provided a signed receipt is obtained) or if sent by registered or certified mail (return receipt requested) or by a nationally recognized overnight delivery service making receipted deliveries, addressed as follows:

(i) if to Tenant, (i) at Tenant's address set forth on the first page of this Lease, Attention: M&N Equipment Aviation LLC d/b/a M&N Aviation LLC, if given prior to Tenant's taking possession of the Premises, or

(ii) if to Landlord, at Landlord's address set forth on the first page of this Lease, Attention: Modern Aviation Properties LLC, and with copies to (A) Modern Aviation General Councel, Matt Davis, at mdavis@modern-aviation.com and (B) any Mortgagee or Lessor which shall have requested copies of notices, by notice given to Tenant in accordance with the provisions of this Article 27, at the address designated by such Mortgagee or Lessor; or

(iii) to such other address(es) as either Landlord or Tenant or any Mortgagee or Lessor may designate as its new address(es) for such purpose by notice given to the other in accordance with the provisions of this Article 27. Any such consent, notice, demand, request or other communication shall be deemed to have been given on the date of receipted delivery or refusal to accept delivery as provided in this Article 27, or the date delivery is first attempted but cannot be made due to a change of address of which no notice was given.

(b) Rent statements, if any, and bills for Additional Rent may be sent by regular mail or by personal delivery and shall be delivered to Tenant at the address set forth on the first page of this Lease, Attention: Deanna Baadsvik accounting@mandn.aero telephone number:720-979-0312.

ARTICLE 28

RULES AND REGULATIONS

Tenant and all Tenant Parties shall observe and comply with the Rules and Regulations, as supplemented or amended from time to time, provided, that in case of any conflict or inconsistency between the provisions of this Lease and any of the Rules and Regulations as originally promulgated or as supplemented or amended from time to time, the provisions of this Lease shall control. Landlord reserves the right, from time to time, to adopt reasonable additional Rules and Regulations and to amend the Rules and Regulations then in effect. Nothing contained in this Lease shall impose upon Landlord any obligation to enforce the Rules and Regulations or terms, covenants or conditions in any other lease against any other Building tenant, and Landlord shall not be liable to Tenant for violation of the Rules and Regulations by any other tenant, its employees, agents, visitors or licensees, except that Landlord shall not enforce any Rule or Regulation against Tenant in a discriminatory fashion.

ARTICLE 29

INTENTIONALLY OMITTED

ARTICLE 30

INTENTIONALLY OMITTED

ARTICLE 31

BROKERS

Each of Landlord and Tenant represents and warrants to the other that it has not dealt with any broker in connection with this Lease and that no broker, finder or like entity procured or negotiated this Lease or is entitled to any fee or commission in connection herewith. Each of Landlord and Tenant shall indemnify, defend, protect and hold the other party harmless from and against any and all Losses (as defined in Section 32.1(b)) whicb the indemnified party may incur by reason of any claim of or liability to any broker, finder or like agent arising out of any dealings claimed to have occurred between the indemnifying party and the claimant in connection with this Lease, or the above representation being false.

ARTICLE 32

INDEMNITY

Section 32.1 Indemnity. (a) Tenant or any Tenant Party shall not do or permit to be done any act or thing upon the Premises, the Building or the Real Property which may subject

Landlord to any liability or responsibility for injury, damages to persons or property or to any liability by reason of any violation of any Requirements, and shall exercise such control over the Premises as to fully protect the Indemnitees against any such liability. Tenant shall indemnify, defend, protect and hold harmless each of the Indemnitees from and against any and all Losses to which any Indemnitee may (except to the extent arising from the gross negligence or willful misconduct of any such Indemnitee in the operation and maintenance of the Building) be subject or suffer, whether by reason of, or by reason of any claim for, any injury to, or death of, any person or persons or damage to property (including any loss of use thereof) or otherwise arising from or in connection with the use of, or from any work or thing whatsoever done in, any part of the Premises (other than by such Indemnitee) or by any Tenant Party in the Building, during the Term or during the period of time, if any, prior to the commencement or following the expiration of the Term that any Tenant Party may have been given access to any portion of the Premises for the purpose of performing work or otherwise, or as a result of any Tenant Party performing any such work or otherwise that subjects any Indemnitee to any Requirements to which such Indemnitee would not otherwise be subject, or arising from any condition of the Premises due to or resulting from any default by Tenant in the keeping, observance or performance of any provision contained in this Lease or from any act or negligence of any Tenant Party.

(b) **Indemnity Inclusions.** As used in this Lease, the term "Losses" means any and all losses, liabilities, damages, claims, judgments, fines, suits, demands, costs, interest and expenses of any kind or nature (including reasonable attorneys' fees and disbursements) incurred in connection with any claim, proceeding or judgment and the defense thereof, and including all costs of repairing any damage to the Premises, the Building or the Real Property or any part thereof, or the appurtenances of any of the foregoing, to which a particular indemnity and hold harmless agreement applies.

Section 32.2 Defense and Settlement. If any claim, action or proceeding is made or brought against any party entitled to indemnification hereunder, then, upon demand by the indemnified party, the indemnifying party, at its sole cost and expense, shall resist or defend such claim, action or proceeding in the indemnified party's name (if necessary), by attorneys approved by the indemnified party, which approval shall not be unreasonably withheld. Attorneys for the indemnifying party's insurer shall hereby be deemed approved for purposes of this Section 32.2. Notwithstanding the foregoing, an indemnified party may retain its own attorneys to participate or assist in defending any claim, action or proceeding involving potential liability of $1,000,000 or more, provided that the indemnifying party shall control the defense and the indemnifying party shall pay the reasonable fees and disbursements of such attorneys. Notwithstanding anything herein contained to the contrary, the indemnifying party may direct the indemnified party to settle any claim, suit or other proceeding provided that (i) such settlement shall involve no obligation on the part of the indemnified party other than the payment of money, (ii) any payments to be made pursuant to such settlement shall be paid in full exclusively by the indemnifying party at the time such settlement is reached, (iii) such settlement shall not require the indemnified party to admit any liability or wrongdoing, and (iv) the indemnified party shall have received an unconditional release from the other parties to such claim, suit or other proceeding.

ARTICLE 33

SECURITY DEPOSIT

Section 33.1 **Security Deposit**. (a)Contemporaneously with execution of this Lease, Tenant shall deliver to Landlord, as security for the performance of Tenant's obligations under this Lease, a check in the amount of set forth as the Security Deposit in Article 1 (the "**Security Deposit**"). Landlord may apply the Security Deposit to remedy defaults by Tenant in the payment or performance of any of Tenant's obligations under this Lease. If Landlord shall have applied all or any part of the Security Deposit, Tenant shall upon demand deposit with Landlord a sum equal to the amount so applied by Landlord.

(b) Provided Tenant is not in default under this Lease and Tenant has surrendered the Premises to Landlord in accordance with all of the terms and conditions of this Lease, on or before the date that is sixty (60) days after the Expiration Date, Landlord shall return to Tenant the unapplied portion of the Security Deposit then held by Landlord.

