



Airport Commission

Wednesday, October 15, 2025, 4:15 PM, Zoom/Wright Room at the Airport

PLEASE NOTE:

This meeting is will be held on zoom and in-person in the Wright Room at the Airport. Zoom Info:
Join from a PC, Mac, iPad, iPhone or Android device:
Jesse Sprague is inviting you to a scheduled Zoom meeting.

Topic: Airport Commission Special Meeting

Time: Oct 15, 2025 04:15 PM Eastern Time (US and Canada)

Join Zoom Meeting

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Meeting ID: 994 0767 6116

Passcode: 357855

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+16469313860,,99407676116#,,,,*357855# US

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<https://zoom.us/meetings/99407676116/invitations?signature=xQd2Ve8aUN7Lhl6a2UjLPzIltXIWL-conoThfnMAZeU>

1. Call to Order

Subject	1.1. Call to Order
Meeting	October 15, 2025 - Airport Commission Special Meeting - Wednesday, October 15, 2025, 4:15 PM, Zoom/Wright Room at the Airport
Category	1. Call to Order
Department	
Type	
Subject	1.2. Acknowledgement of Remote Commissioners
Meeting	October 15, 2025 - Airport Commission Special Meeting - Wednesday, October 15, 2025, 4:15 PM, Zoom/Wright Room at the Airport

Category 1. Call to Order

Department

Type

2. Agenda

2.1. Motion to amend/adopt agenda

3. Public Forum

Subject 3.1. PUBLIC FORUM - Verbal Comments

Meeting October 15, 2025 - Airport Commission Special Meeting - Wednesday, October 15, 2025, 4:15 PM, Zoom/Wright Room at the Airport

Category 3. Public Forum

Department

Type

4. Action Items

Subject 4.1. Request to execute a ground lease agreement with Beta Technologies

Meeting October 15, 2025 - Airport Commission Special Meeting - Wednesday, October 15, 2025, 4:15 PM, Zoom/Wright Room at the Airport

Category 4. Action Items

Department

Type

5. Commissioner Items

Subject 5.1. Commissioner Items

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Category 5. Commissioner Items

Department

Type

6. Follow-up Items

7. Adjournment

Subject 7.1. Motion to adjourn

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Category 7. Adjournment

Department Council and Board

Type

8. Informational and Non-Discrimination Statements

Subject	8.1. This agenda is available in alternative formats upon request. For more information on access, call Lori Olberg, Licensing, Voting and Records Coordinator (802-865-7136)(TTY 802-865-7142). Persons with disabilities who require assistance or special arrangements to participate are encouraged to contact 802-865-7000 (voice) or 802-865-7142 (TTY) at least 72 hours in advance so that proper arrangements can be made. This meeting will also air on Town Meeting TV the Wednesday after the meeting, starting at 8:00 pm and repeating at 1:00 am and 7:00 am the following day. The City of Burlington will not tolerate unlawful harassment or discrimination on the basis of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, crime victim status or genetic information.
Meeting	October 15, 2025 - Airport Commission Special Meeting - Wednesday, October 15, 2025, 4:15 PM, Zoom/Wright Room at the Airport
Category	8. Informational and Non-Discrimination Statements
Department	Council and Board
Type	

TO: Airport Commission

FROM: Patrick Leahy Burlington International Airport
Nicolas Longo, Director of Aviation

DATE: October 15, 2025

SUBJECT: Request to execute a ground lease agreement with Beta Technologies

REQUEST

The Patrick Leahy Burlington International Airport ("Leahy BTV") respectfully requests approval and authorization to execute a ground lease agreement with Beta Technologies for the purpose of building hangar space on the airfield.

Background

In 2024, the Airport published a map identifying all available locations (attached) for aeronautical development on the airfield. As part of this process, we received a few requests to build hangars on various locations. Specific to Area 5 labeled on the map, Beta technologies has identified this area and requested to lease from the Airport this parcel to build a hangar to support their mission along with their general aviation fleet. Area 5 is an unimproved lot of land, although it does have some underground infrastructure to support stormwater/underground systems which have been identified within the Beta discussions.

Beta Technologies has been a tenant at Leahy BTV since 2019. During this time, Beta has invested time and resources to improve spaces they occupy at the Airport. Beta is seeking additional hangar space. There are no existing hangars available for lease, so Beta is proposing to lease the ground space identified as Area 5 to build a hangar. Beta Technologies plans to fund and build the hangars and will maintain the space. The adjacent apron will remain available to the public as long as the area is not interfering with egress from the newly proposed hangar.

Lease Terms

The proposed amendment includes the following key terms:

- Effective date: _____, 2025
- Term: 30 years
- Rental Rate: \$0.50/land sf/month for an annual total of \$164,070.00 annually, or \$13,672.50 per month.

MOTIONS:

Airport Commission

Recommend memo as presented

Board of Finance:

“To approve and recommend that the City Council authorize the Mayor of the City of Burlington to execute the lease with Beta Technologies at the Patrick Leahy Burlington International Airport, subject to final review and approval by the City Attorney’s Office, and to take such further actions and execute such further instruments approved as to form by the City Attorney’s Office as may be necessary or convenient to effectuate the transactions contemplated hereby.”

City Council:

“To authorize the Mayor of the City of Burlington to execute the lease with Beta Technologies at the Patrick Leahy Burlington International Airport, subject to final review and approval by the City Attorney’s Office, and to take such further actions and execute such further instruments approved as to form by the City Attorney’s Office as may be necessary or convenient to effectuate the transactions contemplated hereby.”



GROUND LEASE AGREEMENT
BETWEEN
THE CITY OF BURLINGTON
AND
BETA TECHNOLOGIES
FOR THE
GENERAL AVIATION HANGAR, CULTURAL AND TRAINING CENTER AND ALIA STORAGE HANGAR

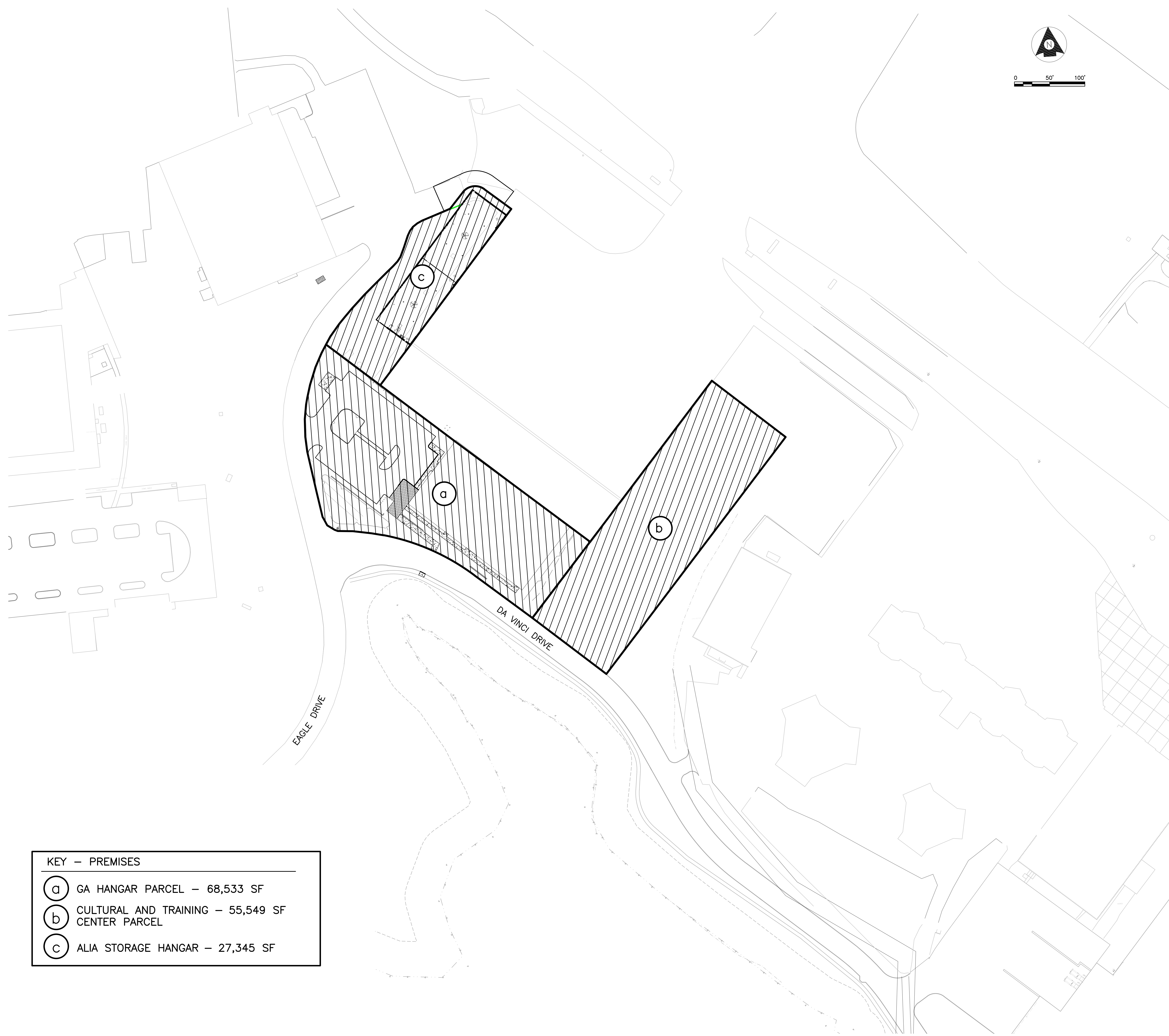
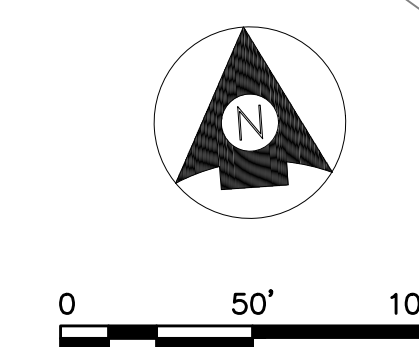


EXHIBIT B-1
LEASE PLAN

ISSUED
OCTOBER 7, 2025

EXHIBIT
B-1

KEY - PREMISES	
a	GA HANGAR PARCEL - 68,533 SF
b	CULTURAL AND TRAINING - 55,549 SF CENTER PARCEL
c	ALIA STORAGE HANGAR - 27,345 SF

GROUND LEASE

This Ground Lease (“Agreement” or “Lease”) is dated as of _____, 2025 (the “Effective Date”) and is made by and between **Beta Technologies, Inc.**, a Delaware corporation with a place of business in Burlington, Vermont (the “Tenant”) and the **City of Burlington**, a Vermont municipal corporation located in Chittenden County, Vermont (the “Landlord”) acting by and through Burlington International Airport.

Recitals

A. Landlord owns the real property (the “Property”) operated as the Patrick Leahy Burlington International Airport (the “Airport”) in South Burlington, Vermont, which is more particularly shown on **Exhibit A** attached hereto.

B. Landlord listed a portion of the Property as being available for lease and improvement, and Tenant, the only party who responded to such listing with a proposal to lease and improve such portion of the Property, responded to such listing by letter dated June 23, 2025 (collectively, the “Procurement”).

C. Tenant desires to ground lease a portion of the Property for the purpose of constructing and operating a project, consisting of a ±13,000 sq. ft. hangar containing a small flight training space to support aeronautical services and provide aircraft storage for other Airport tenants and users, together with related site improvements including parking, landscaping, lighting, driveways, walkways, service areas, and utilities (the “Project”), all to be used for commercial aeronautical purposes beneficial to the City, the aviation community, and the general public.

D. The portion of the Property on which the Project is proposed to be constructed is known as “Aeronautical Use Site, Area 5”, consisting of approximately 0.275 acres of land, more or less, and is depicted on **Exhibit B-1** attached hereto and is described on **Exhibit B-2** attached hereto (the “Premises”).
[NTD: Survey to be provided by Beta to more particularly determine the Premises]

In consideration of the mutual covenants and agreements herein set forth, and in reliance on the representations and warranties contained herein, the parties hereby agree as follows:

Section 1. **Premises; Project Milestones; Retained Rights; Condition; Landlord Obligations.**

(a) Premises. Landlord does hereby demise, let, rent and lease unto Tenant, and Tenant hereby hires and rents from Landlord, the Premises together with (i) the appurtenances, rights, privileges and easements in any way now or hereafter appertaining thereto to the extent required for Tenant’s reasonable use of the Premises (as determined by Tenant), (ii) the right, title and interest of Landlord in and to the land lying in the streets, avenues, ways and roads in front of and adjoining the Premises to the extent required for Tenant’s reasonable use of the Premises (as determined by Tenant), and (iii) all existing improvements and equipment on the Premises as of the Commencement Date, all subject to the terms and conditions of this Agreement. In addition, Tenant shall have, and Landlord hereby grants to Tenant the right, to use the apron adjacent to the Premises and connecting to the Airport’s broader airfield (the “Apron”) consistent with applicable regulations of the Federal Aviation Administration (“FAA”) governing the use of federal funds, which require the shared use of the Apron by other Airport users. Notwithstanding anything to the contrary, Landlord shall at all times ensure that Tenant’s aircraft may cross the Apron and/or portions of the Airport adjacent to the Premises to connect, on a continuous and unimpeded basis, the Premises with the taxiways to and within the Airport’s broader airfield. Landlord shall prepare a striping plan for the Apron depicting such connectivity and submit the same to Tenant for Tenant’s review and approval (subject

to Section 44) within forty-five (45) days of the Effective Date.

(b) Project Milestones. Tenant covenants and agrees to adhere to the following Project milestones, in all cases subject to Unavoidable Delay:

- i. Tenant shall submit all applications for Permits required for the Project by [DATE].
- ii. Tenant shall commence construction of the Project on or before the date that is [INSERT] months after the Commencement Date.
- iii. Tenant shall substantially complete construction of the Project on or before the date that is [INSERT] months from and after Tenant's commencement of construction.

(c) Access and Construction. Tenant shall have the non-exclusive right to ingress and egress over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive), as necessary, to provide continuous and unimpeded vehicular and pedestrian access to and from the Premises to and from Williston Road. Landlord shall maintain (including snow removal), repair, replace and restore all such accessways. Tenant shall have the exclusive right and obligation to construct the infrastructure improvements as may be required by the Permits.

(d) Retained Rights. Landlord retains the non-exclusive right to maintain, repair or replace all existing utility lines crossing, on or under the Premises that provide service to the property owned by Landlord adjoining the Premises, provided (i) Landlord shall provide written notice to Tenant of Landlord's intention to undertake such work at least 10 days in advance and afford Tenant the reasonable opportunity to undertake such work on its own, except in the event of an emergency wherein such advance notice cannot reasonably be given (provided that in such event Landlord gives such advance notice as it reasonably can), (ii) Landlord shall exercise its retained rights hereunder in a manner that does not unreasonably interfere with the construction and operation of the Premises or the Project, and (iii) any damage or disturbance to the Premises or the Project caused by or resulting from the exercise of the Landlord's retained rights hereunder shall be repaired or restored at Landlord's sole cost and expense promptly following, and to a condition equal to or better than that existing prior to, such damage or disturbance. In addition, if and to the extent Landlord reasonably determines to require rights on, over, under, upon, across, or through the Premises for Landlord to operate the Airport, including rights of ingress and egress to adjoining lands of Landlord, Tenant will reasonably cooperate with Landlord to provide the same, provided that in all events Tenant's refusal to provide such rights will not be considered unreasonable if the use of such rights by Landlord would unreasonably interfere with Tenant's construction upon and operation of the Premises or the Project. Without limitation and subject in all respect to the foregoing, Landlord shall have the right and obligation to maintain, repair, and replace an existing stormwater management vault to remain on the Premises over which the Project will be constructed. If Landlord's work with respect to such vault requires an interruption in Tenant's use of the Premises for more than three (3) days, then for the duration of such work (i) Rent shall abate, and (ii) Landlord shall provide an alternate location on the Property to which Tenant may, at Landlord's cost, relocate its operations from the Premises for the duration of such work.

(e) Condition of Premises. Tenant acknowledges that it has completed such investigations, testing, analysis and due diligence of and with respect to the Premises and Landlord's title as Tenant has determined to be necessary for Tenant's intended use thereof. Except as expressly provided in this Agreement, Tenant accepts the Premises and such title "as is" and "where is" without any representations, warranties or assurances by Landlord as to the condition of the same or its suitability for any particular purpose, subject only to those exceptions to title set forth on **Schedule 1(d)** hereto, as well as such other exceptions to title and/or encumbrances contemplated by the terms of this Agreement (the "Permitted

Encumbrances”). Landlord expressly disclaims any and all representations and warranties with respect to the suitability of the Premises for Tenant’s intended use or for any other use except as expressly provided in this Agreement.