Section 33.2 **Nature of Security Deposit**. No trust relationship is created herein between Landlord and Tenant with respect to said Security Deposit. Tenant acknowledges that the Security Deposit is not an advance payment of any kind or a measure of or limit on Landlord's damages in the event of Tenant's default. Any application of the Security Deposit by Landlord shall be without prejudice to any other right or remedy. Tenant hereby waives the provisions of any law which is inconsistent with this Article 33.

ARTICLE 34

MISCELLANEOUS

Section 34.1 **Delivery**. This Lease shall not be binding upon Landlord unless and until Landlord shall have executed and delivered a fully executed copy of this Lease to Tenant.

Section 34.2 **Transfer of Real Property**. Landlord's obligations under this Lease shall not be binding upon the Landlord named herein after the sale, conveyance, assignment, transfer or lease of Landlord's interest (collectively, a "Transfer") by Landlord (or upon any subsequent landlord after the Transfer by such subsequent landlord) of its interest in the Building or the Real Property, as the case may be, and in the event of any such Transfer, Landlord (and any such subsequent landlord) shall be entirely freed and relieved of all covenants and obligations of Landlord hereunder thereafter arising, and the transferee of Landlord's interest (or that of such subsequent landlord) in the Building or the Real Property, as the case may be, shall be deemed to have assumed all obligations under this Lease.

Section 34.3 **Limitation on Liability**. The liability of Landlord for Landlord's obligations under this Lease shall be limited to Landlord's interest from time to time in the Real Property and the proceeds derived therefrom and Tenant and any Tenant Party shall not look to any other property or assets of Landlord or the property or assets of any of the Indemnitees in seeking either to enforce Landlord's obligations under this Lease or to satisfy a judgment for

Landlord's failure to perform such obligations; and none of the Indemnitees shall be personally liable for the performance of Landlord's obligations under this Lease.

Section 34.4 **Rent**. Notwithstanding anything to the contrary contained in this Lease, all amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated Fixed Rent, Tenant's Tax Payment, Additional Rent, or Rent, shall constitute rent for the purposes of Section 502(b)(6) of the United States Bankruptcy Code and other Requirements.

Section 34.5 **Entire Agreement**. This Lease (including any Schedules and Exhibits referred to herein and all supplementary agreements provided for herein) contains the entire agreement between the parties and all prior negotiations and agreements are merged into this Lease. All of the Schedules and Exhibits attached hereto are incorporated in and made a part of this Lease, provided that, in the event of any inconsistency between the terms and provisions of this Lease and the terms and provisions of the Schedules and Exhibits hereto, the terms and provisions of this Lease shall control. All Article and Section references set forth herein shall, unless the context otherwise requires, be deemed references to the Articles and Sections of this Lease.

Section 34.6 **Governing Law**. This Lease shall be governed in all respects by the laws of the State of Colorado.

Section 34.7 **Partial Unenforceability**. If any provision of this Lease, or its application to any Person or circumstance, shall ever be held to be invalid or unenforceable, then in each such event the remainder of this Lease or the application of such provision to any other Person or any other circumstance (other than those as to which it shall be invalid or unenforceable) shall not be thereby affected, and each provision hereof shall remain valid and enforceable to the fullest extent permitted by law.

Section 34.8 **Consent to Jurisdiction**. (a) Except as expressly provided to the contrary in this Lease, Tenant and any Tenant Party agree that all disputes arising, directly or indirectly, out of or relating to this Lease, and all actions to enforce this Lease, shall be dealt with and adjudicated in the state courts of the State of Colorado or the federal courts for the United States District Court having jurisdiction of the area in which the Real Property is located; and for that purpose Tenant and any Tenant Party expressly and irrevocably submit themselves to the jurisdiction of such courts. Tenant and any Tenant Party agree that so far as is permitted under applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action, other than service of process in one of the manners specified in this Lease, or as otherwise permitted by law, shall be necessary in order to confer jurisdiction upon it in any such court. Tenant and any Tenant Party further agree that judgment against them in any such action or proceeding shall be conclusive and, to the extent permitted by applicable law, may be enforced in any other jurisdiction within or outside the United States of America by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of its indebtedness.

(b) To the extent that Tenant and any Tenant Party have or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution,

execution or otherwise) with respect to itself or its property, Tenant irrevocably waives such immunity in respect of its obligations under this Lease.

Section 34.9 **Survival**. All obligations and liabilities of Landlord or Tenant to the other which accrued before the expiration or other termination of this Lease, and all such obligations and liabilities which by their nature or under the circumstances can only be, or by the provisions of this Lease may be, performed after such expiration or other termination, shall survive the expiration or other termination of this Lease. Without limiting the generality of the foregoing, the rights and obligations of the parties with respect to any indemnity under this Lease, and with respect to Fixed Rent, Tenant's Tax Payment and any other amounts payable under this Lease, shall survive the expiration or other termination of this Lease.

Section 34.10 **Estoppels**. Within ten (10) days following request from Landlord, any Mortgagee or any Lessor, Tenant shall deliver to Landlord a statement executed and acknowledged by Tenant, in form satisfactory to Landlord, (i) stating the Commencement Date and the Expiration Date, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (ii) setting forth the date to which Fixed Rent and any Additional Rent have been paid, together with the amount of monthly Fixed Rent and Tenant's Tax Payment then payable, (iii) stating whether or not, to the actual knowledge of Tenant, Landlord is in default under this Lease, and, if Tenant asserts that Landlord is in default, setting forth the specific nature of any such defaults, (iv) stating whether Landlord has failed to complete any work required to be performed by Landlord under this Lease, (v) stating whether there are any sums payable to Tenant by Landlord under this Lease, (vi) stating the amount of the Security Deposit, if any, under this Lease, (vii) stating whether there are any subleases affecting the Premises, (viii) stating the address of Tenant to which all notices and communications under this Lease shall be sent, and (ix) responding to any other matters reasonably requested by Landlord, such Mortgagee or such Lessor. Tenant acknowledges that any statement delivered pursuant to this Section 34.10 may be relied upon by any purchaser or owner of the Real Property or the Building, or all or any portion of Landlord's interest in the Real Property or the Building or under any Superior Lease, or by any Mortgagee or assignee thereof, or by any Lessor or assignee thereof.

Section 34.11 **Certain Rules of Interpretation**. For purposes of this Lease, whenever the words "include", "includes", or "including" are used, they shall be deemed to be followed by the words "without limitation", and, whenever the circumstances or the context requires, the singular shall be construed as the plural, the masculine shall be construed as the feminine and/or the neuter and vice versa. This Lease shall be interpreted and enforced without the aid of any canon, custom or rule of law requiring or suggesting construction against the party drafting or causing the drafting of the provision in question.

Section 34.12 **Captions**. The captions 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 this Lease or the intent of any provision hereof.

Section 34.13 **Parties Bound**. The terms, covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and, except as otherwise provided in this Lease, to their respective legal representatives, successors, and assigns.

Section 34.14 **Recording**. Neither this Lease nor any memorandum of this Lease shall be recorded.