(f) Landlord Obligations.

- i. Access. Landlord shall ensure reasonable non-exclusive ingress and egress to and from the Premises, for the benefit of Tenant and Tenant’s designees, from the public aircraft runways, taxiways, ramps, the Apron, and private access roads serving the Premises, including through vehicle access gates 12A and B and over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive).
- ii. Landlord Maintenance. Landlord shall maintain (including snow removal), repair, replace and restore the Apron and all other means of ingress and egress to and from the Premises from the public aircraft runways, taxiways, ramps, and private access roads serving the Premises, including through vehicle access gates 12A and B and over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive).
- iii. Reserved.
- iv. Additional Property Rights. Landlord shall grant to the Tenant such rights and easements as may be necessary to enter upon portions of the Property outside the Premises to facilitate Tenant’s construction of the Project and use of the Premises, in compliance with Applicable Laws and subject to the rights of others, if any, under existing leases of portions of the Property.
- v. Development Encumbrances. If Landlord’s consent or joinder shall be required for the grant of, or for the vacation or abandonment of, any easements, rights of way, covenants, leasehold condominium regimes or other title matters encumbering the Premises in connection with the development of the Project and/or the demolition, construction, renovation, alteration or replacement of any portions of the Project (collectively, “Development Encumbrances”), Landlord’s consent shall be given subject to Section 44, provided that (a) Landlord shall not be required to incur any material expense or liability (and any such expense or liability shall be promptly reimbursed by Tenant to Landlord upon request), and (b) Landlord’s consent shall not be considered unreasonably withheld if the proposed Development Encumbrance is prohibited by Applicable Laws or if the proposed Development Encumbrance would materially impair Landlord’s ownership or use of the Premises upon expiration or earlier termination of this Lease or Landlord’s operation of the Airport. For additional clarity, Development Encumbrances may include construction easements, easements or rights of way for installation of water, gas, steam, electricity, telephone, cable or other communication service, sewer, district energy, chilled or heated water, storm drainage and other utilities, and easements or rights of way for streets, roads, alleys, or other access. Notwithstanding the foregoing, any leasehold condominium regime that affects the Premises shall explicitly provide that the condominium regime shall automatically terminate upon the expiration or earlier termination of this Lease.

Section 2. **Commencement Date; Initial Term; Extension Term.**

(a) Landlord and Tenant agree that the term of this Agreement (“Term”) shall commence upon the Effective Date (the “Commencement Date”) and expire at 11:59 p.m. local time on the day prior to the thirtieth (30th) anniversary of the Commencement Date (the “Fixed Expiration Date”), subject to earlier termination in accordance with the terms set forth in this Agreement. For additional clarity, the Term of the Lease shall be for a period of twenty-nine (29) years, three hundred sixty-four (364) days.

Section 3. **Use of Premises; Design, Permitting and Construction Contract.**

(a) Use. Except as otherwise provided in this Lease, Tenant shall use the Premises for the construction of the Project and for general aviation use and for no other purposes without Landlord’s prior written consent (subject to Section 44). The construction, operation, and maintenance of the Project shall be performed in material compliance with the requirements of this Agreement. Notwithstanding any other provision of this Lease, in all instances the Premises shall only be used in conformance with the Permitted Encumbrances and with the duly adopted federal, state, and municipal ordinances and regulations applicable to the Premises from time to time (“Applicable Laws”). Tenant acknowledges that, as of the Effective Date, the Airport Compliance Manual published by the FAA requires that the Premises shall only be used for “aeronautical activity”, which term is currently defined as “any activity which involves, makes possible, or is required for the operation of an aircraft, or which contributes to or is required for the safety of such operations”.

(b) Design, Permitting and Construction Contract. Landlord’s and Tenant’s obligations with respect to the design, permitting and contracting for construction of the Project are set forth below in this Section 3(b).

(i) Permits. Tenant shall compile the necessary information and diligently file complete applications for all Permits and shall thereafter use good faith efforts to pursue the Permits at Tenant’s sole cost and expense. Tenant shall deliver to Landlord in advance of filing copies of any and all applications for any Permits (with respect to which the term “applications” includes all materials delivered therewith or in support thereof) for the Landlord’s prior approval (subject to Section 44). Landlord shall cooperate with Tenant in Tenant’s efforts to obtain the Permits, including by promptly executing and returning to Tenant all applications therefor prepared by Tenant at its expense, subject to the Landlord’s review and approval rights as provided above. Landlord acknowledges that Tenant has filed applications for multiple Permits prior to the Effective Date of this Agreement and that Landlord has provided all approvals and consents with respect thereto as contemplated in this Section 3(b)(i). Tenant shall use good faith efforts to keep the Landlord apprised of the status of its efforts to obtain the Permits and the status of any related appeal being prosecuted or defended by Tenant. In particular, Tenant shall keep Landlord reasonably apprised of any proposed Permit conditions that would affect the Property outside of the Premises, and Landlord shall have the right, in Landlord’s sole but reasonable discretion, to reject (or to require Tenant not to accept) any such conditions that would materially adversely affect the Property outside of the Premises.

(ii) Approval of Project Design, Plans, and Specifications. Tenant shall provide to

Landlord for Landlord's review (at Landlord's sole cost and expense) and prior written approval (subject to Section 44) all design, plans, and specifications to be included in the Construction Contract (defined below) for the Project including with respect to its physical layout, pedestrian and vehicular traffic circulation and impacts, parking requirements, security features, exterior building appearance, durability of construction materials, durability of structural design, durability of construction finishes, grading and utilities, stormwater improvements, exterior lighting and landscaping (the "Plans and Specifications"). The parties will seek satisfaction of this requirement with respect to the permit-level Plans and Specifications during the period when Tenant is preparing applications for Permits (recognizing, as provided in Section 3(b)(i) that Tenant has already made application for certain Permits with respect to which Landlord has approved all Plans and Specifications), and the parties will seek satisfaction of this requirement with respect to other Permits and with respect to the construction-level Plans and Specifications prior to Tenant entering into the Construction Contract. Notwithstanding the foregoing or anything to the contrary, Landlord's review and right to approve of Plans and Specifications with respect to the Project shall be limited to confirming conformance of the Plans and Specifications with approved Permits and any applicable FAA requirements, reviewing exterior and structural design and materials for durability and aesthetic conformity with the Airport, and reviewing plans related to utilities and stormwater infrastructure for compatibility with the Airport's existing utilities and stormwater infrastructure.

- (iii) Construction Contract. Tenant shall use good faith efforts to negotiate and enter into a construction contract with a reputable contractor (the "Contractor") for the construction of the Project on terms acceptable to Tenant in its sole and absolute discretion (the "Construction Contract"). Any subcontracts that are required to be bonded under the Construction Contract, as may be determined by Tenant in its sole and absolute discretion, shall also name Landlord as a dual obligee. The Construction Contract shall include a guaranteed completion date not longer than twenty-four (24) months after commencement (subject to force majeure events as defined in the Construction Contract).

Section 4. **Construction Period.**

(a) Construction Period. The period during which the Project will be constructed is referred to herein as the "Construction Period". Tenant shall construct the Project during the Construction Period, at its sole cost and expense, in accordance with the Permits and in accordance with the Plans and Specifications for the Project that the City has reviewed and approved under and in accordance with Section 3(b) of this Agreement.

(b) Cooperation. Tenant recognizes that its development and construction activities will impact the operation of the Airport. The parties will consult and cooperate with one another to schedule and conduct development and construction activities to minimize such impacts. During the Construction Period, the Landlord shall reasonably cooperate with Tenant in arranging for Tenant and the Contractor to use portions of the Property outside the Premises for the development and construction of the Project, as follows:

- (i) Landlord shall provide Tenant with temporary and permanent access to utility services for the benefit of the Premises (or allowing the extension of such services as a part of the scope of the work) in a manner reasonably acceptable to Landlord.

Tenant shall separately meter any utility services provided to or used by Tenant, and if the utility service provider does not allow such usage to be separately metered, then Tenant shall submeter such usage and shall reimburse the Landlord for any such usage as indicated by such submeter as Additional Rent in accordance with Section 5(f) herein.

- (ii) Landlord shall provide Tenant with adequate ingress and egress to the Premises for construction equipment and related traffic (including necessary temporary or permanent modification of existing streets, drives or curb cuts) in a manner reasonably acceptable to Landlord. Tenant shall reimburse the Landlord for any out-of-pocket expenses incurred to modify existing streets, drives or curb cuts in accordance with the previous sentence.
- (iii) Tenant shall be solely responsible to secure and manage Tenant's construction site.

(c) Approved Plans and Specifications. No material deviations from the approved Plans and Specifications may be made without the written prior approval of the Landlord (subject to Section 44) and subject to the Landlord's review parameters as set forth in Section 3(b)(ii). Tenant shall notify the Landlord in writing of any such proposed changes in the Plans and Specifications and such changes must have the prior written approval of the Landlord (subject to Section 44) before they may be implemented.

(d) Authorized Representatives. Tenant and the Landlord have designated authorized representatives as set forth more specifically on **Exhibit C**. Either party may change its authorized representative(s) at any time by written notice to the other party without the consent of the other party. One or more authorized representatives shall be available on a daily basis to review, comment upon and render decisions promptly with respect to the construction of the Project. The authorized representatives are authorized to act on the behalf of the parties with respect to the construction of the Project. Except as otherwise specifically provided by this Agreement, any directions, approvals or other authorizations, written or verbal, given by any person other than an authorized representative shall not be binding on a party. One or more authorized representatives from each party shall meet on a weekly basis at mutually agreeable times and locations during the Construction Period.

(e) Construction Inspection. During the Construction Period, Landlord's representative(s) shall have the right to attend jobsite meetings for the purpose of observing the progress of the work. Nothing herein contained shall be construed as an obligation upon the Landlord to inspect the work. If Landlord reasonably determines that construction is not proceeding in substantial and material accordance with the approved Permits and/or applicable FAA requirements, and the Landlord gives prompt notice to Tenant of the particular substantial and material deviation, deficiency, error or omission, the parties shall promptly meet to address reasonable concerns raised in such notice. The Landlord shall not communicate directly with Tenant's Contractor or any of its subcontractors or material suppliers without an authorized representative of Tenant being present.

(f) Professional Certifications. Tenant shall obtain the services of a Vermont licensed engineer and architect, reasonably acceptable to the Landlord, to perform quality control observations, inspections, and testing for the Tenant and to properly document and certify that the completed Project conforms with the approved Plans and Specifications. Tenant shall direct its engineers, architects and other licensed professionals to provide the Landlord with all third-party inspection reports related to the Project at the same time as they are submitted to Tenant or Tenant's representatives or agents. If the Landlord determines it necessary to hire its own third-party inspector(s), it will be at the Landlord's expense and the Landlord's inspector(s) will be allowed to perform testing and take samples as they reasonably deem necessary or desirable.

(g) Construction Completion Deliverables. Upon completion of construction, Tenant shall provide Landlord with the following: (i) a certification from Tenant’s architect that the Project has been constructed in material accordance with the approved Plans and Specifications and with the Permits and approvals issued therefor; (ii) a certification from Tenant’s professional engineer that all grading and utilities, including electrical, communications, natural gas, stormwater, water and sewer, necessary for the Project shall have been completed in material accordance with the approved Plans and Specifications and with the Permits and approvals issued therefor; (iii) evidence reasonably satisfactory to Landlord that all approvals, certificates of occupancy and filings necessary for the Project’s legal use and occupancy shall have been issued by the regulatory authorities with jurisdiction over the Project; (iv) documentation evidencing that all contractors have been paid in full for the Project and that no claims for payment are outstanding; (v) as-built drawings in AutoCAD and PDF formats for the completed Project; and (vi) all additional documentation prepared by Tenant’s engineer and architect with respect to the Project including notes, photographs, reports, quality control testing reports, change orders, and submittals, provided in an electronic format specified by Landlord.

(h) Insurance During Construction Period. Throughout the Construction Period, Tenant shall obtain and maintain the types of insurance required under Section 15 of this Agreement.

Section 5. Rent; Airport Landing Fees.

(a) Base Rent. Commencing on the date that Tenant receives a certificate of occupancy (or its functional equivalent) from the City of South Burlington for the Project (the “Rent Commencement Date”), Tenant shall pay “Base Rent” to Landlord at the address specified in Section 5(g) or at such other location as Landlord may hereafter designate in writing in the amount of \$0.50/land sf/month for an annual total of \$164,070.00 annually, or \$13,672.50 per month.

(b) Annual Increase in Base Rent. The Base Rent shall be adjusted on July 1 of each year during the Term by the percentage increase in the Consumer Price Index for all Cities, all Urban Consumers, Northeast Region, (CPI-U-NE, 1982-84=100) (the “Price Index”) published just prior to July 1 of each such year by the Bureau of Labor Statistics of the United States Department of Labor over the corresponding value so published just prior to July 1 of the prior year during the Term, subject to a minimum increase of 2% and a maximum increase of 6% in any year. If the government body issuing the Price Index ceases to use the 1982-84 average of 100 as the basis of calculation, the Price Index shall be adjusted to mathematically account for the adjustment to the base year. If the Price Index (or a successor or substitute) ceases to be published, Landlord shall have the right subject to Tenant’s approval (subject to Section 44) to select another similar index, published by a governmental or other non-partisan body, with appropriate reconciliation of the base of the substituted index with the base of the Price Index. In addition, Base Rent shall adjust as of every tenth (10th) anniversary of the Rent Commencement Date to the amount of ground rent then charged by the Airport to its other tenants as approved by the FAA, provided that in no event shall the amount of Base Rent increase or decrease by more than twenty percent (20%) over the prior lease year as a result of any such decennial adjustment. There shall be no separate Price Index adjustment for years on which such decennial Base Rent reset is made.

(c) Additional Rent; Rent Defined. In addition, for each lease year Tenant agrees to pay all sums of money or charges of whatsoever nature required to be paid under any provisions of this Agreement by Tenant to Landlord (“Additional Rent”), whether or not the same are designated as additional rent, on the next Base Rent payment date following written notification of such sums or charges in the same manner as Base Rent, provided that if such notification is given fewer than fifteen (15) days prior to the next installment of Base Rent coming due, then such amount of

Additional Rent shall be due on the second next Base Rent payment date following such notification. Base Rent and any Additional Rent or other sums or charges are collectively referred to herein as “Rent.” It is understood and agreed that the Rent to be paid to Landlord by Tenant hereunder shall be absolutely net to Landlord, and that all costs, expenses and obligations of every kind and nature whatsoever relating to the Premises shall be paid by Tenant directly to the party invoicing the same or in the form of Additional Rent, and this Agreement shall be interpreted and construed to that effect.

(d) Rent Payment. Except as otherwise specifically provided in this Agreement, all Base Rent shall be paid in monthly installments in arrears, without demand or setoff, on the first (1st) day of each month throughout the Term and Base Rent for any period of less than a full month shall be prorated on a per diem basis. Except as otherwise expressly provided in this Agreement, any and all Rent and other sums payable under this Agreement shall be paid without notice, demand, counterclaim, set off, deduction, or defense and without abatement, suspension, diminution, or reduction, and the obligations and liabilities of Tenant under this Agreement shall in no way be released, discharged or otherwise affected by reason of any occurrence whatsoever. Payment shall be made at the office of the Director of Aviation, Burlington International Airport, 1200 Airport Drive #1, South Burlington, Vermont 05403. Any Rent which has not been paid when due shall incur interest at the rate of 1.5% per month.

(e) Utilities and Services. Tenant shall, at its sole cost and expense, cause to be furnished and shall pay for all utilities and services necessary or desirable for Tenant’s use of the Premises, including water, sewer, gas, electricity, communications, stormwater, and trash and recycling pick-up and disposal. Tenant covenants to pay the charges for all such utilities and services prior to delinquency and to keep the Premises free and clear of any lien or encumbrance of any kind whatsoever constituting a charge against the Premises arising from the nonpayment or a delinquency in payment for said utilities or services. No trash is allowed to be stored outside unless it is in an approved trash container located in an approved area. If Tenant fails to comply with the requirements of this provision, then Landlord reserves the right to fulfill Tenant’s obligations and all costs incurred by Landlord in connection therewith shall immediately be paid by Tenant to Landlord as Additional Rent.

(f) Aircraft Landing Fees; Other Fees. In addition to Rent due hereunder, Tenant shall pay the following fees as generally applied to Airport users and as generally applied to the applicable type of aircraft:

(i) Aircraft Landing. On or before the 10th day of each month, Tenant shall provide the Airport’s Director of Aviation with a listing of its Aircraft Landings during for the preceding month. “Aircraft Landing” means any aircraft being utilized at the Airport by or on behalf of Tenant in carrying out the business which is authorized by this Agreement (including but not limited to aircraft owned or leased by Tenant, aircraft providing services to Tenant pursuant to contract whether oral or written, and aircraft being parked in or on the Premises).

(ii) Landing Fees. Tenant shall pay Landlord Airport Landing fees at the rate established by Landlord in its sole discretion and applicable to other aircraft landing at the Airport at that same time. Landlord shall issue an initial Airport Landing fee on the Effective Date and provide Tenant written notice seven (7) days in advance if the Airport Landing Fee is changed by Landlord. Tenant shall pay Landlord the then-applicable Aircraft Landing fees on or before the last day of each month based upon the number of Aircraft Landings properly attributable to

Tenant during the preceding month. Such payments shall be paid at the office of the Airport's Director of Aviation without billing.

- (iii) Late Payment of Landing Fees. If Tenant fails to promptly pay due Airport Landing fees on or before their due date, they shall be considered past due and shall incur interest at a rate of 1.5% per month.
- (iv) Records. Tenant shall keep and maintain a complete and accurate set of records of all the Aircraft Landings for the use of Landlord and payment of fees required under this Agreement for three (3) years. Tenant shall make such records available for inspection and copying by Landlord at any and all reasonable hours and times. Landlord shall have the right, at its expense and on reasonable notice, from time to time, but in no event more than once in any 12-month period, to audit the records and other data of the Tenant relating to the provisions and requirements hereof, provided such inspection is made during regular business hours. If Tenant is found to have under-reported Aircraft Landings by five percent or more, then Tenant shall pay the full cost of the audit.
- (v) Other Fees. Tenant shall direct all entities obligated to pay any transient aircraft landing, tie down, parking, and seat charges directly to Landlord or the fixed base operator for Landlord.

Section 6. **Reserved.**

Section 7. **Project; Capital Reserve Account.**

(a) Modifications. During the Term and following completion of construction of the Project, Tenant shall not modify or alter the structural design or exterior appearance of the buildings constructed on the Premises or the related site improvements in a manner that diminishes their quality without prior written approval of Landlord (subject to Section 44 provided that the Deemed Approval provision thereof shall not apply) to ensure the Project's compatibility with the functionality of the Airport, provided that structural modifications required from time to time to support ongoing needs of Tenant shall not require Landlord approval.

(b) Title to the Project. During the Term and until the expiration or earlier termination of this Agreement, title to the Project shall belong solely to Tenant, and Tenant alone shall have the right to operate, manage, repair, replace, maintain and further improve the Premises and the Project subject to the terms and conditions of this Agreement, and to deduct all depreciation on its income tax returns with respect thereto. Landlord hereby waives any right to claim a lien or security interest in Tenant's fixtures and personal property and, to the extent applicable, waives any statutory right of distraint in or to Tenant's fixtures and personal property; the foregoing shall not be construed to limit Landlord's ability to seek, obtain or enforce a judicial lien granted by a court of competent jurisdiction. Tenant shall not damage or remove the Project without Landlord's prior written consent (subject to Section 44 provided that the Deemed Approval provision thereof shall not apply).

(c) Removal of Project on Expiration or Termination. Unless Landlord shall have agreed to extend the Term of this Agreement, Landlord may, at its option, notify Tenant in writing delivered at least thirty-six (36) months prior to the expiration of the Term (or upon shorter notice in connection with the earlier termination of this Agreement) that following the expiration of the Term all or portions of the Project must be removed, in which event Tenant shall remove and/or demolish the applicable portions of the Project, grade the land and then seed it with grass so long as Tenant is able to obtain all municipal and state

permits and approvals necessary in connection with such demolition and removal, subject only to conditions that are reasonably acceptable to Tenant. If Landlord notifies Tenant of its desire to have the Project (or portions thereof) removed and demolished in accordance with this provision, Tenant shall use commercially reasonable, good faith efforts to obtain permits therefor, but in no event shall Tenant be required to appeal any denial of such permits, appeal any conditions that it reasonably deems unacceptable or to defend any appeals made by others in connection with any permits. If Tenant is unable to secure the necessary permits for demolition, Landlord may attempt to secure said permits. Tenant shall have the right to use the funds maintained in the Capital Reserve Account (as defined below) in connection with obtaining the permits required by this provision (i.e., to pay engineers, consultants, attorneys, application fees, etc. in connection with such permits) and thereafter to pay for the work to remove and/or demolish the Project (or portions thereof) and then grade and seed the land as aforesaid. If Tenant is unable to secure such permits and Landlord attempts to secure such permits, then Landlord may use the funds maintained in the Capital Reserve Account for such purposes, and Landlord agrees to use such funds in a prudent and reasonable manner. Following the issuance of all such permits and such permits having become final and unappealable, but in all events after the expiration or earlier termination of this Agreement, Tenant shall promptly remove and/or demolish the Project (or portions thereof) and then grade and seed the land as aforesaid, and shall use commercially reasonable, good faith efforts to complete such work in a timely manner, commencing promptly upon such permits having become final and unappealable (weather permitting) and then diligently prosecuting such work to completion thereafter. Landlord herein grants to Tenant a license to enter the Premises and other portions of the adjacent Property as necessary, said license shall take effect upon the termination or expiration of this Agreement for the sole and exclusive purpose of removing the Project (or portions thereof). Tenant's right to use said license is contingent upon Landlord's notification to Tenant that the Project (or portions thereof) shall be removed from the Premises. If there are insufficient funds in the Capital Reserve Account to permit and complete the removal and/or demolition the Project (or portions thereof) and then grade and seed the land as aforesaid, Tenant shall use its own funds to accomplish the demolition, grading and seeding required by this provision.

(d) Title Upon Expiration. Except as set forth in subsection (c) above, upon expiration or termination of this Agreement all rights and interests of Tenant (and all persons whomsoever claiming by, under or through Tenant) in and to the Premises and the Project shall wholly cease and title to the Premises and the Project, including all permanent and temporary non-proprietary improvements, erections and additions constructed on the Premises by Tenant (but excluding all furniture, proprietary fixtures, equipment and other personal property of Tenant used by Tenant solely in connection with the operation thereof, all of which Tenant shall have the right to remove from the Premises at any time prior to the expiration of the Term) shall automatically vest in Landlord without cost or expense to Landlord and without further act or conveyance, and without liability to make compensation therefor to Tenant or to anyone whatsoever, and shall be free and discharged from all and every lien, encumbrance, claim and charge of any character created or attempted to be created by Tenant at any time other than pursuant to the specific terms of this Agreement. This provision shall not relieve Tenant from liability for having left the Premises in unsound or unsafe condition or with encumbered title, in each event other than as permitted in this Agreement. Tenant, upon the request of Landlord, covenants and agrees to execute a deed and bill of sale conveying and releasing to Landlord all such rights in the Premises and the Project in a form and substance reasonably acceptable to Landlord.

(e) Tenant's Maintenance Obligations. Tenant shall, at all times during the Term, subject to the provisions of this Agreement, at its sole cost and expense, keep the Premises in good appearance, order and repair and in a clean and sanitary condition at all times, including by retaining and engaging pest control services as necessary. Tenant's obligations hereunder include all necessary repairs and replacements of the Premises and its improvements, structural or otherwise, ordinary or extraordinary, foreseen and unforeseen, including, but not limited to, the roof, exterior and interior windows, doors and entrances, signs, floor coverings, columns, and partitions, electrical and lighting, heating, plumbing and sewage facilities, and

HVAC equipment. Such actions include painting, lighting, removal of garbage, landscaping, snow removal, replacement of broken glass with glass the same size and quality of that broken, and utility services. Landlord shall not be required to make any repairs of any kind or nature, in, on or to the Premises during the Term.

(f) Capital Reserve Account. Within thirty (30) days of the Rent Commencement Date, Tenant shall establish a joint reserve account for the replacement and demolition of the Project (“Capital Reserve Account”) in accordance with the following:

- (i) The Capital Reserve Account shall be in the name of Tenant and the Landlord. The parties acknowledge and agree that during any period when a Leasehold Mortgage is in effect the Leasehold Mortgagee is likely to require that it maintain and control the funds maintained in the Capital Reserve Account, and Landlord will agree to authorize the Leasehold Mortgagee to maintain and control the funds maintained in the Capital Reserve Account so long as such funds are used solely for capital replacements and improvements and not used to pay debt service (principal or interest), lender fees or expenses, or to pay any other cost, fee or expense.
- (ii) The Capital Reserve Account shall be funded monthly consistent with the parameters set forth on **Schedule 7(f)** and based on a capital reserve study performed by a mutually acceptable consultant to Tenant, or otherwise in accordance with prudent long term maintenance practices applicable to structures and infrastructure similar to the Project as approved by Landlord (subject to Section 44). Such funds, including interest earned, from this Capital Reserve Account are to be used for major maintenance, repair, and replacement activities and not for minor or ongoing maintenance items. Tenant shall inform the Landlord in advance of its intent to expend funds from the Capital Reserve Account and the purpose of the expenditure, and all expenditures shall be subject to Landlord’s prior review and approval (subject to Section 44) subject to the provisions of Section 7(f)(iii). Balances in the Capital Reserve Account shall be reviewed periodically by Tenant and the Landlord to ascertain whether monthly funding levels are appropriate. Tenant shall provide Landlord with annual account statements reflecting the balances in the Capital Reserve Account no later than June 1 of each year. Provided that the Project is not demolished in accordance with Section 7(c) at the expiration or earlier termination of this Agreement, funds remaining in the Capital Reserve Account shall be used to perform whatever repairs are then necessary to preserve the Project in good quality, habitable condition, and any excess funds remaining thereafter in the Capital Reserve Account shall become the property of Landlord. If the Project is demolished in accordance with Section 7(c) at the expiration or earlier termination of this Agreement, funds remaining in the Capital Reserve Account following performance of the demolition, grading and seeding shall be disbursed to Tenant. If funds from the Capital Reserve Account are used in connection with the repair or restoration of the Project following casualty damage in accordance with Section 16, then after substantial completion of such repair or restoration Tenant shall engage a consultant to perform a new life cycle analysis of the Project, and Tenant shall thereafter fund the Capital Reserve Account monthly in accordance with such life cycle analysis, including any requirements in such analysis to bring the current funding to a particular level.
- (iii) Notwithstanding the provisions of Section 7(f)(ii), the funds deposited in the

Capital Reserve Account during the last five (5) years of the Term shall accumulate and shall not be spent until the Landlord determines whether the Project will be demolished in accordance with Section 7(c) at the expiration of the Term. If Landlord decides that the Project will be demolished, then the Capital Reserve Account shall be used to accomplish the demolition, grading and seeding described in Section 7(c) and any funds remaining after the performance of such work shall be disbursed to Tenant in accordance with Section 7(f)(ii). If Landlord decides to have the Project demolished and removed but the parties are unable to obtain permits therefor, then the funds held in the Capital Reserve Account shall be disbursed to Landlord in accordance with Section 7(f)(ii) as if Landlord decided not to demolish the Project. Tenant shall be solely responsible for all costs and expenses associated with demolition, grading and seeding, however Tenant may use funds from the Capital Reserve Account to perform the work before resorting to the use of its own funds. If Landlord does not opt to have the Project demolished and removed in accordance with Section 7(c), then the funds held in the Capital Reserve Account shall continue to be used for major maintenance, repair, and replacement activities in accordance with Section 7(g)(ii) and any funds remaining in the Capital Reserve Account at the expiration of the Term, including any extensions or renewals thereof, or earlier termination of this Agreement shall become the property of Landlord.

Section 8. **Taxes and Other Expenses.**

(a) **Taxes.** Tenant is responsible for payment of all transfer taxes associated with this Agreement, if any, and shall pay all income taxes, sales and use taxes, and any other taxes imposed on Tenant in connection with or by reason of its lease of the Premises and its ownership and operation of the Project. In addition, Tenant shall, from and after the Rent Commencement Date and thereafter during the Term, pay and discharge punctually, as and when the same shall become due and payable as Additional Rent, all real estate taxes or ad valorem taxes as assessed by any government then entitled to do so, special and general assessments and other governmental impositions and charges, extraordinary as well as ordinary, including any state, regional or local taxes, fees or payments that may be imposed in lieu of such real estate or ad valorem taxes or assessments (collectively hereinafter referred to as “Taxes”), and each and every installment thereof which shall or may during the Term be charged, levied, laid, assessed, imposed, become due and payable, or a lien upon, or for, or with respect to, the Premises or any part thereof, together with all interest and penalties thereon, under or by virtue of all present or future laws, ordinances, requirements, orders, directives, rules or regulations of the federal, state, county and municipal governments and of all other governmental authorities whatsoever (all of which shall also be included in the term “Taxes” as heretofore defined). For the period between the Effective Date and the Rent Commencement Date, Landlord and Tenant shall each pay one-half of the Taxes. Landlord shall deliver to Tenant an invoice detailing Tenant’s share of Taxes, calculated with reference to the assessed value of the land and improvements that comprise the Premises as determined by the City of South Burlington or any additional or successor taxing authority.

(b) **Time For Payment.** Tenant shall be deemed to have complied with the covenants of this Section 8 if payment of such Taxes shall have been made either within any period allowed by law or by the governmental authority imposing the same during which payment is permitted without penalty or interest or before the same shall become delinquent, and Tenant shall produce and exhibit to Landlord satisfactory evidence of such payment as and when so requested by Landlord.

(c) **Right To Contest.** Tenant or its designee shall have the right to contest or review all Taxes by legal proceedings, or in such other manner as it may deem suitable (which, if instituted, Tenant or its

designees shall conduct promptly at its own cost and expense, and, if necessary, in the name of and with the cooperation of Landlord and Landlord shall execute all documents reasonably necessary to accomplish the foregoing). Notwithstanding the foregoing, Tenant shall promptly bond off or otherwise cause the removal of any lien which is placed on the Premises as a result of or arising out of such dispute and Tenant shall promptly pay all Taxes prior to commencement of any foreclosure, tax sale or other forfeiture proceeding, the result of which would be loss of title to the Premises to the taxing authority. The legal proceedings referred to in this Subsection 8(c) shall include appropriate certiorari proceedings and appeals from orders therein and appeals from any judgments, decrees or orders. If there is any reduction, cancellation or discharge, Tenant shall pay the amount finally levied or assessed against the Premises or adjudicated to be due and payable on any such contested Taxes.

(d) Refunds. Landlord covenants and agrees that if there shall be any refunds or rebates on account of the Taxes paid by Tenant under the provisions of this Agreement, such refund or rebate shall belong to Tenant. Landlord will, upon the written request of Tenant, sign such receipts as may be necessary to secure the payment of any such refund or rebate, and will pay over to Tenant such refund or rebate as received by Landlord.

(e) Remedies for Nonpayment. If Tenant shall fail, refuse or neglect to make any of the payments required by this Section, then Landlord, at its option, may pay the same or any portion thereof, and the amount or amounts so paid, including reasonable attorneys' fees and expenses incurred by Landlord in connection therewith, shall be repaid by Tenant to Landlord within ten (10) days after written demand by Landlord, and the amount thereof shall be treated as Additional Rent.

Section 9. **Requirements of Governmental Authorities.**

(a) Compliance. During the Term, Tenant shall, at its own cost and expense, promptly observe and comply with all present or future, foreseen or unforeseen, laws, ordinances, requirements, orders, directives, rules and regulations duly adopted by applicable federal, state, county, and municipal governments and of all other governmental authorities affecting the Premises or appurtenances thereto or any part thereof whether the same are in force at the Effective Date or may in the future be passed, enacted or directed giving full effect to all vesting or "grandfathering" provisions. Tenant shall further so comply with each and every duly adopted rule, order and requirement of any applicable federal, state, municipal, legislative, executive, judicial or other governmental body, commissioner or officer or of any bureau or department thereof, whether now existing or hereafter created, having jurisdiction over the Premises or any part thereof, or properly exercising any power relative thereto or to the owners, tenants or occupants thereof including compliance with all regulations and permits for the Project giving full effect to all vesting or "grandfathering" provisions. Tenant shall maintain the Project and the Premises, and otherwise operate the Project and the Premises, in conformity with all municipal, state and federal land use permits and approvals governing the Project or the Premises at any time giving full effect to all vesting or "grandfathering" provisions.