Section 34.15 **Counterparts**. This Lease may be executed in duplicate counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.

Section 34.16 **OFAC Certification**. Tenant hereby represents and certifies to Landlord that neither it nor any of its members, officers, directors or other principals are on the list kept by the U.S. Treasury Department's Office of Foreign Assets Control containing the names of specially designated nations who have either committed or pose a significant risk of committing acts of terrorism. Tenant shall indemnify and hold Landlord harmless from any third-party claims arising out of or in connection with the foregoing representation and certification being untrue and in the event such representation and certification is untrue, the same shall be deemed an incurable default by Tenant under the Lease.

ARTICLE 35

RENEWAL RIGHT

Section 35.1 **Renewal Right**. Tenant shall have the option to renew this Lease for one (1) additional term of one (1) year by providing written notice to Landlord no later than three (3) months prior to the Expiration Date. If Tenant timely exercises such option, the Base Rent during the renewal term shall be equal to the Base Rent payable during the final Lease Year of the initial Term, increased by the greater of (i) the percentage increase in the Consumer Price Index for the Denver-Aurora-Lakewood, Colorado metropolitan area (or any successor index thereto) during the preceding twelve (12) month period, or (ii) three percent (3%).

[Signatures appear on following page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:

[Modern Aviation Properties LLC]

By: ______________________

Name: Antonio Marino

Title: General Manager

TENANT:

[M&N Equipment, LLC]

By: ______________________

Name: Todd Schieck

Title: Managing Director

Tenant's Federal Identification Number or Social Security Number:

[redacted]

AmericasActive:20302615.2

SCHEDULE A

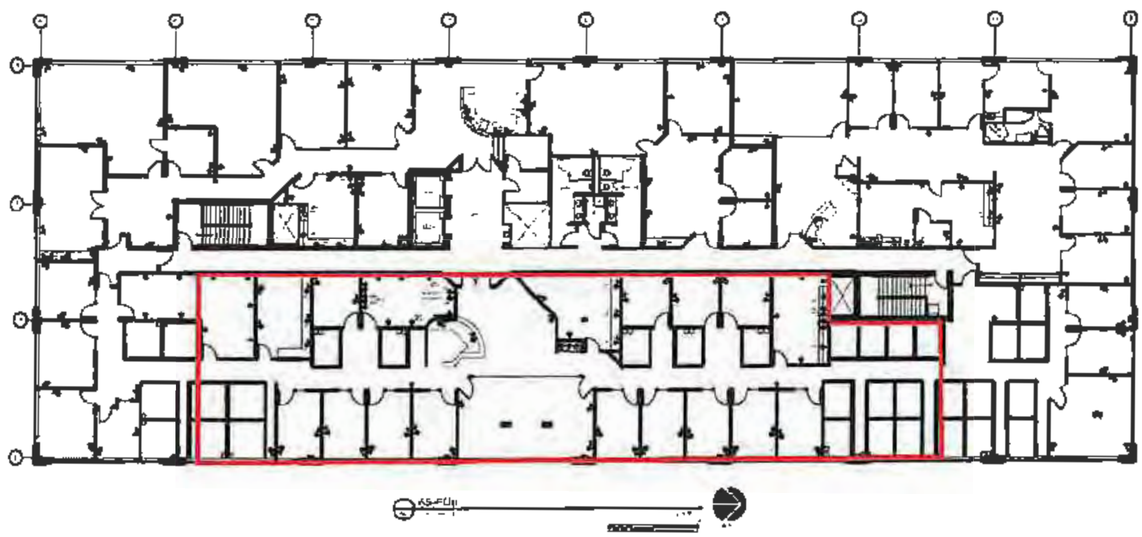
FIXED RENT

[redacted]

EXHIBIT A

FLOOR PLAN

The floor plan which follows is intended solely to identify the general location of the Premises, and should not be used for any other purpose. All areas, dimensions and locations are approximate, and any physical conditions indicated may not exist as shown.



ONE INTERPORT - LEVEL THREE

8001 INTERPORT BOULEVARD
ENGLEWOOD, COLORADO 80412
SCALE: N.T.S.
ISSUED: 15 JANUARY 2008

AmericasActive:20302615.2

AGREEMENT UNDER STANDARDS

THIS AGREEMENT, between the Arapahoe County Public Airport Authority ("Authority") and M&N Equipment, LLC a Wyoming Limited Liability Company d/b/a M&N Aviation ("Licensee"), dated the 10th day September 2026, effective the 14th of September 2026.

WHEREAS, Authority is responsible for the operation and maintenance of the Centennial Airport, hereinafter referred to as "Airport"; and

WHEREAS, the Authority has adopted Minimum Standards for Commercial Aeronautical Activities as may be amended from time to time ("Standards") at the Airport, and

WHEREAS, Licensee's current operating authorization under Standards expires on the 13th of September 2026; and

WHEREAS, Licensee has met all the reapplication requirements stipulated within said Standards for the conduct of the activities proposed and has made application for the licensing of its operation; and

WHEREAS, Licensee submitted its reapplication under Standards to the Authority on the 31th day of August 2026; and

WHEREAS, Licensee proposes to continue its based commercial aeronautical activities at Centennial Airport; and

WHEREAS, Licensee continues to operate its business from its off-airport premises at 8001 S. Interport Blvd ("Premises") from Modern Aviation Properties, LLC pursuant to a "Lease: Office Lease" dated the 1st day of June, 2026 (hereinafter "Sublease Agreement"); and

WHEREAS, Licensee has continually operated its activities at Centennial Airport since August 2006.

NOW, THEREFORE, the parties hereto agree as follows:

1. Authorized Activities: Authority grants Licensee the right to conduct the following named commercial aeronautical activities under the Standards at the Premises:

<u>Air Charter as defined under Part 3 Section (5)</u>

2. Term: The authorization granted Licensee to conduct the above-named commercial aeronautical activities shall terminate ten (10) years from the date of this Agreement or upon the expiration of the term of the Sublease Agreement as may be amended by the parties thereto whichever occurs first. Licensee may renew the agreement by submitting an application and demonstrating compliance with all requirements of the Standards in place at the time of renewal.

3. Fees:

a. Licensee shall pay to Authority the fees prescribed in Exhibit A attached hereto and made a part hereof adopted by the Authority September 8, 1994. It is understood that the fees may be increased or decreased from time to time by the Authority and Licensee agrees to be bound by any changes to the fees in Exhibit A hereafter made by the Authority and to make payment to the Authority in accordance therewith.

b. The Fees specified in the in Exhibit A shall be paid annually; the initial payment of <u>$0.00</u> to be made by Licensee upon execution of this Agreement and subsequent payments made prior to February 1 of each succeeding year.

c. In the event of termination of service by Licensee subsequent to the date of this Agreement, the Annual Fees for this activity shall be adjusted in accordance with the following formula:

Prior to 1 April	Full Fee
Between 1 April and 30 June	3/4 Fee
Between 1 July and 30 September	1/2 Fee
Between 1 Oct. and 31 Dec.	1/4 Fee

4. Delinquency: The payments set forth in paragraph 3b above must be kept current. Interest from the due date shall be charged on any payment overdue at the rate of one and one-half percent (1 1/2%) for month prorated for the number of days late and based on the date of receipt of payment by Authority.