(b) Minimum Standards for Commercial Aeronautical Activities. Tenant's right of access to the Property for aircraft shall be subject to all applicable federal, state and local laws, ordinances and regulations, as well as all Airport standards, rules and policies including Minimum Standards for Commercial Aeronautical Activities now in effect or hereinafter duly adopted or promulgated and consistently applied by the Airport.

(c) FAA and TSA. This Agreement is subject and subordinate to FAA regulations duly adopted and consistently applied governing the use of Airport including those regulations imposed by reason of the Landlord's acceptance of federal funds relative to the operation or maintenance of the Airport, the transfer of federal rights, funds or property to Landlord for Airport purposes, or the expenditure of

federal funds for the improvement or development of the Airport. In addition, this Agreement may be amended without further consideration (except as provided below) if and to the extent required by the FAA or Transportation Safety Administration (“TSA”) or their respective successor agencies as a condition precedent to Landlord’s receipt of federal rights, funds or property for Airport purposes, or precedent to the expenditure of federal funds for the improvement or development of the Airport. If the FAA requires modifications or changes to this Agreement as a condition precedent to Landlord’s receipt or retention of funds for the improvement of the Airport, Tenant agrees to execute and deliver to Landlord an amendment to this Agreement (prepared by Landlord) that effects such modifications or changes as may be required to enable the Landlord to obtain or retain such funds or funding. If any such amendment as described in this Section 9(c) modifies the terms and conditions of this Agreement in a manner that causes the Tenant to directly incur costs, expenses or fees that materially modify the financial bargain embodied by this Agreement or otherwise materially adversely affects Tenant’s use of the Premises or other rights under this Agreement, then the parties shall use good faith efforts to cooperatively seek to obtain exemptions or exclusions from the FAA or TSA requirements in an effort to eliminate or minimize the costs or expenses or other material adverse effects arising from the amendment sought to be imposed and, if such exemptions or exclusions are not forthcoming, to modify the terms of this Agreement in order to eliminate, minimize or otherwise fairly account for such costs or expenses or other material adverse effects. Without limiting the foregoing, the Tenant agrees that it is subject to the terms and provisions of the required federal provisions included on **Exhibit E** attached hereto, with the understanding that the Tenant is the “Contractor” identified therein.

(d) Livable Wage Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Livable Wage Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance on an annual basis (due by April 1st of each year) if requested by Landlord.

(e) Union Deterrence Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Union Deterrence Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance if requested by Landlord.

(f) Non-Outsourcing Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Outsourcing Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance if requested by Landlord.

(g) No Discrimination. Tenant, for itself and its personal representatives, successors and assigns, as part of the consideration hereof, does hereby covenant and agree that (i) no person on the grounds of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, genetic information or other protected classification shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Tenant’s facilities pursuant to its operations hereunder; (ii) in the furnishing of services at the Project and the Premises, no person on the grounds of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, genetic information or other protected classification shall be excluded from participation in, denied the benefit of, or otherwise be subjected to discrimination; (iii) Tenant shall ensure compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 as amended, Executive Order 11246 as amended by Executive Order 11375 and as supplemented by the Department of Labor regulations (41 CFR Part 60); (iv) Tenant shall also comply with the rules, regulations and relevant orders of the Secretary of Labor, Nondiscrimination regulations 49 C.F.R. § 21 through Appendix C, and Regulations under 23 C.F.R.

§ 710.405(b); (v) Tenant shall comply with all the requirements of Title 21, V.S.A., Chapter 5, Subchapter 6 and 7, relating to fair employment practices to the extent applicable; and (vi) all subcontracts shall include reference to the above.

(h) Public Records Act. Any and all records submitted to Landlord, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of Landlord. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified, as shall all other records considered to be exempt under the Act. It is not sufficient to merely state generally that the proposal is proprietary or a trade secret or is otherwise exempt. Particular records, pages or sections that are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

(i) Right to Contest. Tenant shall have the right to contest by appropriate legal proceedings diligently conducted in good faith, in the name of Tenant, without cost or expense to Landlord, the validity or application of any law, ordinance, rule, regulation or requirement of the nature referred to in this Section 9 and, if by the terms of any such law, ordinance, order, rule, regulation or requirement, compliance therewith may legally be delayed pending the prosecution of any such proceeding, Tenant may delay such compliance therewith until the final determination of such proceeding. Notwithstanding the foregoing, Tenant shall promptly bond off or otherwise cause the removal of any lien which is placed on the Premises as a result of or arising out of such dispute, provided that in no event shall Tenant be permitted or authorized to maintain any such contest if doing so has or would have an adverse effect on the Airport as determined by Landlord in its discretion.

(j) Aircraft Parking. Tenant shall abide by all Airport rules concerning parking of aircraft. Tenant shall not park or allow any contract carrier to park an aircraft or leave or allow the same to be left standing on a public landing area, public ramp and apron area, public cargo ramp and apron area, public aircraft parking and storage area, or operational area, except as such places as may be prescribed or permitted by the Airport's Director of Aviation. Tenant further covenants and agrees to move or cause to be moved such aircraft from the place where it is parked or stored to any other place as designated and directed by the Airport's Director of Aviation. At no time will Tenant occupy or enter any portion of existing or future Air Carrier Apron as defined by TSA and FAA regulations.

(k) Security. Tenant shall secure the Premises with construction fencing prior to performing any work on the Premises during the Construction Period and shall maintain the safety and security of the Premises during the Term of this Agreement. Tenant shall observe and comply with any and all present and future security regulations and procedures and operational procedures promulgated from time to time by or at the direction of the Landlord for the administration of the Airport, including but not limited to training and Secure Identification Area ("SIDA") Badging requirements. Tenant shall create a security policy covering the Premises that will include, but not be limited to, security procedures, configurations, infrastructure and equipment, provision of emergency alerts and notices to Landlord, reporting guidelines, maintenance of security footage and records, staffing of security personnel, and training of personnel. Tenant shall be responsible for following this policy. The Landlord shall review the proposed security policy and any subsequent revisions and, at the Landlord's sole but reasonable discretion, may either approve or require changes. Tenant shall, at its sole cost and expense, install, maintain and replace as necessary all equipment necessary for SIDA compliance, including but not limited to badge readers, locks, alarms, doors and cameras. Any alterations to existing security configurations, SIDA boundaries, infrastructure, and equipment will require the Landlord's prior written consent (subject to Section 44). Landlord shall reasonably cooperate with Tenant to minimize interference with Tenant's business operations, including the installation of SIDA equipment in additional locations as is reasonably determined

by Tenant to promote efficient circulation within the Premises.

Section 10. **Covenant Against Liens.** If during the Term, including during the Construction Period, any mechanic's lien or other lien shall be filed against the Premises or any portion of the Property because of any work performed upon the Premises by or at the expense of Tenant, or any failure of Tenant to pay Taxes in accordance with this Agreement, Tenant shall, at its own cost and expense, cause the same to be discharged of record or bonded within twenty (20) days after the recording thereof; and Tenant shall indemnify and save harmless Landlord against and from all costs, liabilities, suits, penalties, claims and demands, including reasonable attorneys' fees, resulting therefrom. If Tenant fails to timely discharge any such lien by payment or bond, Landlord may (but shall not be obliged to) pay the amount of such lien, or discharge the same by bonding, and the amount so paid shall be deemed to be Additional Rent.

Section 11. **Access to Premises.** During the Term, Landlord or Landlord's agents shall have the right to inspect the Project and the Premises at reasonable times upon reasonable advance notice to Tenant, given no more than twice in any consecutive 12 month period (except in the event of an emergency).

Section 12. **Assignment and Subletting.**

(a) Prior to substantial completion of the Project, neither this Lease nor any interest of Tenant in this Lease, shall be sold, assigned, or otherwise transferred, whether by operation of law or otherwise (each, a "Transfer"), nor shall Tenant sublet the Premises as an entirety or substantially as an entirety, without the prior written consent of Landlord in each instance. Landlord may withhold such consent in its sole but reasonable discretion.

(b) Following substantial completion of the Project, Tenant may, from time to time, effectuate a Transfer to any person, subject to Landlord's prior written consent (subject to Section 44), provided that in the instrument effecting the Transfer, the transferee shall assume and agree to perform all of the terms, covenants and conditions of this Lease from and after the date of the Transfer, including the terms and conditions of this Lease related to the use of the Premises, subject in all respects to the exceptions and limitations set forth in this Lease. Tenant shall give Landlord sixty (60) days prior written notice of its desire to assign this Agreement and shall furnish Landlord with such information as it may reasonably request indicating that the proposed assignee is reputable and financially responsible. Landlord may justifiably refuse consent to any assignment based upon (i) the financial position of the proposed assignee; (ii) the relevant business experience of the proposed assignee; (iii) the proposed use of the Premises (if different that the permitted uses under this Agreement); (iv) the character and reputation of the proposed assignee; (v) the economic terms of the proposed assignment; and (vi) any other factor that Landlord reasonably deems relevant to the proposed assignment. Tenant agrees to reimburse Landlord for any reasonable third party expenses that may be incurred by Landlord in connection with any proposed assignment, including the reasonable cost of investigating the acceptability of the proposed assignee and reasonable third party legal expenses incurred in connection with the granting of any requested consent.

(c) Notwithstanding anything to the contrary, Landlord's consent shall not be required and Section 12(b) shall not apply with respect to any Transfer (i) by the foreclosure of any Leasehold Mortgage or through a deed or instrument of transfer delivered in lieu of such foreclosure or through a deed or instrument of transfer by a Leasehold Mortgagee out of foreclosure or next after having received a deed or other instrument of transfer delivered in lieu thereof, (ii) to a direct or indirect Affiliate of Tenant so long as the ultimate parent company, currently Beta Technologies, Inc., a Delaware corporation, remains liable for the obligations of the tenant under this Lease, or (iii) in connection with a Permitted Sale-Leaseback (as set forth in Section 13(m)). As used in this Agreement, "Affiliate" means a person or entity that Controls, is Controlled by, or is under common Control with another person or entity, and "Control" or "Controlled" means ownership of more than fifty percent (50%) of the outstanding voting stock of a corporation, or other

majority equity and control interest of an entity which is not a corporation, or the possession of power to direct or cause the direction of the management and policy of such corporation or other entity, whether through the ownership of voting securities, by statute or according to the provisions of a contract.

(d) Except for a Transfer to an Affiliate pursuant to which the parent company will remain liable for the obligations of the tenant under this Lease as stated in Section 12(c), from and after a Transfer by Tenant of its interest in the Premises and this Lease that is permitted pursuant to this Section 12, the Tenant (meaning, the transferor) shall have no obligation for liabilities under this Lease first arising from and after the date of such Transfer, provided that in the instrument effecting the Transfer, the transferee shall assume and agree to perform all of the terms, covenants and conditions of this Lease from and after the date of the Transfer.

(e) Except as expressly set forth in Section 12(a), Tenant may, without Landlord's consent, enter into subleases, licenses, occupancy agreements or management agreements for the possession, operation or use of any space in the Project and any amendments thereto (collectively, "Subleases") with any person in Tenant's sole discretion; provided, however, Tenant shall not enter into any Sublease of the Project (exclusive of Subleases with Affiliates) which, when combined with any other then pending Sublease of the Project (exclusive of Subleases with Affiliates), exceeds fifty percent (50%) of the occupiable area of the Project, without Landlord's prior written consent (subject to Section 44). Whether Landlord's consent to a Sublease is required or not, Tenant shall provide Landlord with a copy of each and every Sublease that Tenant enters into for space in the Project. When Tenant seeks Landlord's consent to any Sublease of the Project, Tenant shall provide Landlord with a written list of all then pending Subleases in the Project and Tenant's calculation of the occupiable area covered by such Subleases, as well as the total occupiable area of the Project. Notwithstanding anything to the contrary, Landlord's consent shall not be required and this Section 12(e) shall not apply with respect to any Sublease (i) by the foreclosure of any Leasehold Mortgage or through a deed or instrument of transfer delivered in lieu of such foreclosure or through a deed or instrument of transfer by a Leasehold Mortgagee out of foreclosure or next after having received a deed or other instrument of transfer delivered in lieu thereof, (ii) to a direct or indirect Affiliate of Tenant so long as the ultimate parent company, currently Beta Technologies, Inc., a Delaware corporation, remains liable for the obligations of the tenant under this Lease, or (iii) in connection with a Permitted Sale-Leaseback (as set forth in Section 13(m)).

(f) Except as set forth above in this Section 12, any transfer, assignment or subletting without the prior written consent of Landlord as provided above shall be void *ab initio*. Landlord's consent to a transfer, assignment or subletting, or to any use or occupancy by a party other than Tenant, shall not invalidate or constitute a waiver of this provision, and each subsequent transfer or assignment, and each subsequent use and occupancy by a party other than Tenant shall likewise be made only with the prior written consent of Landlord.

Section 13. **Leasehold Mortgage / Sale-Leaseback.**

(a) Tenant shall have the right to mortgage or pledge its interest in this Lease (a "Leasehold Mortgage") to one or more mortgagees (a "Leasehold Mortgagee") at any time and from time to time. The term "Leasehold Mortgage" as used in this Agreement shall include a mortgage, a deed of trust, a deed to secure debt and any other conveyance or agreement for security purposes, which may now or hereafter affect the Premises. The term "Leasehold Mortgagee" as used in this Agreement shall include the holder of (including any nominee or administrator) or the beneficiary under, as the case may be, a mortgage, deed of trust, deed to secure debt or any other conveyance or agreement for security purposes, which may now or hereafter affect the Premises.

(b) Tenant or the Leasehold Mortgagee shall give to Landlord written notice of the making of

any Leasehold Mortgage (which notice shall contain the name and office address of the Leasehold Mortgagee) within ten (10) days after the execution and delivery of such Leasehold Mortgage and a duplicate original or certified copy thereof.

(c) Landlord shall give to each Leasehold Mortgagee, at the address of such Leasehold Mortgagee set forth in the notice from such Leasehold Mortgagee or from Tenant, and otherwise in the manner provided by Section 25, a copy of each notice given by Landlord to Tenant hereunder (including notice of an Event of Default) at the same time as and whenever any such notice shall thereafter be given by Landlord to Tenant, and no such notice by Landlord shall be deemed to have been duly given to Tenant (and no grace or cure period shall be deemed to have commenced) unless and until a copy thereof shall have been given to each such Leasehold Mortgagee. The Leasehold Mortgagee (i) shall thereupon have a period of thirty (30) days more in the case of an Event of Default in the payment of Rent and sixty (60) days more in the case of any other Event of Default (or in the case of a non-monetary Event of Default which shall require more than sixty (60) days to cure using due diligence, then such longer period of time as shall be necessary so long as such Leasehold Mortgagee shall have commenced to cure (or caused to be commenced such cure) within such 60-day period and continuously prosecutes or causes to be prosecuted the same to completion with reasonable diligence and continuity), after the applicable period afforded Tenant for remedying the Event of Default or causing the same to be remedied has expired and (ii) shall, within such period and otherwise as herein provided, have the right (but not the obligation) to remedy such Event of Default or cause the same to be remedied. Landlord shall accept performance by or on behalf of the Leasehold Mortgagee of any covenant, condition or agreement on Tenant's part to be performed hereunder with the same force and effect as though performed by Tenant, so long as such performance is made in accordance with the terms and provisions of this Lease. Landlord shall not object to any temporary entry onto the Premises by or on behalf of the Leasehold Mortgagee to the extent necessary to effect such Leasehold Mortgagee's cure rights, provided such entry is in compliance with Applicable Law. Notwithstanding anything to the contrary, the Leasehold Mortgagee shall have no obligation to cure an Event of Default except as expressly provided in this Lease.

(d) A non-monetary default by Tenant or a non-monetary Event of Default shall not be deemed to exist as long as the Leasehold Mortgagee, in good faith, (i) shall have commenced to cure (or caused to be commenced such cure) the default or Event of Default within the time periods provided in Section 13(c), and continuously prosecutes or causes to be prosecuted the same to completion with reasonable diligence and continuity (subject to Unavoidable Delays), or (ii) if possession of the Premises or any part thereof is required in order to cure such default or Event of Default, shall have notified Landlord within thirty (30) days after the applicable period afforded to Tenant for remedying the default or Event of Default shall have expired of its intention to institute foreclosure proceedings to obtain possession directly or through a receiver, and thereafter commences such foreclosure proceedings, prosecutes such proceedings with all reasonable diligence and continuity (subject to Unavoidable Delays) and, upon obtaining such possession, commences promptly to cure the default or Event of Default and prosecutes the same to completion with all reasonable diligence and continuity (subject to Unavoidable Delays).

(e) Notwithstanding anything in this Section 13 to the contrary, a Leasehold Mortgagee shall not be required to cure any Incurable Defaults of Tenant, and if any Leasehold Mortgagee, assignee or transferee shall acquire the Premises pursuant to a foreclosure or transfer in lieu of foreclosure, then any such Incurable Default by Tenant shall no longer be deemed a default or Event of Default. For purposes of this Agreement, "Incurable Default" shall mean (i) any Event of Default described in Section 21(a)(iv) or Section 21(a)(v), (ii) any Event of Default that is personal in nature to the Tenant, and (iii) any Event of Default that is based upon Tenant's wrongful assignment of this Lease or any interest therein (other than a wrongful assignment to such Leasehold Mortgagee).

(f) With respect to any default or Event of Default, so long as the Leasehold Mortgagee shall

be diligently exercising its cure rights under this Section 13 with respect thereto within the applicable cure periods set forth above and so long as, if possession of the Premises is required to cure the same, the Leasehold Mortgagee shall be taking the actions required by Section 13(d), Landlord shall not (i) re-enter the Premises, (ii) serve a termination notice, or (iii) bring a proceeding on account of such default to (A) dispossess Tenant and/or other occupants of the Premises, (B) re-enter the Premises, or (C) terminate this Lease or the leasehold estate (such rights described in clauses (i), (ii) and (iii) being herein "Landlord's Termination Rights"). Upon any cessation of the Leasehold Mortgagee so exercising such rights and undertaking such activities, Landlord may exercise any of Landlord's Termination Rights hereunder. Nothing in the protections to Leasehold Mortgagees provided in this Lease shall, however, be construed to either (i) extend the Term beyond the expiration date provided for in this Lease that would have applied if no default had occurred or (ii) require such Leasehold Mortgagee to cure any non-monetary default by Tenant that is not capable of being cured as a condition to preserving this Lease or, in the case of a Leasehold Mortgagee only, to obtaining a New Lease as provided in this Section 13.

(g) The exercise of any rights or remedies of a Leasehold Mortgagee, including the consummation of any foreclosure or transfer in lieu of foreclosure, shall not constitute a default under this Lease. A Leasehold Mortgagee shall provide Landlord with prior written notice of its commencement of any foreclosure or of its commencement of any efforts to cause a transfer in lieu of foreclosure.

(h) No Leasehold Mortgagee shall become liable under the provisions of this Lease unless and until such time as it becomes, and then only for so long as it remains, the owner of the leasehold estate created hereby and no performance by or on behalf of such Leasehold Mortgagee of Tenant's obligations hereunder shall cause such Leasehold Mortgagee to be deemed to be a "mortgagee in possession" unless and until such Leasehold Mortgagee shall take control or possession of the Premises.

(i) New Lease.

(i) In the event of the termination of this Lease as a result of an Event of Default by Tenant, prior to the expiration of the Term, whether by summary proceedings to dispossess, service of notice to terminate, or otherwise, or as a result of any bankruptcy, insolvency or similar proceedings, Landlord shall serve upon each Leasehold Mortgagee who is entitled to notice, written notice of such termination promptly following same, together with a statement of any and all sums which would at that time be due under this Lease but for such termination, and of all other defaults, if any, under this Lease then known to Landlord. Subject to Section 13(i)(iv) below, the Leasehold Mortgagee shall thereupon have the option to obtain a new lease in accordance with and upon the following terms and conditions, and otherwise upon the same terms and conditions and in the same form as this Lease (including a term that expires on the same expiration date as this Lease) (a "New Lease"):

i. Upon the written request of such Leasehold Mortgagee, served upon Landlord in accordance with Section 25, within forty-five (45) business days after service upon the Leasehold Mortgagee of the aforementioned notice of termination, Landlord shall enter into a New Lease of the Premises with the Leasehold Mortgagee or any designee of the Leasehold Mortgagee (such Leasehold Mortgagee or such designee, the "New Tenant").

ii. The New Lease shall be effective as of the date of termination of this Lease and shall be for the remainder of the Term and at the Base Rent and upon

all the agreements, terms, covenants and conditions hereof, it being acknowledged that the New Lease is effectively a reinstatement of this Lease (but with the New Tenant). Upon and as a condition to Landlord's execution of such New Lease, the New Tenant shall pay any and all sums which would at the time of the execution thereof be due under this Lease but for its termination, as aforesaid, and shall commence to remedy any non-monetary defaults (other than Incurable Defaults) under this Lease (and the New Lease shall require the New Tenant to diligently continue to remedy such non-monetary defaults until cured). Landlord shall have no obligation to deliver physical possession of the Premises in connection with the giving of any such New Lease to the extent that Landlord shall not previously have recovered possession of same.

- iii. Nothing herein contained shall release Tenant from any of its obligations under this Lease which shall not have been discharged or fully performed by Tenant or by such Leasehold Mortgagee.
- (ii) As between Landlord and such New Tenant, any such New Lease and the leasehold estate thereby created, subject to the same conditions contained in this Lease, shall continue to maintain the same priority as this Lease with regard to any mortgage or any other lien, charge or encumbrance whether or not the same shall then be in existence.
- (iii) Upon the execution and delivery of a New Lease under this Section 13(i), all subleases which theretofore may have been assigned to Landlord thereupon shall be assigned and transferred, without recourse, by Landlord to the New Tenant. Between the date of termination of this Lease and the date of execution and delivery of the New Lease, if a Leasehold Mortgagee shall have requested such New Lease, Landlord shall not enter into any new subleases, cancel or modify in any material respect any then-existing subleases or accept any cancellation, termination or surrender thereof (unless such termination shall be effected as a matter of law on the termination of this Lease) without the written consent of the Leasehold Mortgagee, not to be unreasonably withheld or delayed, except as permitted in the subleases.
- (iv) Any rejection of this Lease by any trustee of Tenant in any bankruptcy, reorganization, arrangement or similar proceeding which would otherwise cause this Lease to terminate, shall, without any action or consent by Landlord, Tenant or any Leasehold Mortgagee, effect the transfer of Tenant's interest hereunder to the Leasehold Mortgagee or its nominee or designee. Such Leasehold Mortgagee may reject the transfer of this Lease upon such transfer upon giving notice thereof to Landlord no later than thirty (30) days after notice from Landlord of such transfer. Such Leasehold Mortgagee shall thereupon have no further rights or obligations hereunder. Alternatively, the Leasehold Mortgagee may, during such 30-day period, request a New Lease in accordance with the provisions of this Section 13(i). In the event that the Leasehold Mortgagee shall fail either to timely effect the transfer of this Lease or timely request a New Lease, then this Lease shall be deemed terminated and no Leasehold Mortgagee shall have any further rights under this Lease.
- (j) Additional Leasehold Mortgagee Protective Clauses. In addition to the other rights, notices

and cure periods afforded to the holders of any Leasehold Mortgage, Landlord further agrees that:

- (i) without the prior written consent of the Leasehold Mortgagee, Landlord will neither agree to any material modification or amendment of this Lease, including any modification or amendment that increases Tenant's obligations or reduces Tenant's rights under this Lease, nor accept a surrender or cancellation of this Lease;
- (ii) Landlord shall execute any modification to the Lease and enter into recognition agreements (in form and substance reasonably acceptable to Landlord, at the cost and expense of the party making the request) as reasonably requested by a Leasehold Mortgagee as a condition to making a loan to Tenant, provided that the same does not materially increase Landlord's obligations or materially diminish Landlord's rights hereunder;
- (iii) the Leasehold Mortgagee shall have the right to participate in the adjustments of any insurance claims of the nature set forth in Article 16 and condemnation awards of the nature set forth in Article 17; and
- (iv) within fifteen (15) business days following the written request of Tenant from time to time, Landlord shall execute and deliver an instrument addressed to the holder of any Leasehold Mortgage confirming that such holder is a Leasehold Mortgagee and entitled to the benefit of all provisions contained in the Lease which are expressly stated to be for the benefit of Leasehold Mortgagees.

(k) No merger of fee title with the leasehold interest under any circumstances (whether voluntary or involuntary or effected by the Landlord or the Tenant) will result in the termination of this Agreement or an extinguishment of any Leasehold Mortgage.

(l) Notwithstanding any other term or provision of this Lease to the contrary, Landlord's interest in this Lease and in the Premises shall not be subject or subordinate to any Leasehold Mortgage now or hereafter placed upon Tenant's interest in this Lease, the leasehold interest created hereby, or upon any interest in Tenant.

(m) Sale-Leaseback. Upon or following substantial completion of the Project, Tenant may, with Director of Aviation's prior written consent, to Transfer, in whole or in part, Tenant's interest in this Lease and/or the Project in a transaction through which Beta Technologies, Inc. or its Affiliate (the "Beta Sublessee") simultaneously enters into, and thereafter remains the subtenant under, a Sublease for the entirety of the property interest subject to such Transfer (the "Beta Sublease", and together with such Transfer, a "Sale-Leaseback"). Notwithstanding anything to the contrary, the City shall have the same rights, subject to the same exceptions, to review and approve any Transfer of the Beta Sublessee's interest in the Beta Sublease that the City holds with respect to a Transfer of this Lease pursuant to Section 12. Following any such approval by the Director of Aviation, Landlord shall execute any modification to the Lease and enter into recognition agreements (in form and substance reasonably acceptable to Landlord, at the cost and expense of the party making the request) as reasonably requested in connection with a Sale-Leaseback, provided that the same does not materially increase Landlord's obligations or materially diminish Landlord's rights hereunder.

Section 14. Signs. Tenant has the right to place, install or maintain upon the Premises any sign, symbol, advertisement or similar device which is intended to be visible to public view from outside the Premises so long as Tenant first obtains, at its sole expense, all necessary governmental permits and

approvals therefor and Landlord's prior written consent (subject to Section 44).

Section 15. **Indemnity and Insurance.** [NTD: Beta to confirm with risk management]

(a) Tenant shall, from and after the Effective Date, defend, indemnify and hold harmless Landlord, its officers and employees, from and against all loss, liability, damages, claims, proceedings, costs (including costs of defense and reasonable attorneys' and professionals' fees incurred in defense or incurred in enforcement of this indemnity), expenses, demands, suits and causes of action (all of the foregoing collectively referred to as "Liabilities") arising out of or in connection with (i) damage to property or death or injury to any person sustained on or about the Premises, or arising (directly or indirectly) out of or in connection with Tenant's possession, use, occupation or control of the Premises, (ii) damage to any property or death or injury to any person anywhere occasioned, or claimed to have been occasioned, by any willful misconduct or any negligent act or omission of Tenant, its agents, employees, licensees or contractors and (iii) any breach or default of this Agreement by Tenant, its agents, employees, licensees or contractors, except in any event to the extent such damage, death, injury or Liabilities are caused by or arise from the willful misconduct or negligence of Landlord.

(b) Insurance Certificates. Unless waived in writing or otherwise provided by the Landlord, the Tenant shall procure the insurance coverages identified below at the Tenant's own expense and shall furnish the Landlord an insurance certificate listing "City of Burlington, Burlington International Airport" as the certificate holder. The insurance certificate must provide the following:

- Name and address of authorized agent.
- Name and address of insured.
- Name of insurance company(ies).
- Description of policies, including coverage type and amounts.
- Policy Number(s).
- Policy Period(s).
- Limits of liability.
- Name and address of Landlord as certificate holder.
- Signature of authorized agent.
- Telephone number of authorized agent.
- Insurance company will endeavor to notice in accordance with the policy provisions in the event of cancellation/non-renewal.
- Landlord designated as additional insured on a primary, noncontributory basis, with waiver of subrogation and thirty (30) days' notice of cancellation under all policies with the exception of professional liability, and except that additional insured status is not required for workers' compensation. Copies of endorsements shall be attached to the certificate of insurance.

Landlord may require certificates of insurance for any insurance policies entered into by Tenant, and Tenant is responsible for annually verifying and confirming in writing to Landlord that all sub-contractors, agents, operators or workers meet the minimum coverage and limits plus maintain current certificates of coverage, and that all work activities related to this Agreement shall meet minimum coverage and limits, with any sub-contractors, agents, operators or workers complying with the same insurance requirements as Tenant.

(c) Policy Provisions. Each of the insurance coverages required below (i) shall be issued by a company licensed by the State of Vermont to transact the business of insurance in the State of Vermont for the applicable line of insurance, and (ii) shall be an insurer with an A.M. Best Co. Policyholders Rating of "A-/VIII" or better by the latest *A. M. Best Insurance Report* or has an analogous rating from a comparable

rating service approved by Landlord. Each such policy shall contain the following provisions:

- (i) All certificates shall contain a provision stating that the coverages afforded under said policies will not be cancelled, materially changed or not renewed without at least thirty (30) days written prior notice to the Landlord; and
- (ii) The policies shall not be subject to invalidation as to any insured by reason of any act or omission of another insured or any of its officers, employees, agents or other representatives and shall contain a clause to the effect that such policies and the coverage evidenced thereby shall be primary with respect to any policies carried by Landlord, and that any coverage carried by Landlord shall be excess insurance. In no event shall the limits of said policies be considered as limiting the liability of Tenant under this Agreement.

(d) Insurance Coverages. During the Term, the Tenant agrees to purchase and maintain the following types of insurance coverages, and provide evidence of continuing coverage to Landlord on an annual basis. Under no circumstances shall Tenant's liability be limited to the amount of insurance carried. Any changes to insurance are at the sole expense of Tenant. Limits of insurance required at the Effective Date of this Agreement are as follows:

- (i) Workers' Compensation and Employer's Liability. The Tenant agrees to provide Workers' Compensation coverage in accordance with the statutory limits as established by the State of Vermont and with a minimum limit for employer's liability no lower than \$500,000/accident (bodily injury by accident) and \$500,000 policy limit, \$500,000/employee (bodily injury by disease). The Tenant shall require all contractors and subcontractors performing work or occupying the Premises under this Agreement to obtain an insurance certificate showing proof of Workers' Compensation coverages and Tenant shall require from its general contractor(s) that all subcontractors submit certificates of such insurance to Landlord prior to performing work or occupying the Premises.
- (ii) Employers' Liability Insurance. If Tenant has employees, the Tenant shall also maintain Employers Liability Insurance Coverage with limits of at least:

Bodily Injury by Accident - \$500,000 each accident; and
Bodily Injury by Disease - \$500,000 each employee.
Bodily Injury by Disease - \$500,000 policy limit.

The Tenant shall require all contractors and subcontractors performing work or occupying the Premises under this Agreement to obtain an insurance certificate showing proof of Employers Liability Insurance Coverage and Tenant shall require from its general contractor(s) that it and all subcontractors submit certificates of such insurance to Landlord prior to performing work or occupying the Premises. Notwithstanding the foregoing, recognizing that not all subcontractors will have the limits set forth herein, the Tenant may allow its contractor to have discretion to accept lower limits from subcontractors as appropriate.

- (iii) Commercial General Liability Insurance. The Tenant shall provide Commercial General Liability Insurance naming the Landlord as additional insured on a primary, non-contributory basis (using endorsements CG 20 10 and CG 20 37 or their equivalents for a period of three year), which shall include, but need not be

limited to, coverage for bodily injury and property damage arising from premises and operations liability, products and completed operations liability, personal injury and advertising liability, contractual liability, fire legal liability, blasting and explosion, collapse of structures and underground damage liability. The Commercial General Liability Insurance shall provide at minimum limits of \$1,000,000 per occurrence, \$2,000,000 aggregate. Pollution shall be included or provided as a separate policy with minimum limits of \$1,000,000 per occurrence.