5. Place and Manner of Payments: All payments required to be made hereunder by Licensee to Authority shall be made at the Airport Manager's Office at the Airport. All payments shall be made in legal tender of the United States. All checks shall be received by Authority subject to collection of any such checks.

6. Books and Records: Licensee shall keep and maintain at Airport or at such other place as may be approved in writing by Authority, true and accurate books and records regarding Licensee's operations under the terms of this Agreement in a form satisfactory to Authority.

7. Inspection: Authorized representatives of the Authority shall have the right to inspect the premises of Licensee at reasonable intervals during regular business hours to determine whether Licensee has complied and is complying with the terms and conditions of this Agreement.

8. Notifications:

a. Licensee agrees to comply with the requirements stipulated for conduct of <u>Air Charter</u> as set forth in said Standards and with the Airport Rules and Regulations, both of which may be amended from time to time by the Authority; and to notify the Authority with respect to any change in the elements of its operations, including but not limited to:

1) change in any required insurance coverage
2) change in hours of operation
3) change in qualification/certification required of its employees
4) change in location of required facilities
5) change in aircraft fleet

6) change in principals or key officials of Licensee
7) change in company name
8) change in the scope of business services along with amendments to FAA certifications concerning such operations

b. All notices required hereunder shall be made to the Authority as follows: Executive Director, 7565 South Peoria Street, Unit D9, Englewood, Colorado 80112, and to Licensee: 8001 South Interport Blvd, Suite 350, Englewood, CO 80112 All notices shall be hand delivered or sent certified mail, return receipt requested.

9. Insurance:

a. Licensee agrees that it will at all times during the terms of this agreement, at its cost and expense, provide and keep in force a policy or policies of insurance as described on Exhibit A attached hereto and made a part hereof; and include the Authority, its officers, and agents as additional insured. All policies of insurance required herein shall be in a form and in a company or companies approved by the Authority and qualified to do business in the state of Colorado. Licensee shall furnish proper certification and evidence of compliance to the Authority. Such certification shall provide that such policy may not be materially reduced or canceled by the insurer during its term without first giving thirty (30) days written notice by registered mail, return receipt requested, to Authority.

b. Licensee shall not violate the terms or prohibitions of any insurance policy herein required.

c. Authority shall not be under any obligation to prosecute, settle or adjust any claim which may accrue under any such policy of insurance.

10. Personnel:

a. The Licensee shall have in his employ and on duty during operating hours trained personnel in such numbers as are required to meet the Standards in an efficient manner for each aeronautical service being performed.

b. All personnel of Licensee are required to hold current Federal Aviation Administration certificates and ratings, as they are required.

11. Standard Clauses:

a. This Agreement grants Licensee the non-exclusive right to use the airfield and associated operational areas in common with others as authorized, which right shall be exercised in accordance with the laws of the United States of America and the State of Colorado, the rules and regulations promulgated by their authority with reference to aviation and air navigation, and all pertinent directives, Rules and Regulations of the Authority.

b. Licensee shall make its accommodations and/or services available to the public on fair and reasonable terms without unjust discrimination on the basis of race, color, religion, sex, age, handicap, or national origin.

c. Licensee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service; provided, that Licensee may be allowed to make reasonable and nondiscriminatory prices for each unit of service; provided, that Licensee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

d. Licensee shall maintain at its own expense all necessary permits and licenses required in the conduct of its business at the Airport.

e. Licensee shall at all times retain qualified and competent personnel to conduct its authorized activities and said personnel shall be authorized to represent and act for Licensee.

f. Licensee shall observe and obey all laws, ordinances, rules and regulations of the United States of America and of the State of Colorado, Arapahoe County, and the Authority which may be applicable to its operations at the Airport.

g. Licensee shall pay, in addition to the application and annual activity fees, as required herein, all other costs connected with the operation of said business including, but not limited to, insurance and taxes.

h. Licensee shall provide the Authority a schedule of the hours of operation that Licensee will be open to the public and the names and telephone numbers of Licensee's officials who shall be available at all hours of Licensee's operations at the Airport to perform required management functions.

i. Licensee shall conform to all applicable safety, health, environmental, and sanitary codes and agrees to cooperate with the Authority in its fire prevention efforts and comply with Airport Rules and Regulations.

j. Licensee is and shall be deemed to be an independent contractor in the conduct of its business and activities hereunder and shall be responsible to all persons for its acts of omission or commission and Authority shall in no way be responsible therefore. In the use of the Airport, Licensee shall indemnify Authority, Arapahoe County and the State of Colorado, their agents and employees, from any and all liability that may proximately result because of any negligence on the part of Licensee's officers, agents, or employees.

k. Licensee shall comply with the requirements of any Executive Order barring discrimination; further, in accordance with these requirements, Licensee shall not discriminate in any manner against any employee or applicant for employment because of political or religious opinion or affiliation, sex, race, creed, color, handicap, or national origin; and further, licensee shall include a similar clause in all subcontracts, except subcontracts for standard commercial supplies or raw materials. Licensee understands acknowledges that the Authority has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to non-discrimination which have been required by Title VI of the Civil Rights Act of 1964, and by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation, as a condition precedent to the Government making grants in aid to the Authority for certain Airport programs and activities, and that the Authority is required under said regulations to include in every agreement or concession pursuant to which any person or persons other than the Authority operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Licensee agrees:

> "Licensee, in its operation at and use of the Airport, covenants that it will not, on the grounds of sex, race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Title 49, Code of Federal Regulations Department of Transportation Subtitle A, Office of the Secretary, Part 21; and in the event of such discrimination; Licensee agrees that the Authority has the right to take such action against Licensee as the Government may direct to enforce this covenant."

l. Airport Development: The Authority reserves the right to further develop or improve the landing area of the Airport as it does sees fit and without unreasonable interference or hindrance.

m. Performance of Services: It is clearly understood by the Licensee that no rights or privileges have 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 provided, however, that such services shall be subject to the Rules and Regulations established by the Authority and shall be consistent with terms of any lease or sublease of hangar space.

n. Authority's Rights: The Authority reserves the right (but shall not be obligated to the Licensee) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport together with the right to direct and control all activities of the Licensee in this regard.

o. Airport Obstruction: The Authority reserves the right to take any action it considers appropriate to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the Licensee from erecting or permitting to be erected, any building or other structure on the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.

p. Subordination: This Agreement shall be subordinate to the provisions of any existing or future agreement between the Authority and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport. This subordination includes, but is not limited to, the right of the Authority, during time of war or national emergency, to lease the landing area, or any part thereof, to the United States for military or naval use, and if any such lease is made, the provisions of this Agreement shall be suspended.

q. Indemnity: (i) The Licensee shall hold the Authority, the Airport Manager and all other Airport personnel and their agents harmless from and against all suits, claims, demands, actions, and/or causes of action of any kind or nature in any way arising out of or resulting from Licensee's activities, and shall pay all expenses in defending any claims against the Authority by reason of Licensee's activities.

(ii) Licensee shall have no duty or obligation to hold harmless the Authority, the Airport Manager and all other Airport Personnel and their agents to extent such suits, claims, demands, actions, and/or causes of action are caused by the negligence or willful misconduct of the Authority, the Airport Manager, or other Airport Personnel and their agents.

r. No Sham Affidavit: All terms and conditions with respect to this Agreement are expressly contained herein, and the Licensee agrees that no representative or agent of the Authority has made any representation or promise with respect to this Agreement not expressly contained herein.

s. Assignment: All covenants, stipulations and provisions in this Agreement shall extend to and bind the legal representatives, successors and assigns; however, Licensee shall not assign or transfer this Agreement without the written approval of Authority which approval may be denied for any reason.

t. Exclusive Right: It is understood and agreed that nothing herein shall be to grant or authorize the granting of an exclusive right within the meaning of Section 308 (a) of the Federal Aviation Act of 1958, as amended.

u. Affirmative Action Program: The Licensee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Licensee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Licensee assures that it will require that its covered suborganizations provide assurances to the Licensee that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

v. Aircraft Leaseback, Sublease, or other Aircraft Operating Agreements:

(1) All aircraft leases, leasebacks, subleases or other aircraft operating agreements involving commercial activity between an aircraft owner/operator and Licensee shall be in writing and shall conform to the Standards for the respective aeronautical activities being performed under the subject agreement.

(2) Where such agreements involve or contemplate the right or responsibility or obligation to perform maintenance on aircraft (other than Preventive Maintenance), such agreements must involve reasonable use of and payment for the aircraft commensurate with the value and usage of said aircraft.

(3) A copy of all such agreements must be submitted to the Authority along with proof of compliance with all applicable Airport insurance requirements.

12. Cancellation and Termination: Authority may cancel and terminate this Agreement, with or without process of law, without liability, in the event any payment required hereunder is in arrears and remains unpaid for a period of thirty (30) days after the same is due, upon giving ten (10) days written notice to Licensee of the Authority's intention to terminate, at the end of which time all the rights Licensee hereunder shall terminate unless such payment, which shall have been stated in such notice, shall have been paid within such ten (10) days; provided, however, Licensee will be allowed only two (2) such notice within any twenty-four (24) month period to cure within the time specified in this paragraph. The third such notice in any twenty-four (24) month period shall be final and shall cancel and terminate all of the rights hereunder of Licensee without any right on the part of Licensee to cure such default after receiving such notice. In like manner, upon thirty (30) days written notice, Authority may cancel and terminate this Agreement in the event of any other non-monetary default of Licensee not cured within said thirty (30) day period.

13. Obligations Following Termination: Except as otherwise provided herein, in the event of cancellation and termination of this agreement by Authority as herein provided, parties shall have no further obligations hereunder, except that Licensee shall remain liable to the Authority for all damages, charges and fees accrued to the date of termination.

14. No Personal Liability: No commissioner, officer, or employee of Authority shall be held personally liable under this Agreement or because of its enforcement or attempted enforcement.

15. Entire Agreement: This Agreement covers and includes the entire agreement between the parties and there are no promises, representations, warranties, conditions, terms or obligations other than those contained herein. Licensee has read and understands the whole of this Agreement and now states that no representations, promises or agreements not expressed herein have been made to induce the Licensee to enter into it. Licensee understands that no Commissioner, Officer, or Agent of Authority has the authority to change, rescind, alter or modify the agreement in whole or in part.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed this 10th day of September 2026.

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY

(Seal)

____
Thad Bagnato, Chair

ATTEST:

____
Jeff Baker, Clerk

M&N Equipment LLC d/b/a
M&N Aviation

____
(Licensee)

____
Witness

EXHIBIT A

TO

AGREEMENT UNDER STANDARDS

BETWEEN

M&N EQUIPMENT, LLC D/B/A
M&N AVIATION
(“Licensee”)

AND

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
(“Authority”)

DATED

SEPTEMBER 10, 2026

EFFECTIVE

SEPTEMBER 14, 2026

This Exhibit A includes the following excerpts from Centennial Airport’s Minimum Standards for Commercial Aeronautical Activities, which may be amended from time to time.

Part 1 *– Introduction, Purpose & Definitions*
Part 2 *– General Requirements and Standards*
Part 3 Section (5) *– Specific Requirements for Air Charter*
Part 4 *– Application Contents and Hearing Process*

Centennial Airport's Minimum Standards for Commercial Aeronautical Activities

PART 1 - INTRODUCTION, PURPOSE & DEFINITIONS

Prudent and proper administration requires that standards be adopted to establish the minimum acceptable qualifications of participants, level and quality of service, and other conditions which will be required of those proposing to conduct commercial aeronautical activities at the Airport. The requirement to impose standards on those proposing to conduct commercial aeronautical activities on a public airport relates to the public interest and provides protection from irresponsible, unsafe or inadequate service.

The adoption and enforcement of such standards ensures that the Operator is reasonably fit, willing and able to discharge both its service obligations to its patrons and its economic obligations to the Airport community and thereby protects established commercial enterprises, the aviation user, and the public.

The standards established for any particular commercial aeronautical activity must be relevant to that activity, must be reasonable in scope and must be applied objectively and uniformly. Standards, thus established and applied, promote economic stability by discouraging unqualified applicants and foster the level of services desired by the public.

PURPOSE

These regulations prescribe minimum standards for the conduct of commercial aeronautical activities at Centennial Airport and specify certain clauses which will be included in lease/concession agreements permitting the conduct of such activities.

SEVERABILITY CLAUSE

If one or more clauses, sections or provisions of these Minimum Standards shall be held to be unlawful, invalid or unenforceable by final judgment of any court or competent jurisdiction, the invalidity of such clauses, sections or provisions shall not in any way affect any other clauses, sections or provisions of these Minimum Standards.

DEFINITIONS

As used in these regulations, the following terms shall have the following meanings:

Air Cargo, An Air Cargo operator is an entity that provides the carriage of property and operates under the appropriate FAR and operates aircraft in accordance with the weight limitations established for the Airport in its Rules and Regulations.

Air Charter, An Air Charter operator is an entity that provides on-demand non-scheduled passenger services and operates under the appropriate FAR with aircraft that provide no more than 30 passenger seats and are within the weight limitations established for the Airport in its Rules and Regulations.

Aircraft, means any contrivance, now known or hereafter invented, used, or designed for navigation of or flight in the air. Excluded from this definition are ultralights, gliders, and paragliders.

Aircraft Maintenance, means the repair, adjustment or inspection of aircraft. <u>Major repairs</u> include major alterations to the airframe, power plant, propeller and accessories as defined in Part 43 of the Federal Aviation Regulations. <u>Minor Repairs</u> include normal, routine annual inspection with attendant maintenance, repair, calibration or adjustment or repair of aircraft and their accessories.

Airport, means the Centennial Airport.