- (iv) Commercial Business Automobile Liability Insurance. The Tenant shall provide Commercial Business Automobile Liability Insurance naming the Landlord as additional insured on a primary, non-contributory basis which shall include coverage for bodily injury and property damage liability arising from the operation of any owned, non-owned or hired automobile. The Commercial Business Automobile Liability Insurance Policy shall provide not less than \$1,000,000 Combined Single Limits for each accident.
- (v) Commercial Umbrella Liability Insurance. The Tenant shall provide a Commercial Umbrella Liability Insurance Policy to provide excess coverage above the Commercial General Liability, the Commercial Business Automobile Liability, Pollution Liability, and Employers' Liability on a follow form basis in addition to the minimum limits set forth herein and including identical additional insured requirements as required in the primary liability policies. The minimum amount of Umbrella limits required above the coverages and minimum limits stated above shall be \$4,000,000 per occurrence and \$4,000,000 in the aggregate. Alternatively, if excess coverage is not available for any of the liability policies referenced above, the minimum limits of the underlying policy shall be increased by \$4,000,000 per occurrence and \$4,000,000 in the aggregate.
- (vi) Builders Risk Insurance. During the construction of the Project, any major renovation (defined to mean with a cost in excess of \$100,000) or major reconstruction of all or any portion of the Project, Tenant shall provide, or cause its Contractor to provide, a Builder's Risk Insurance Policy to be made payable to the Landlord and Tenant as their interests may appear, but in all instances subject to the terms, conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgage. The policy amount should be equal to 100% of the construct sum under any construction contract applicable to any such reconstruction. All deductibles shall be the sole responsibility of Tenant or the Contractor, and in no event shall the amount of any deductible exceed \$250,000.00. The policy shall be endorsed substantially as follows:

"The following may occur without diminishing, changing, altering or otherwise affecting the coverage and protection afforded the insured under this policy:

- (i) Furniture and equipment may be delivered to the insured premises and installed in place ready for use; and
- (ii) Partial or complete occupancy by Tenant, and
- (iii) Performance of work in connection with construction operations insured by the Tenant, by agents or sublessees or other contractors of Tenant, or by contractors of the Tenant."

- (vii) During the construction of the Project, any major renovation (defined to mean with a cost in excess of \$100,000) or major reconstruction of all or any portion of the Project, Tenant shall require its general contractor, architect and other design professionals with significant design obligations (other than the landscape architect) to carry professional liability insurance covering claims arising out of negligent errors or omissions in rendering or failure to render professional services, in an amount not less than \$1 million each claim and \$2 million annual aggregate; coverage shall include liability arising out of a contract, and if such insurance is on a claims made basis, Tenant's architect shall maintain liability coverage for not less than five years following the date of substantial completion of the work.
- (viii) Property Insurance. Upon completion of the Project, during the Term Tenant shall provide an "all risk" Property Insurance Policy to be made payable to the Landlord and Tenant as their interests may appear, but in all instances subject to the terms and conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgagee. The policy amount should be equal to 100% of the replacement value of the completed Project and related improvements and shall include replacement cost, demolition cost and increased cost of construction endorsements. All deductibles shall be the sole responsibility of Tenant, and in no event shall the amount of the "All Risk" deductible exceed \$100,000.00. Any improvements constructed by Tenant upon the Premises shall be constructed and maintained at Tenant's risk.
- (ix) Performance Bond and Payment Bond. During the construction of any major renovation (defined to mean with a cost in excess of \$500,000) or major reconstruction of all or any portion of the Project, Tenant shall deliver to Landlord, at the time of execution of a contract related to such construction or reconstruction work evidence of, (x) a Performance Bond of Tenant's contractor equal to 100% of the completed value of the work with Landlord named as a co-obligee, and (y) a Labor and Materials Payment Bond from Landlord's contractor in the amount equal to 100% of the completed value. For additional clarity, this Section 15(d)(ix) shall not apply with respect to the initial construction of the Project, bonding for which is addressed in Section 3(d)(iii), or otherwise with respect to work being performed by the Contractor.

(e) Waiver of Subrogation. Each of Landlord and Tenant hereby releases the other and their officers, directors, shareholders, agents and employees from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage to property caused by any of the perils which are insured against under standard policies of fire and casualty insurance (including extended coverage), even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible. This provision shall be deemed suspended during any period of time when insurance companies will not issue insurance policies for properties with such a provision in this Agreement.

(f) Termination of Obligation to Insure. Unless otherwise expressly provided to the contrary, the obligation to insure as provided herein continues throughout the Term and shall not terminate until this Agreement has expired or been terminated and the Premises surrendered.

(g) Review of Insurance. Subject to the terms and conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgagee, the Landlord reserves the right to review the insurance

coverage requirements every five years to ensure that the specified coverages and limits remain commercially reasonable for similar improvements and facilities, and Tenant shall modify its coverage throughout the term of this Agreement at Tenant's sole expense upon the reasonable request of Landlord if the specified coverages and limits are no longer commercially reasonable for similar improvements and facilities.

Section 16. **Damage or Destruction.** If, during the Term, the Project is wholly or partially damaged or destroyed, Tenant shall promptly give written notice of that damage or destruction to Landlord. Subject to the terms of any Leasehold Mortgage then in effect, any such damage or destruction shall not terminate this Agreement, and Tenant shall apply available insurance proceeds and the amount then held in the Capital Reserve Account to promptly repair, restore, replace, rebuild, or reconstruct (herein "Restoration" or "Restore") the Project to substantially the same quality, workmanship, finishes and size as existed immediately before the damage or destruction unless the Landlord gives its prior written approval to do otherwise (subject to Section 44). Subject to the terms of any Leasehold Mortgage then in effect, which may provide that a Leasehold Mortgagee has the right to participate in adjustment of losses as to casualty proceeds, the Restoration shall be commenced promptly and prosecuted with due diligence following adjustment or collection of insurance proceeds. The terms of any Leasehold Mortgage may require payment of insurance proceeds to be made to the Leasehold Mortgagee or to an independent trustee acceptable to the Leasehold Mortgagee until Restoration is complete. Base Rent required to be paid hereunder shall abate in proportion to that part of the Premises that is rendered unfit for occupancy bears to the whole of the Premises until Restoration is complete. In no event shall Landlord have any right to receive any insurance proceeds; any excess insurance proceeds remaining following Restoration shall be delivered to Tenant, subject to the rights of any Leasehold Mortgagee. The parties acknowledge that if funds held in the Capital Reserve Account are used in connection with the restoration of the Project, the reduction of the sum then held in the Capital Reserve Account may be offset by the fact that some or all of the Project shall have been replaced prior to their scheduled replacement. Notwithstanding the foregoing, Tenant agrees that if reasonably requested by Landlord, it shall commission a third-party consultant selected and paid for by Tenant and reasonably acceptable to Landlord to perform a life cycle analysis of the Project following restoration to determine the amount by which the Capital Reserve Account shall be funded on a monthly basis following restoration.

Notwithstanding anything to the contrary, if any damage or casualty to the Project shall occur within the five (5) years prior to the end of the Term, and the cost of Restoration pursuant is reasonably estimated to exceed one percent (1%) of the replacement cost thereof, Tenant shall have the right to terminate this Lease. Tenant shall exercise such right on or before the date that is ninety (90) days after the occurrence of such damage or casualty. If Tenant provides such notice of termination of this Lease, then at the option of Landlord, Tenant, at its sole cost and expense (subject to reimbursement from the Capital Reserve Fund and as described below), shall either (i) demolish the Project, or (ii) safeguard and secure the Project so that they do not present any imminent danger to person or property. Landlord shall exercise such option within two (2) months after such notice. If this Lease so terminates, then the proceeds of insurance shall be disbursed as follows: (a) first, to any Leasehold Mortgagee, the amount of the outstanding indebtedness secured by the Leasehold Mortgage, (b) second, to Tenant to reimburse Tenant for the out-of-pocket costs incurred by Tenant pursuant to clauses (i) and (ii) above, if any, and (c) the balance, to Landlord.

Section 17. **Condemnation or Eminent Domain; Certain Other Governmental Orders.**

(a) If the whole of the Premises and the Project shall be appropriated or condemned under power of eminent domain by any competent authority for any public or quasi-public use or purpose after the Effective Date, Tenant reserves unto itself the right to prosecute its claim for an award of damages for the termination of this Agreement caused by such appropriation or taking, together with damages based on

the value of Tenant's total improvements on the Premises and damages Tenant may sustain caused by such appropriation and taking of, or the injury to, the Tenant's leasehold interest. In such event, this Agreement shall terminate when Tenant can no longer use the Premises in the manner herein intended, or when possession thereof shall be required by the appropriating or condemning authority, whichever shall first occur and any unearned Rent or other charges, if any, paid in advance shall be refunded to Tenant.

(b) If a part of the Premises shall be appropriated or condemned, and Tenant determines in its reasonable discretion that such partial taking renders the continued operation and management of the Premises uneconomic, then and in any such event Tenant, at any time either before or within a period of sixty (60) days after the date when possession on the part of the Premises so taken shall be required by the appropriating or condemning authority may elect to terminate this Agreement. If Tenant shall exercise such election to terminate this Agreement, Tenant shall have the right to prosecute its claim for an award for damages for the termination of this Agreement caused by such partial appropriation or taking, together with damages based on the value of Tenant's total improvements in the same manner and to the same extent as that hereinbefore reserved by Tenant in the event that the whole of the Premises were appropriated or condemned, except that nothing herein shall be construed to entitle Tenant to any such damages or to obligate the Landlord to pay any such damages or portion thereof upon a failing by the condemning or appropriating authority or an adjudication as between the authority and Tenant to make an award of damages. Upon termination, any unearned Rent or other charges, if any, paid in advance shall be refunded to Tenant. For additional clarity, any temporary taking of the whole or part of the Premises shall be considered under this Section 17 as a partial taking.

(c) If Tenant shall fail to exercise such option, or in the event that a part of the Premises shall be taken or condemned under circumstances in which Tenant shall have no such option, then in either event this Agreement shall continue in full force and effect and shall terminate only as to that part of the Premises so taken and Rent required to be paid hereunder shall abate in proportion to that part of the Premises that is taken or condemned bears to the whole of the Premises. In that event Tenant shall, using compensation available or paid upon such a partial taking (or purchase), and if those are insufficient, using funds then held in the Capital Reserve Account, make all repairs to the buildings and improvements on the Premises affected by such taking (or purchase) to the extent necessary to restore the same to a complete architectural unit (to the extent permitted, however, taking into consideration the amount of land remaining after any such taking or purchase). All compensation available or paid to the Landlord and Tenant upon such a partial taking (or purchase), shall be paid to Tenant for the purpose of paying towards the cost of such restoration, and any excess compensation shall be paid first to Tenant for the value of any improvements or improved property so taken, and then to Landlord for the value of any property taken and considered as unimproved and for the cost of any property restoration occasioned by such partial taking (or purchase). The parties acknowledge that if funds held in the Capital Reserve Account are used in connection with the restoration of the Project, the reduction of the sum then held in the Capital Reserve Account may be offset by the fact that some or all of the Project shall have been replaced prior to their scheduled replacement. Notwithstanding the foregoing, Tenant agrees that if reasonably requested by Landlord, it shall commission a third-party consultant selected and paid for by Tenant and reasonably acceptable to Landlord to perform a life cycle analysis of the Project following restoration to determine the amount by which the Capital Reserve Account shall be funded on a monthly basis following restoration.

(d) In all events, and notwithstanding the foregoing provisions of this Section or anything to the contrary, a Leasehold Mortgagee shall have the right to participate in any condemnation proceedings and settlement discussions. If any Leasehold Mortgage is in effect at the time of any taking or partial taking, payments or awards made in connection therewith shall be made to the Leasehold Mortgagee or to an independent trustee for the purposes of supervising and controlling the receipt and disbursement of condemnation awards for the restoration of the Premises (in the event of a partial taking that does not result in the termination of this Agreement) or otherwise. This payment must not be less than the total award

minus the value of the land considered as unimproved but encumbered by this Agreement.

(e) To the maximum extent allowable under State or Federal Law, Tenant reserves its rights to pursue damages or remedies for any condemnation of the Premises. Nothing in this Section 17 waives or modifies any legal or equitable rights Tenant may have as a leasehold owner or as a business owner in the event the Premises is subject to eminent domain.

(f) In the event of the issuance by any court of competent jurisdiction of an injunction, order, or decree preventing or restraining the use by Tenant of all or any substantial part of the Premises or preventing or restraining the use of the Airport for usual Airport purposes in its entirety, or the use of any part thereof which may be used by Tenant and which is necessary for Tenant's operations on the Airport, Landlord shall not be deemed in default of its obligations hereunder, and Tenant's obligation to pay Rent shall equitably abate until such order terminates or is vacated.

(g) In the event that any agency or instrumentality of the federal or any state or local government shall occupy the Airport or a substantial part thereof, or in the event of military mobilization or public emergency wherein there is a curtailment, either by executive decree or legislative action, of normal civilian traffic at the Airport or its use for civil aviation, and any of said events shall result in material interference with Tenant's normal operations, Landlord shall not be deemed in default of its obligations hereunder, and Tenant's obligation to pay Rent shall equitably abate until such state affairs ceases and normal operations resume

Section 18. **Landlord's Right to Mortgage Property.**

(a) Landlord shall have the right to grant one or more mortgages, deeds of trust or other security instruments on Landlord's interest in the Premises (each, a "Fee Mortgage"), subject to Section 18(b).

(b) Any Fee Mortgage shall automatically and without further act be subject and subordinate in all respects to this Lease, any Leasehold Mortgage and the Tenant's rights hereunder. The foregoing is intended to provide that although the Fee Mortgage pertains to the fee interest in the Property, any exercise by the holder of a Fee Mortgage (each, a "Fee Mortgage") of its remedies thereunder shall be subject to this Lease and any Leasehold Mortgage and shall not terminate or otherwise affect this Lease. No foreclosure of such Fee Mortgage (or deed in lieu of such foreclosure) or other exercise of remedies under a Fee Mortgage, shall operate to disturb the rights of Tenant under this Lease or the rights of a Leasehold Mortgagee under a Leasehold Mortgage, and the transferee thereof shall recognize such rights. The foregoing provisions of this Section 18(b) are intended to be self-operative, but each Fee Mortgagee, by acceptance of its Fee Mortgagee, shall be deemed to have agreed to execute such further assurances as Tenant or any Leasehold Mortgagee may reasonably request to confirm the agreements set forth in this Section 18(b).

Section 19. **Environmental Compliance.**

(a) Except as provided in Subsections 19(b) and 19(d), below, to the extent caused by or arising from the acts or omissions of Tenant, its agents, employees or contractors, Tenant shall defend, indemnify, and hold harmless Landlord and its officers and employees from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including reasonable attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to: (i) the presence, disposal, release, or threatened release of any Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party

other than Tenant, its agents, employees or contractors; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors; and/or (iv) any violation of laws, orders, regulations, requirements, or demands of government authorities which are based upon or in any way related to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors. For purposes of this Section 19, the term “Hazardous Materials” includes any flammable explosives, radioactive materials, hazardous materials, hazardous waste, hazardous or toxic substances, oil or petroleum products, asbestos, or related materials; including as the same are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601, *et seq.*), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §§ 1801, *et seq.*), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 6901, *et seq.*), applicable Vermont Statutes, and in the regulations adopted and publications promulgated pursuant thereto. Tenant shall provide Landlord with copies of any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials and the Premises and shall give Landlord written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises. The foregoing provisions shall be in addition to any other obligations and liabilities Tenant may have under this Agreement, at common law, or otherwise, and shall survive the termination or expiration of this Agreement for a period of two years.

(b) Tenant shall not be liable to Landlord for any Hazardous Materials to the extent that such Hazardous Materials were generated, stored, handled, transported, disposed of, discharged or released by any party other than Tenant, its agents, employees or contractors.

(c) Tenant shall provide Landlord with copies of any environmental reports or studies in its possession or in the possession of its agents which it can obtain without expense related to the Premises and any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials on, from or affecting the Premises and shall give Landlord written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises.

(d) Except as otherwise provided in Subsection 19(a), above, Landlord shall defend, indemnify, and hold harmless Tenant and its members and managers from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to: (i) the presence, disposal, release, or threatened release of any Hazardous Materials on, from, or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to Hazardous Materials on, from or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to Hazardous Materials on, from or affecting the Premises; and/or (iv) any

violation of laws, orders, regulations, requirements, or demands of government authorities based upon or in any way related to Hazardous Materials on, from or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors. Landlord shall provide Tenant with copies of any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials on, from or affecting the Premises and shall give Tenant written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises. The foregoing provisions shall be in addition to any other obligations and liabilities Landlord may have under this Agreement, at common law, or otherwise, and shall survive the termination or expiration of this Agreement for a period of two years.

Section 20. **Quiet Enjoyment; Landlord's Warranties.**

(a) Landlord covenants and agrees with Tenant that upon Tenant paying the Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed under this Agreement, Tenant shall and may peaceably and quietly have, hold, occupy and enjoy the Premises, the Project and all appurtenances thereto without hindrance or molestation from any person claiming by, through or under Landlord.