Airport Operating Area (AOA), means the ramp/taxilane system.

Airport Purpose, means any Authority action, undertaking or development that is consistent in maintaining the non-certificated status of the Airport and in preserving the Airport funding category as a "Reliever Airport" serving general aviation users. Under no circumstances shall the Airport Purpose include scheduled passenger services.

Authority, means the Arapahoe County Public Airport Authority formed pursuant to Article 3, Title 41, C.R.S.

Building, means the main portion of each structure, all projections or extensions therefrom and any additions or changes thereto, and shall include garages, outside platforms and docks, carports, canopies, eaves and porches. Paving, ground cover, fences, signs and landscaping shall not be included.

Commercial Aeronautical Activity, means any activity which involves, makes possible, or relates to the operation of aircraft, the purpose of such activity being to secure earnings, income, compensation or profit, whether or not such objective(s) is accomplished. Such activities as further defined under PART 3, Sections (2) through (12) include: Fixed Base Operator; Helicopter Fixed Base Operator, Airframe & Power Plant Repair; Avionics, Instrument & Propeller repair; Air Charter; Air Cargo; Aircraft Rental; Aircraft Sales; Flight Training; Commercial Flying Club; Specialized Commercial Aeronautical Activities. However, Commercial aeronautical activity shall not include any activity that is contrary to the Airport Purpose.

Development Guidelines, means any Authority approved guidelines governing development on the Airport. It includes but is not limited to such guidelines as the Development Policy & Application Procedures for Aeronautical & Non-Aeronautical Land Use at Centennial Airport.

DOT, means Department of Transportation.

DOT Part 380 Public Charter Operations ("380 Operator"), is an entity that furnishes passenger carrying on-demand air transportation to the general public by engaging the services of established Air Charter operators with aircraft that provide no more than 30 passenger seats and are within the weight limitations established for the Airport in its Rules and Regulations.

Entity, means a person, firm, corporation, partnership.

Equipment, means all machinery, together with the necessary supplies, tools and apparatus necessary to the proper conduct of the activity being performed.

Exclusive Rights, means the power, privilege or other right excluding or debarring another from enjoying or exercising a like power, privilege or right. An exclusive right may be conferred either by express agreement, by imposition or unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties by excluding others from enjoying or exercising a similar right or rights would be an exclusive right. *The granting of an exclusive right to conduct a commercial aeronautical activity on an airport developed by or improved with federal funds is expressly forbidden by law.*

FAA, means Federal Aviation Administration.

FAR, means Federal Aviation Regulations.

Fixed Based Operator (FBO), means an entity which maintains facilities at the Airport for the purpose of engaging in the retail sale of aviation fuels, aircraft sales/rental, flight instruction and training, air charter, air cargo, aircraft airframe and engine repair, avionics and aircraft line services. (Also, refer to the definition for Helicopter Fixed Based Operator.)

General Aviation, means that portion of civil aviation that encompasses all facets of aviation except scheduled air carriers.

Hazardous Material, means any hazardous or toxic substance, material or waste which is or becomes regulated by any local government authority, the State of Colorado or the United States Government. The term *Hazardous Material* includes without limitation, any substance that is (1) defined as a *hazardous substance* under appropriate state law provisions; (2) petroleum; (3) asbestos; (4) designated as *hazardous substance* pursuant to Section 311 of the Federal Water Pollution Control Act (33 USC Section 1321); (5) defined as *hazardous waste* pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 USC Section 9601); or (6) defined as *a regulated substance* pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 USC Section 6991).

Helicopter Fixed Based Operator (HFBO), means an entity which maintains facilities at the Airport for the purpose of exclusively providing helicopter fixed base services. These services include, the retail sale of aviation fuels to helicopters, helicopter sales/rental, flight instruction and training, helicopter charter, helicopter cargo, helicopter airframe and engine repair, avionics and helicopter line services.

Improvements, means all buildings, structures and facilities including pavement, fencing, signs and landscaping constructed, installed or placed on, under or above any leased area by or with the concurrence of a leased area by or with the concurrence of a lessee. Plans and specifications for all improvements must be approved by the Authority for conformity with its building and construction standards.

Landing, shall include all flights for revenue and non-revenue purposes including, but not limited to commercial, training, private, ferry and charter flights, except that there shall be excluded flights which return to the airport after take-off due to an emergency.

Landing Fee, means a fee expressed as an amount per available revenue seat (ARS).

Lease, means a contractual agreement between the Authority and an entity granting a concession or otherwise authorizing the conduct of certain activities which is in writing and enforceable by law.

Principals, means for Corporation all directors, officers, and stockholders holding more than 10% of the company stock; means for Partnerships all general and limited partners.

Ramp, means a paved area suitable for aircraft parking.

Repair Facility, means a facility utilized for the repair of aircraft to include airframe, power plant, propellers, radios, instruments and accessories. Such facility will be operated in accordance with pertinent FAA regulations.

Service Operator or Operator, means an entity which provides any one of the services listed under PART 3, Sections (2) through (12), inclusive. The following are not included within this definition:

- Employees of Aircraft Owners: The general criteria for employee status will be that the employer withholds income taxes, withholds and pays social security taxes and pays unemployment taxes on wages paid to the employee. Where this criteria is questioned, a Form SS-8 determination will be requested from the Internal Revenue Service.
- Services authorized by an FBO or HFBO within its hangar facilities for aircraft owned or leased by its sublessees. Such authorization will be provided in writing (on a form provided by the Authority) and timely filed with the Authority.

Sublease, means a lease granted by a lessee to another entity of all or part of the property.

Terminal Area, means the terminal proper, aircraft ramps, baggage-handling facilities, vehicular parking, spaces, including rental car areas, roadways, water, sanitary sewer, storm sewer, gas, electrical, cable TV and other areas and facilities the primary function of which is to serve the terminal and aircraft operations.

Tie-down, means the area, paved, or unpaved, suitable for parking and mooring of aircraft wherein suitable tied down points have been located.

PART 2 — GENERAL REQUIREMENTS AND STANDARDS

The general requirements set forth herein and in the specific activity requirements under PART 3, Sections (2) through (12) are the minimum which the Authority will require in agreements authorizing commercial activities and unless specifically limited, do not preclude applicants from seeking greater operating authority.

These general requirements cover the following categories for all applicants: 1) a written agreement with the Authority; 2) ground space, facilities and accommodations; 3)licenses and certifications; 4) personnel; 5) aircraft leaseback, sublease, or other operating agreements; 6) insurance; 7) motor vehicles used in operations; and 8) fees.

WRITTEN AGREEMENT WITH AUTHORITY

Prior to the commencement of an operation, the operator will be required to enter into an agreement with the Authority. Such agreements will recite the terms and conditions under which the business will be operated on the airport, including but not limited to, the term of the agreement, the rentals, fees, and charges, the rights and obligations of the respective parties understood, therefore, that neither conditions therein contained nor, those set forth in these Minimum Standards represent a complete recitation of the provisions to be included in the written agreement. Such provisions, however, will neither change nor modify the Minimum Standards nor be inconsistent therewith. Where the operator is a sublessee of a Fixed Base Operator, the term of the Agreement will be limited to the term of the Sublease not to exceed ten years.