(b) Landlord represents and warrants to Tenant that (i) Landlord and any person executing this Agreement in a representative capacity has full right and lawful authority to execute this Agreement in the manner and upon the conditions and provisions herein contained; (ii) Landlord has obtained all necessary approvals, including from the FAA, to enter into this Agreement, including to allow the use of the Premises by Tenant as permitted under this Lease; (iii) Landlord owns good and marketable fee simple title to the Premises subject only to the Permitted Encumbrances and to no other restrictions, covenants, conditions, easements or encumbrances whatsoever unless subsequently consented to by Tenant (and if applicable by any Leasehold Mortgagee), (iv) Landlord has fully complied with all requirements pertaining in any way to the disposition of real estate as the same may apply to this Agreement, including undertaking the Procurement in compliance with Applicable Law, and (v) except as expressly provided otherwise in this Lease, there are no leases, licenses, or other agreements pursuant to which any person has the right to use or occupy any part of the Premises, except as set forth on **Schedule 20(b)** attached hereto.

Section 21. **Defaults.**

(a) If any one or more of the following events (herein called "Events of Default") shall occur:

- (i) if default shall be made in the due and punctual payment of any installment of Rent, when and as the same shall become due and payable, and such default shall continue for a period of ten (10) business days after written notice thereof from Landlord; provided, however, that once Landlord has given Tenant two (2) such notices during any twelve (12) consecutive month period, Landlord shall not be required to give further written notice, and thereafter the failure by Tenant to pay any installment of Rent, when and as the same shall become due and payable, which failure continues for a period of ten (10) business days, shall be an Event of Default without further notice; or
- (ii) if default shall be made in the due and punctual payment of any installment of any sum of money payable by Tenant under this Agreement other than Rent, when and

as the same shall become due and payable, and any such default shall continue for a period of ten (10) business days after written notice thereof from Landlord; provided, however, that once Landlord has given Tenant two (2) such notices during any twelve (12) consecutive month period, Landlord shall not be required to give further written notice, and thereafter the failure by Tenant to make any such payment when and as the same shall become due and payable, which failure continues for a period of ten (10) business days, shall be an Event of Default without further notice; or

- (iii) if default shall be made by Tenant in the performance or compliance with any of the agreements, terms, covenants or conditions in this Agreement provided, other than those referred to in the foregoing Subsections 21(a)(i) or (ii), and such default shall continue for a period of thirty (30) days after written notice from Landlord to Tenant specifying the items in default, or in case of a default or contingency which cannot with due diligence be cured within said thirty (30) day period, Tenant fails to proceed within said thirty (30) day period to commence to cure the same and thereafter to prosecute the curing of such default with due diligence (it being understood that the time of Tenant within which to cure shall be extended for such period as may be necessary to complete the same with all due diligence); or
- (iv) if Tenant shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future state or federal bankruptcy or insolvency statute or law, or shall seek or consent to the appointment of any bankruptcy or insolvency trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises; or
- (v) if within sixty (60) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future state or federal bankruptcy act or any other present or future state or federal bankruptcy or insolvency statute or law, such proceeding shall not have been dismissed, or, if, within sixty (60) days after the appointment, without the consent or acquiescence of Tenant, of any trustee, receiver or liquidator of Tenant or of all or substantially all of its properties or of the Premises, such appointment shall not have been vacated or stayed on appeal or otherwise, or if within sixty (60) days after the expiration of any such stay, such appointment shall not have been vacated,

then and in any such event Landlord, at any time thereafter that the Event of Default remains uncured, may give written notice to Tenant specifying such Event of Default or Events of Default and stating that this Agreement and the term thereof shall expire and terminate on the date specified in such notice which shall be at least sixty (60) days after the giving of such notice, and upon the date specified in such notice this Agreement and such term and all rights of Tenant under this Agreement shall, subject to the rights of Leasehold Mortgagees, expire and terminate (except those that are expressly provided to survive termination of this Agreement) and whereupon the provisions of Section 7(c) and Section 7(d) shall apply.

Notwithstanding anything to the contrary, if the Event of Default giving rise to such notice of termination from Landlord arises pursuant to Section 21(a)(i) or 21(a)(ii), Tenant may cure such Event of Default prior to the date specified in Landlord's notice of termination in which event this Agreement shall continue in full force and effect.

Further notwithstanding anything to the contrary, if the Event of Default results in an emergency matter posing a risk of immediate harm to persons or property and/or respects failure by Tenant to maintain insurance as required by this Lease and Tenant fails to remedy the same within a reasonable time given the exigency, Landlord may elect to cure the same and Landlord's reasonable costs in so doing will be considered Additional Rent under this Lease.

(b) Upon any such expiration or termination of this Agreement, Tenant shall quit and peacefully surrender the Premises to Landlord, and Landlord, upon or at any such expiration or termination, may without further notice, enter upon and reenter the Premises and possess and repossess itself thereof by summary proceedings, and may bring such actions for damages or equitable relief to which Landlord may be entitled under Applicable Law or at equity, provided that in no event shall Landlord be entitled to accelerate or otherwise receive Rent for longer than four (4) years of the unexpired remainder of the Term, subject to Landlord's obligation to use good faith efforts to mitigate Tenant's damages.

(c) If Landlord shall default in its obligations under this Agreement, Tenant may pursue all available legal or equitable remedies provided by law.

Section 22. **Additional Covenants of Tenant.** Tenant covenants and agrees as follows:

(a) To keep and maintain the Project and the Premises, and each and every part thereof including the building structure and roof, doors and windows, exterior appearance, gas, electrical, plumbing, HVAC and other building systems, landscaping and hardscaping, and building shell and core fixtures, in good order, condition and repair (reasonable wear and tear excepted).

(b) Not to make any illegal use of the Premises and not to cause waste to the Premises.

(c) To pay to Landlord a late charge equal to five percent (5%) of each payment of Rent or other amount due hereunder which is not received by Landlord within ten (10) days after the same is due.

Section 23. **No Waiver; No Accord and Satisfaction.** The waiver by Landlord of a breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, or of any subsequent breach of the same or any other term, covenant or condition. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No covenant, term or condition of this Agreement shall be deemed to have been waived or modified, unless such waiver or modification is in writing and executed on behalf of the parties. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent 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 Rent or pursue any other remedy in this Agreement provided.

Section 24. **Time is of the Essence; Force Majeure.** All time limits stated herein are of the essence of this Agreement. If either party (and/or a Leasehold Mortgagee curing Tenant's or its obligations hereunder) shall be affected by Unavoidable Delay (as defined below), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. As used in this Agreement, "Unavoidable Delay" means delays incurred due to (i) any act of God (including weather delays beyond historic weather patterns), flood, earthquake, fire, disease, pandemics, epidemics and the like, (ii) labor strike, civil unrest or work stoppage

or slowdown (including failure of building inspectors to reasonably process approvals that cause work stoppage), (iii) unforeseeable interruptions in utility services, (iv) unforeseeable material shortages, transportation and logistics delays, (v) sabotage, war, riot, terrorism, moratorium, (vi) unforeseeable governmental action (including required work stoppage or closure of construction sites by applicable government authorities including closures in the general vicinity where the Premises is located, and including unforeseen archeological conditions or closure of government offices that issue necessary permits), (vii) delays caused by the other party, or with respect to Tenant any Affiliate of Tenant, or with respect to Landlord, any division, department or instrumentality of Landlord or under Landlord control, (viii) any other unforeseeable act of any third party unrelated to, and having no arrangements, contractual or otherwise, with the Premises or the respective party claiming the delay that reasonably prevents an action from being taken through no fault of the respective party claiming the delay, or (xi) other similar causes beyond the reasonable control of the party claiming the delay (but not including insolvency).

Section 25. **Notices.** Any notices to be given pursuant to this Agreement shall be sufficient if given by a writing deposited in the United States mails, certified mail or registered mail, return receipt requested, postage prepaid, by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, by email (provided the electronic process used is reasonably secure and not easily susceptible to manipulation and that if notice is delivered by email, notice must also be delivered by one of the other methods described above unless the recipient or its counsel waives for foregoing) addressed as follows:

- If to Landlord: City of Burlington
Attention: Office of the City Attorney
City Hall, 149 Church St.
Burlington, VT 05401
Email: [_____]

- with a copy to: Patrick Leahy Burlington International Airport
Attention: Director of Aviation
1200 Airport Drive
South Burlington, VT 05403
Email: [_____]

- If to Tenant: Beta Technologies, Inc.
Attention: CEO & COO
1150 Airport Drive
South Burlington, VT 05403
Telephone No.: (802) 281-3623
Email: kyle@beta.team & blain@beta.team

- with a copy to: Beta Technologies, Inc.
Attention: General Counsel
1150 Airport Drive
South Burlington, VT 05403
Telephone No.: (802) 281-3623
Email: bdunkiel@beta.team

or to such other person, address or number as the party entitled to such notice or communication shall have specified by notice to the other party given in accordance with the provisions of this Section. Any such

notice or other communication shall be deemed given: (i) if mailed, three days after being deposited in the mail, properly addressed and with postage prepaid; (ii) if sent by courier, the next day after being deposited with the courier, properly addressed and with prepaid; (iii) if sent by email, when transmitted, provided that the sender does not receive an automated delivery failure or “out of office” message.

Section 26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Vermont, without giving effect to such jurisdiction’s principles of conflict of laws. The parties consent to and submit to in personam jurisdiction and venue in the State of Vermont, County of Chittenden, and in the U.S. District Court for the District of Vermont. The parties assert that they have purposefully availed themselves of the benefits of the laws of the State of Vermont and waive any objection to in personam jurisdiction on the grounds of minimum contacts, waive any objection to venue, and waive any plea of forum non conveniens. This consent to and submission to jurisdiction is with regard to any action related to this Agreement, regardless of whether the parties’ actions took place in the State or elsewhere in the United States.

Section 27. **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 28. **Holding Over.** If Tenant shall continue in occupancy of the Premises after the expiration or termination of this Agreement, such occupancy shall not be deemed to extend or renew the terms of this Agreement, but such occupancy shall continue as a tenancy at will from month to month and otherwise upon the covenants, provisions and conditions herein contained, except that Base Rent shall be doubled. This Section shall not be construed as giving Tenant any right to hold over after any such expiration or termination. In addition, Tenant agrees to pay Landlord’s reasonable attorney’s fees and related costs if Landlord must take legal action to evict or eject Tenant who is holding over or to collect the holdover amount as set forth in this provision.

Section 29. **Jury Trial Waiver.** Landlord and Tenant waive the right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Agreement. This waiver is knowingly, intentionally, and voluntarily made by Tenant and Landlord and Tenant and Landlord acknowledge that neither Landlord nor Tenant nor any person acting on behalf of Landlord or Tenant has made any representations of fact to induce this waiver of trial by jury or in any way to modify or nullify its effect. Tenant and Landlord further each acknowledge that it has been represented (or has had the opportunity to be represented) in the signing of this Agreement and in the making of this waiver by independent legal counsel, selected of its own free will, and that it has had the opportunity to discuss this waiver with counsel. Tenant and Landlord further acknowledge that it has read and understands the meaning and ramifications of this waiver provision.

Section 30. **Tenant and Landlord Defined.** The word “Tenant” shall be deemed and taken to mean Beta Technologies, Inc. and its successors and permitted assigns. The term “Landlord” as used in this Agreement means only the owner for the time being of the Premises, so that, in the event of any sale thereof, the seller shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder not theretofore accrued, and it shall be deemed and construed, without further agreement between the parties or between the parties and the purchaser of the Premises, that such purchaser has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder.

Section 33. **Notice of Lease.** The parties will at any time, at the request of either one, promptly execute

multiple originals of an instrument, in recordable form which will constitute a notice of lease, setting forth the information required by 27 V.S.A. § 341(c). Landlord shall, upon request of Tenant, promptly execute and deliver to Tenant any transfer tax returns, affidavits or other documents which shall be required by any recording office as a condition of recording such memorandum or notice of this Agreement. Tenant shall be responsible for all recording fees and other recording costs, including recording taxes, related to the recording of the memorandum or notice of this Agreement.

Section 34. **Number; Gender; “Including”**. Wherever the context so requires, the singular and the plural form of words and words of masculine or feminine gender shall, within those respective classifications, be deemed interchangeable. The term “including”, and variants thereof, shall mean “including without limitation” unless the context otherwise expressly provides.

Section 35. **Captions; Headings**. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit, construe or describe the scope or intent of such sections, nor in any way affect this Agreement or have any substantive effect.

Section 36. **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument; such counterparts may be evidenced by pdf or similar reproduction methods and/or may be executed electronically using electronic signature software (e.g., DocuSign or similar software) or similar methods (each a method of “Electronic Execution”), and each pdf or Electronic Execution shall have the same legal and binding effect as original signatures; upon the request of either party, the other shall furnish a copy or copies with original signature within five (5) business days.

Section 37. **Waiver of Rule of Construction**. The parties waive the benefit of any rule that this Agreement is to be construed against one party or the other.

Section 38. **Entire Agreement; Amendment**. This Agreement and the exhibits hereto and the agreements referenced herein embody the entire agreement and understanding between the parties relating to the subject matter hereof and there are no covenants, promises, agreements, conditions or understandings, oral or written, except as herein set forth. This Agreement may not be amended, waived or discharged except by an instrument in writing executed by both parties.

Section 39. **Successors and Assigns**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 40. **Commissions and Fees**. The parties hereto warrant and represent to each other that they have no knowledge of any real estate broker or agent to whom a commission may be payable as a result of this transaction or any such knowledge of any other finder’s fees or commissions related thereto, and each party agrees to indemnify and hold harmless the other for all claims or demands of any real estate agent or broker claiming by, through, or under such party, which indemnification shall also include payment of costs and attorneys’ fees incurred by a party in defense of a claim for such real estate commissions or fees.

Section 41. **Tenant Representations and Warranties**. The Tenant makes the following representations and warranties to and for the benefit of Landlord:

(a) Tenant is a Delaware corporation, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in the State of Vermont and has the full power and authority to enter into, execute, deliver, and consummate the transaction contemplated by this Agreement and any instruments and agreements contemplated herein. Tenant has taken all action required by law or by its organizational or corporate documents to authorize the execution, delivery, and consummation of the

transaction contemplated hereby.

(b) The consummation of the transaction contemplated by this Agreement will not violate or be in conflict with any provision of Tenant’s governing documents, or any other agreement or instrument to which Tenant is a party or by which Tenant is bound, or any judgment, decree, order, statute, rule or regulation applicable to Tenant.

(c) This Agreement constitutes the legal, valid and binding obligation of Tenant in accordance with its terms. No consent or approval of any trustee or holder of any indebtedness of the Tenant, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Agreement or the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

(d) No information, exhibit or report furnished to the Landlord by the Tenant in connection with the negotiation of this Agreement knowingly contains any untrue statement of a material fact or knowingly omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 42. **No Partnership.** The parties do not intend by this Agreement to create, nor shall this Agreement be deemed to create, a partnership or a joint venture among the parties; each party is an independent actor and entity, and nothing in this Agreement shall be deemed to make either party an agent or partner of the other, or to give either party the right to bind the other in any way, notwithstanding any reference to the Project as a “public-private partnership.”

Section 43. **No Third-Party Rights.** This Agreement is made solely and specifically between and for the benefit of the parties hereto, and their respective successors and assigns, subject to the express provisions hereof relating to successor and assigns, and except as otherwise expressly set forth herein, no other person, individual, corporation or entity, whatsoever, shall have any rights, interests or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

Section 44. **Consents and Approvals.** Wherever this Agreement requires the approval or consent of Landlord or Tenant, unless a different standard is expressly indicated, such approval or consent shall not be unreasonably withheld, conditioned or delayed. Wherever this Agreement requires the approval or consent of Landlord or Tenant, unless a different time period is expressly provided, such party shall respond to any written request for approval or consent within ten (10) business days following receipt of the same. Such response shall include either the party’s consent to, or rejection of, such request. The responding party may also request additional information or materials related to the approval or consent requested (provided such request shall not extend the time of such party to respond to the request). If any party fails to respond to any written request for approval or consent within such time period as may be provided in this Agreement, the party requesting such approval or consent may elect to send an additional written notice that (i) is marked URGENT, IMMEDIATE RESPONSE REQUIRED and states the approval or consent that is requested, and (ii) states that the failure to respond to such request within two (2) business days after receipt of such additional written notice shall be deemed approval or consent. If such additional notice is sent as aforesaid, the failure to respond to such request within two (2) business days after receipt of such additional written notice shall be deemed approval or consent to the request contained therein (a “Deemed Approval”). Wherever this Agreement requires the approval or consent of Landlord or Tenant, if such party determines to withhold such approval or consent, such party shall state in reasonable detail the basis for withholding such approval or consent.