GROUND SPACE, FACILITIES, AND ACCOMMODATIONS

The operator shall lease, sublease, and/or construct sufficient ground space, facilities and accommodations for the proposed commercial activity. Operator must provide copies of such leases or subleases to the Authority. Also, refer to the specific activity requirements sections for more specific ground space and facilities requirements than those listed below:

a. ***A full description and drawing of the location of the ground space, facilities, and accommodations to be utilized solely for the operator's proposed commercial activity***. Operator must identify the location of its aircraft parking and staging areas, customer lounges, baggage handling for 380 Operations, vehicle parking areas, and restrooms.

b. The ***ground space*** shall include a paved walkway within the leased or subleased area to accommodate pedestrian access to the operator's office, and when appropriate, a paved aircraft apron with tie-down or hangar facilities within the leased area sufficient to accommodate the activities being performed. Ground space shall also include sufficient space for automobile parking.

c. The ***facilities and floor space allotments*** shall include office and customer lounge facilities and, if applicable baggage handling facilities for the 380 Operations. All facilities must be properly heated, ventilated, cooled and lighted.

d. The ***public accommodations*** shall include telephones for customer use, restrooms, sufficient on-site customer auto parking spaces, and handicap access in accordance with any Federal, State and local regulations.

The operator shall maintain all pavement constructed by the operator. The maintenance of the interior of the building, utility costs, snow and trash removal shall be the operator's responsibility. Grass mowing and landscape maintenance within the operator's leased premises shall be the operator's responsibility.

For construction of any new facilities, the operator will be subject to the same standards of development as are contained in the Airport Master Plan and the Development Guidelines.

LICENSES AND CERTIFICATIONS

Operator shall comply with all Federal, State, County and/or municipal laws and regulations concerning its proposed operation and provide copies of all pertinent permits, licenses, and certifications.

PERSONNEL

The operator shall have in his employ and on duty during operating hours, trained personnel in such numbers as are required to meet the Minimum Standards and Specific Requirements set forth herein. The operator shall also provide a responsible person in the office to supervise the operations in the leased area and with authorization to represent and act for and on behalf of the operator during all business hours.

All personnel are required to hold the appropriate Federal Aviation Administration Certificates and ratings as applicable.

AIRCRAFT LEASEBACK, SUBLEASE, OR OTHER AIRCRAFT OPERATING AGREEMENTS

All aircraft leases, leasebacks, subleases or other aircraft operating agreements involving commercial activity between an aircraft owner/operator and other parties operating at the airport shall conform to the standards stipulated under PART 3, Sections (2) through (12) for the respective aeronautical activities being performed under the subject agreement.

Where such agreements contemplate the right or responsibility or obligation to perform maintenance on aircraft (Other than preventive maintenance), such agreements must involve reasonable use of and payment for aircraft commensurate with the value and usage of said aircraft.

A copy of all such agreements shall be provided to the Authority upon the execution of the agreements.

All aircraft leases, leasebacks, subleases or other aircraft operating agreements involving commercial aircraft activity at or from the Airport shall include the following: ***"This agreement shall not violate the Minimum Standards for Commercial Activities as set by the Arapahoe County Public Airport Authority nor shall this instrument be used for the purpose of evading any of Centennial Airport's Rules and Regulations."***

INSURANCE

The operator shall procure, maintain, and pay premiums during the term of the agreement, for insurance of the types and the minimum limits set forth in the specific requirements for the respective commercial aeronautical activities under PART 3, Sections (2) through (12). The insurance company writing the required policy or policies, shall be licensed to do business in the State of Colorado.

When more than one aeronautical service is proposed, the minimum limits will vary (depending upon the nature of the individual services in such combination) but will not necessarily be cumulative in all instances. It would not be necessary for the operator to carry insurance policies providing the aggregate or combined total of the minimum requirements of each of the selected activities; however, the operator would be required to provide insurance on all applicable exposures.

All insurance which the operator is required by the Authority to carry and keep in force shall include the Arapahoe County Public Airport Authority, its officers, and agents as additional insured. The operator shall furnish evidence of compliance with this requirement to the Authority with proper certification that such insurance in force and will furnish additional certification as evidence of changes in insurance not less than 10 days prior to any such change, if the change results in a reduction. In the event of cancellation of coverages, 30 days prior notification shall be conveyed to the Authority by the Underwriter.

The applicable insurance coverages shall be in force during the period of any construction of the operator's facilities and/or prior to the operator's entry upon the Airport for the conduct of its business.

Disclosure Requirement - All operators conducting rental, sales, or flight training shall post a notice and incorporate within their rental agreements the coverages and limits provided to the student or renter by the operator, as well as a statement advising that additional coverage is available to such student/renter through the purchase of an individual non-ownership liability policy. Operator shall provide a copy of such Notice to the Authority.

MOTOR VEHICLES ON AIRPORT

The operator will control the transportation of pilots and passengers to and from the operator's office to the operator's apron tied-down areas. The operator performing this service with motor vehicles driving on the AOA shall do so only in accordance with the Centennial Airport Rules and Regulations.

Any operator using service vehicles on the AOA in the support and conduct of its business shall procure and maintain motor vehicle liability insurance of not less than $500,000 per occurrence of Combined Single Limit coverage for Bodily Injury and Property Damage.

FEES

The operator shall pay the standard fees as specified by the Authority. Such fees are listed on the Specific Requirements for each commercial aeronautical activity category wider PART 3, Sections (2) through (12). These fees shall be specifically included in the Agreement executed with the Authority.

Any concession activity conducted on the leased premises shall similarly be subject to the standard rates and charges set by the Authority.

PART 3 Section (5) - SPECIFIC REQUIREMENTS FOR AIR CHARTER

An **Air Charter Operator** is an entity that provides on-demand non-scheduled passenger services and operates under the appropriate FAR with aircraft that provide no more than 30 passenger seats and are within the weight limitations established for the Airport in its Rules and Regulations.

In addition to the general requirements in PART 2, the following requirements must be met:

GROUND SPACE, FACILITIES, AND ACCOMMODATIONS

The operator shall provide hangar space or lease a paved tie down area with adequate facilities to park all its available for charter aircraft with paved access to taxiways.

If the operator contracts with any 380 Operators, then the operator must ensure it has leased adequate ground space, facilities, and accommodations to accommodate such 380 Operation; or the operator must make arrangements with an FBO to provide said accommodations.

SCOPE OF SERVICE

Aircraft - Operator shall have available for charter, either owned or under written lease to operator at least one aircraft or helicopter, which must meet the requirements of the appropriate FAR Certificate held by the operator, including instrument operations.

Licenses & Certifications - Operator shall have and provide evidence of the appropriate FAA and DOT certifications and approvals, including the Preapplication Statement of Intent (FAA Form 8400-6), the Registrations & Amendments Under Part 298 (OST Form 4507), the FAA issued operating certificate, or any other forms the FAA or DOT may require or adopt that are pertinent to this category.

Operating Hours - Operator shall have its services available to meet public demand for this category of service at least eight hours/day, five days each week.

Personnel - Operator shall have in its employ a sufficient number of qualified Commercial or Airline Transport Rated pilots. Operator shall provide at least one employee in the office at all times during the required operating hours.

FEES	
(as applicable)	
Application Fee:	$200.00
Annual Aircraft Fee:	
- Minimum of	$500.00
OR	
- Per Available Passenger Seat *(Whichever is greater)*	$50.00
Operators operating on behalf of a 380 Operator:	First year of operation at the Airport: $1.00 per available passenger seat, per departure. Second year and thereafter operating at the Airport: $2.00 per available passenger seat, per departure.

INSURANCE COVERAGE

Operator shall provide certificates of insurance evidencing the following coverages and minimum amounts:

Aircraft Liability per occurrence - Combined Single Limit for Bodily Injury and Property Damage with respect only to Passenger Bodily Injury, a minimum of $100,000 each person, based on passenger seating capacity as follows:

Seating Capacity	Amount
1 to 4 Passengers	$2,000,000
5 to 9 Passengers	$5,000,000
10 & Over Passengers	$15,000,000

Premises Liability - $1,000,000 per occurrence of Combined Single Limit for Bodily Injury and Property Damage.

Motor Vehicle Liability - If using service vehicles on the Air Operations Area in support of operations - $500,000 per occurrence of Combined Single Limit for Bodily Injury and Property Damage

Please note that the limits of liability listed above are the minimum required to operate at Centennial Airport. The Authority strongly recommends that all Operators secure higher limits of liability coverage.

Centennial Airport's Minimum Standards for Commercial Aeronautical Activities

PART 4 - APPLICATION CONTENTS AND HEARING PROCESS

Applications to perform any commercial aeronautical activities shall be in writing (either on applicant's own form or one provided by the Authority) and filed with the Authority. The application must demonstrate compliance with all the PART 2, General Requirements and the specific requirements under PART 3, Sections (2) through (12), and must contain the following as defined below: 1) Basic Business Information; 2) Certifications and Experience Information; 3) Financial & Market Information; 4) Insurance and Other Information.

PLEASE NOTE: Consistent with applicable law, financial information you submit may be confidential. If you wish to request that the financial information you submit be kept confidential, you must submit such information in a separate attached exhibit so indicated. Other information submitted as a part of the Application will be made available to the public upon request.

BASIC BUSINESS INFORMATION

A. Company name, mailing address and telephone number.

B. Proposed date for commencement of operations and proposed hours of operation.

C. Type of Business Services to be offered along with copies of any federal or state operating certificates.

D. Business Location including copies of existing or proposed leases or subleases as well as the following information:

1) For currently or proposed leases or subleases of existing structures or improvements - describe the amount, parcel, size, location of office, hangar (or tiedowns), and automobile parking areas to be utilized solely for applicant's proposed operation;

2) For proposed leases or subleases of unimproved airport areas - describe land to be leased and buildings and improvements to be constructed, together with automobile parking available and required for the proposed operations.

E. List of the principal owners and key personnel and their signatures.

CERTIFICATIONS & EXPERIENCE INFORMATION

A. Statement of past experience in the specified aviation business service or commercial aeronautical activity for which the application is made.
B. Describe personnel to be used, provide experience data and include copies of any applicable federal or state operating licenses or certifications.
C. List all applicable Federal, State, or local certifications and licenses currently held or to be obtained. Include copies of currently held licenses and certifications.
D. Describe number of aircraft to be utilized including makes, models, passenger seating capacity, cargo capacity, aircraft registration numbers (n-numbers) and copies of any applicable operating certificates.

FINANCIAL & BUSINESS INFORMATION

A. Provide a written confirmation of account status and history from bank.
B. Provide a full description of the proposed nature of the operation. Include all services to be provided, number of persons to be employed, and any expansion plans, etc.
C. Provide a statement of need for your proposed operation at the airport.
D. Provide a deposit equal to 50% of the anticipated annual aircraft and/or activity fees. *(Does not apply to activities under Sections 2 and 2.5,)*
E. Provide the appropriate non-refundable application fee.

PLEASE NOTE:
The Authority reserves the right to ask for additional financial and market information in order to determine whether the operator is reasonably fit, willing and able to discharge its economic obligations to the Airport community. Examples of additional information include but are not limited to market analysis, cash flow, profit and loss projections, financial statements prepared by a Certified Public Accountant, credit reports on the business or each party owning or having a financial interest in the business.

INSURANCE & OTHER INFORMATION

A. List types and amounts of insurance coverages to be maintained for the proposed operation and provide a Certificate of Insurance evidencing such coverage.
B. If proposed operation includes rental, sales or flight training, provide a copy of the student/renter insurance disclosure notice as well as evidence that the same notice has been incorporated in any rental agreements.

HEARING ON APPLICATION

A. Upon receipt of an application and submittal of a nonrefundable application fee, the Executive Director reviews the application for compliance. A public hearing will be scheduled for the Arapahoe County Public Airport Authority Board of Commissioner's consideration.

PLEASE NOTE: Any application which proposes an activity that may affect or change the Airport Purpose will not be allowed to operate at the Airport.

B. The "Public Hearing" will be scheduled during a regular or special meeting of the Authority Board and notification of the time and place of the hearing will be published at least one time in at least one of the Authority designated publications not less than 10 days before such hearing date.

C. No public hearing shall be conducted unless the applicant or a duly appointed representative is present.

D. At the time of the public hearing, the Authority Board shall hear all evidence for and against the application. After due deliberation the Authority Board shall either take the application under advisement until a future public hearing date or render a decision upon the application which shall become a matter of public record.

E. A public hearing on an application does not imply or express approval by the Airport Authority to operate on the airport. The Authority Board reserves the right to deny any application found to be invalid, incomplete, or contrary to the Airport Purpose.

F. Proceedings in the nature of Certiorari from a decision of the Airport Authority Board of Commissioners may be made to the District Court of the Eighteenth Judicial District, State of Colorado.

REAPPLICATION

A. ***No Change in Scope of Business*** - Upon expiration of the term of an Operator's written agreement with the Authority, Operator may reapply to extend such term and such application will be considered by the Board at a Public Meeting (with no public hearing) provided that the Operator has no changes in the scope of the previously approved commercial aeronautical activity; submits an application demonstrating compliance with the Minimum Standards in place at the time of the reapplication; and submits a reapplication fee equal to 50% of the current application fee specified for the activity for which the Operator is reapplying.

B. ***Changes in Scope of Business*** - Upon expiration of the term of an Operator's written agreement with the Authority, Operator may reapply to extend such term. However, if the Operator intends to change or expand the scope of its commercial aeronautical activities on the Airport, such reapplication will be treated as if a new applicant and will be considered at a Public Hearing. Operator must submit an application demonstrating compliance with the Minimum Standards in place at the time of the reapplication and submit the full application fee specified for the activity for which the Operator is applying.