Section 45. **Estoppel.** Each party shall, within thirty (30) business days after request by the other party, execute and deliver to the requesting party, or the party designated by the requesting party, a statement certifying that: (i) this Agreement is unmodified and in full force and effect (or, if there have been modifications, stating the modifications, and that the modified Agreement is in full force and effect); (ii) whether, to the responding party's knowledge, either party is in default in performance of any of its obligations under this Agreement, and, if so, specifying each default; and (iii) any other information reasonably requested concerning this Agreement.

Section 46. **Further Assurances.** Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Lease, including amending this Lease to adjust the legal description of the Premises following construction to account for as-built conditions and entering into separate easements or other instruments to effectuate the access, use and other rights set forth in this Lease; provided, however, that the execution and delivery of such documents by such party shall not result in any additional liability or material cost to such party.

Section 47. **Dispute Resolution; Attorneys' Fees.** If a dispute arises between the parties with regard to the performance or interpretation of any terms of this Agreement, the parties agree to use the following procedures in the order as set forth below:

(a) **Negotiation.** A meeting shall be held between the Landlord and Tenant regarding the dispute to attempt in good faith to negotiate a resolution of the dispute (the "Negotiation Meeting"); such Negotiation Meeting shall be held within five (5) business days of a party's written request for such a meeting and may occur by telephone or video conference.

(b) **Mediation.** If the parties fail to resolve their dispute through the Negotiation Meeting, either party (the "**Notifying Party**") may demand non-binding mediation in an effort to resolve the dispute by giving written notice (the "**Notice of Dispute**") to the other party (the "**Receiving Party**"). The Notice of Dispute shall include, in detail, the issues in dispute that the Notifying Party deems relevant to the mediation. Within five (5) business days following the date of the Notice of Dispute, the Receiving Party shall submit to the Notifying Party a list of three (3) persons in Vermont or adjacent states who (i) do not have any professional, business, family or personal affiliation with any of the parties that would compromise their independence, (ii) have relevant training, experience and expertise with regard to the matters in dispute, and (iii) are reasonably available to mediate the dispute (the "**Mediator List**"). The Notifying Party shall, within three (3) business days following receipt of the Mediator List select a mediator (the "**Designated Mediator**") from the Mediator List and give written notice of the identification of the Designated Mediator to the Receiving Party and to the Designated Mediator. If the Receiving Party fails to approve a Mediator List within the time provided above, the Notifying Party shall have the right, upon notice to the Receiving Party, to designate a Designated Mediator who the Notifying Party reasonably believes will satisfy the Mediator criteria set forth above. The parties shall use good faith efforts to schedule and conduct the mediation as expeditiously as is reasonably possible, and the parties shall use their best efforts to make authorized representatives with authority to settle the dispute available for mediation and to cooperate in the mediation. The cost of Mediation, including any fees charged by the Mediator, shall be paid in equal shares by the Notifying Party and the Receiving Party.

(c) All negotiation shall occur in Chittenden County, Vermont at a mutually agreeable location; all Mediation shall occur or at the office of the Designated Mediator unless the parties to the dispute otherwise agree.

(d) If the parties fail to resolve the dispute through negotiation or mediation, then (1) if the parties agree on binding arbitration, they shall submit the matter to binding arbitration by a single arbitrator,

or (2) a party may seek an adjudicated resolution through an appropriate court.

(e) The parties consent to the inclusion in any mediation, arbitration, or litigation (by consolidation, joinder, or any other manner) third parties substantially involved in a question of law or fact common to a dispute between the parties under this Agreement.

(f) The substantially prevailing party in any dispute arising out of or relating to this Agreement that is resolved by binding arbitration or by litigation shall be entitled to recover from the other party its reasonable attorneys' fees, costs and expenses incurred in connection therewith.

(g) This dispute resolution provision shall survive the expiration or termination of this Agreement.

One Signature Page Follows

IN WITNESS WHEREOF, the parties, as evidenced by the signatures of their duly authorized agents, do hereby execute this Agreement as of the date first set forth above.

LANDLORD

City of Burlington

By: _____
Name: _____
Title: _____

STATE OF VERMONT
CHITTENDEN COUNTY, SS.

This Lease was acknowledged before me on _____, 2025, by _____ as _____ and Authorized Agent of the City of Burlington.

Before me, _____
Notary Public State of Vermont
My commission expires: 1.31.27
My credential number: _____

TENANT

Beta Technologies, Inc.

By: _____
Name: _____
Title: Duly Authorized Agent

STATE OF VERMONT
CHITTENDEN COUNTY, SS.

This Lease was acknowledged before me on _____, 2025, by _____ as _____ and Authorized Agent of _____ Beta Technologies, Inc.

Before me, _____
Notary Public State of Vermont
My commission expires: 1.31.27
My credential number: _____

EXHIBIT A

DEPICTION OF AIRPORT PROPERTY

[PENDING]

EXHIBIT B-1

LEASE PLAN

[PENDING]

EXHIBIT B-2

PREMISES LEGAL DESCRIPTION

[PENDING]

EXHIBIT C

AUTHORIZED REPRESENTATIVES

City: Director of Aviation
Deputy Director of Operations (Airport)
Engineering Director (Airport)

Beta: Kyle Clark
Blain Newton
Alex Gagnon

EXHIBIT D

Reserved

EXHIBIT E

REQUIRED FEDERAL PROVISIONS

I. Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Tenant transfers its obligation to another, the transferee is obligated in the same manner as Tenant. This provision obligates Tenant for the period during which the property is owned, used or possessed by Tenant and the Airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

II. **Compliance with Nondiscrimination Requirements:** During the performance of this contract, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

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

2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

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

5. **Sanctions for Noncompliance:** In the event of a Contractor’s continuing noncompliance with the nondiscrimination provisions of this contract and failure to cure the same following the applicable notice and cure provisions of this Agreement, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
- b. Cancelling, terminating, or suspending a contract, in whole or in part.

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

III. During the performance of this Agreement, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 *et seq.*).

Schedule 1(d)

PERMITTED ENCUMBRANCES

[PENDING]

Schedule 7(f)

PARAMETERS FOR CAPITAL RESERVE ACCOUNT

[PENDING]

Schedule 20(b)

LEASE SCHEDULE

None.

25112718.6

TO: Airport Commission

FROM: Patrick Leahy Burlington International Airport
Nicolas Longo, Director of Aviation

DATE: October 15, 2025

SUBJECT: Request to execute a ground lease agreement with Beta Technologies

REQUEST

The Patrick Leahy Burlington International Airport ("Leahy BTV") respectfully requests approval and authorization to execute a ground lease agreement with Beta Technologies for the purpose of building hangar space on the airfield.

Background

In 2024, the Airport published a map identifying all available locations (attached) for aeronautical development on the airfield. As part of this process, we received a few requests to build hangars on various locations. Specific to Area 5 labeled on the map, Beta technologies has identified this area and requested to lease from the Airport this parcel to build a hangar to support their mission along with their general aviation fleet. Area 5 is an unimproved lot of land, although it does have some underground infrastructure to support stormwater/underground systems which have been identified within the Beta discussions.

Beta Technologies has been a tenant at Leahy BTV since 2019. During this time, Beta has invested time and resources to improve spaces they occupy at the Airport. Beta is seeking additional hangar space. There are no existing hangars available for lease, so Beta is proposing to lease the ground space identified as Area 5 to build a hangar. Beta Technologies plans to fund and build the hangars and will maintain the space. The adjacent apron will remain available to the public as long as the area is not interfering with egress from the newly proposed hangar.

Lease Terms

The proposed amendment includes the following key terms:

- Effective date: _____, 2025
- Term: 30 years
- Rental Rate: \$0.50/land sf/month for an annual total of \$13,672.50 annually, or \$1,148.49 per month.

MOTIONS:

Airport Commission

Recommend memo as presented

Board of Finance:

“To approve and recommend that the City Council authorize the Mayor of the City of Burlington to execute the lease with Beta Technologies at the Patrick Leahy Burlington International Airport, subject to final review and approval by the City Attorney’s Office, and to take such further actions and execute such further instruments approved as to form by the City Attorney’s Office as may be necessary or convenient to effectuate the transactions contemplated hereby.”

City Council:

“To authorize the Mayor of the City of Burlington to execute the lease with Beta Technologies at the Patrick Leahy Burlington International Airport, subject to final review and approval by the City Attorney’s Office, and to take such further actions and execute such further instruments approved as to form by the City Attorney’s Office as may be necessary or convenient to effectuate the transactions contemplated hereby.”

GROUND LEASE

This Ground Lease (“Agreement” or “Lease”) is dated as of _____, 2025 (the “Effective Date”) and is made by and between **Beta Technologies, Inc.**, a Delaware corporation with a place of business in Burlington, Vermont (the “Tenant”) and the **City of Burlington**, a Vermont municipal corporation located in Chittenden County, Vermont (the “Landlord”) acting by and through Burlington International Airport.

Recitals

A. Landlord owns the real property (the “Property”) operated as the Patrick Leahy Burlington International Airport (the “Airport”) in South Burlington, Vermont, which is more particularly shown on **Exhibit A** attached hereto.

B. Landlord listed a portion of the Property as being available for lease and improvement, and Tenant, the only party who responded to such listing with a proposal to lease and improve such portion of the Property, responded to such listing by letter dated June 23, 2025 (collectively, the “Procurement”).

C. Tenant desires to ground lease a portion of the Property for the purpose of constructing and operating a project, consisting of a ±13,000 sq. ft. hangar containing a small flight training space to support aeronautical services and provide aircraft storage for other Airport tenants and users, together with related site improvements including parking, landscaping, lighting, driveways, walkways, service areas, and utilities (the “Project”), all to be used for commercial aeronautical purposes beneficial to the City, the aviation community, and the general public.

D. The portion of the Property on which the Project is proposed to be constructed is known as “Aeronautical Use Site, Area 5”, consisting of approximately 0.275 acres of land, more or less, and is depicted on **Exhibit B-1** attached hereto and is described on **Exhibit B-2** attached hereto (the “Premises”).
[NTD: Survey to be provided by Beta to more particularly determine the Premises]

In consideration of the mutual covenants and agreements herein set forth, and in reliance on the representations and warranties contained herein, the parties hereby agree as follows:

Section 1. **Premises; Project Milestones; Retained Rights; Condition; Landlord Obligations.**

(a) Premises. Landlord does hereby demise, let, rent and lease unto Tenant, and Tenant hereby hires and rents from Landlord, the Premises together with (i) the appurtenances, rights, privileges and easements in any way now or hereafter appertaining thereto to the extent required for Tenant’s reasonable use of the Premises (as determined by Tenant), (ii) the right, title and interest of Landlord in and to the land lying in the streets, avenues, ways and roads in front of and adjoining the Premises to the extent required for Tenant’s reasonable use of the Premises (as determined by Tenant), and (iii) all existing improvements and equipment on the Premises as of the Commencement Date, all subject to the terms and conditions of this Agreement. In addition, Tenant shall have, and Landlord hereby grants to Tenant the right, to use the apron adjacent to the Premises and connecting to the Airport’s broader airfield (the “Apron”) consistent with applicable regulations of the Federal Aviation Administration (“FAA”) governing the use of federal funds, which require the shared use of the Apron by other Airport users. Notwithstanding anything to the contrary, Landlord shall at all times ensure that Tenant’s aircraft may cross the Apron and/or portions of the Airport adjacent to the Premises to connect, on a continuous and unimpeded basis, the Premises with the taxiways to and within the Airport’s broader airfield. Landlord shall prepare a striping plan for the Apron depicting such connectivity and submit the same to Tenant for Tenant’s review and approval (subject

to Section 44) within forty-five (45) days of the Effective Date.

(b) Project Milestones. Tenant covenants and agrees to adhere to the following Project milestones, in all cases subject to Unavoidable Delay:

- i. Tenant shall submit all applications for Permits required for the Project by [DATE].
- ii. Tenant shall commence construction of the Project on or before the date that is [INSERT] months after the Commencement Date.
- iii. Tenant shall substantially complete construction of the Project on or before the date that is [INSERT] months from and after Tenant's commencement of construction.

(c) Access and Construction. Tenant shall have the non-exclusive right to ingress and egress over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive), as necessary, to provide continuous and unimpeded vehicular and pedestrian access to and from the Premises to and from Williston Road. Landlord shall maintain (including snow removal), repair, replace and restore all such accessways. Tenant shall have the exclusive right and obligation to construct the infrastructure improvements as may be required by the Permits.

(d) Retained Rights. Landlord retains the non-exclusive right to maintain, repair or replace all existing utility lines crossing, on or under the Premises that provide service to the property owned by Landlord adjoining the Premises, provided (i) Landlord shall provide written notice to Tenant of Landlord's intention to undertake such work at least 10 days in advance and afford Tenant the reasonable opportunity to undertake such work on its own, except in the event of an emergency wherein such advance notice cannot reasonably be given (provided that in such event Landlord gives such advance notice as it reasonably can), (ii) Landlord shall exercise its retained rights hereunder in a manner that does not unreasonably interfere with the construction and operation of the Premises or the Project, and (iii) any damage or disturbance to the Premises or the Project caused by or resulting from the exercise of the Landlord's retained rights hereunder shall be repaired or restored at Landlord's sole cost and expense promptly following, and to a condition equal to or better than that existing prior to, such damage or disturbance. In addition, if and to the extent Landlord reasonably determines to require rights on, over, under, upon, across, or through the Premises for Landlord to operate the Airport, including rights of ingress and egress to adjoining lands of Landlord, Tenant will reasonably cooperate with Landlord to provide the same, provided that in all events Tenant's refusal to provide such rights will not be considered unreasonable if the use of such rights by Landlord would unreasonably interfere with Tenant's construction upon and operation of the Premises or the Project. Without limitation and subject in all respect to the foregoing, Landlord shall have the right and obligation to maintain, repair, and replace an existing stormwater management vault to remain on the Premises over which the Project will be constructed. If Landlord's work with respect to such vault requires an interruption in Tenant's use of the Premises for more than three (3) days, then for the duration of such work (i) Rent shall abate, and (ii) Landlord shall provide an alternate location on the Property to which Tenant may, at Landlord's cost, relocate its operations from the Premises for the duration of such work.

(e) Condition of Premises. Tenant acknowledges that it has completed such investigations, testing, analysis and due diligence of and with respect to the Premises and Landlord's title as Tenant has determined to be necessary for Tenant's intended use thereof. Except as expressly provided in this Agreement, Tenant accepts the Premises and such title "as is" and "where is" without any representations, warranties or assurances by Landlord as to the condition of the same or its suitability for any particular purpose, subject only to those exceptions to title set forth on **Schedule 1(d)** hereto, as well as such other exceptions to title and/or encumbrances contemplated by the terms of this Agreement (the "Permitted

Encumbrances”). Landlord expressly disclaims any and all representations and warranties with respect to the suitability of the Premises for Tenant’s intended use or for any other use except as expressly provided in this Agreement.

(f) Landlord Obligations.

- i. Access. Landlord shall ensure reasonable non-exclusive ingress and egress to and from the Premises, for the benefit of Tenant and Tenant’s designees, from the public aircraft runways, taxiways, ramps, the Apron, and private access roads serving the Premises, including through vehicle access gates 12A and B and over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive).
- ii. Landlord Maintenance. Landlord shall maintain (including snow removal), repair, replace and restore the Apron and all other means of ingress and egress to and from the Premises from the public aircraft runways, taxiways, ramps, and private access roads serving the Premises, including through vehicle access gates 12A and B and over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive).
- iii. Reserved.
- iv. Additional Property Rights. Landlord shall grant to the Tenant such rights and easements as may be necessary to enter upon portions of the Property outside the Premises to facilitate Tenant’s construction of the Project and use of the Premises, in compliance with Applicable Laws and subject to the rights of others, if any, under existing leases of portions of the Property.
- v. Development Encumbrances. If Landlord’s consent or joinder shall be required for the grant of, or for the vacation or abandonment of, any easements, rights of way, covenants, leasehold condominium regimes or other title matters encumbering the Premises in connection with the development of the Project and/or the demolition, construction, renovation, alteration or replacement of any portions of the Project (collectively, “Development Encumbrances”), Landlord’s consent shall be given subject to Section 44, provided that (a) Landlord shall not be required to incur any material expense or liability (and any such expense or liability shall be promptly reimbursed by Tenant to Landlord upon request), and (b) Landlord’s consent shall not be considered unreasonably withheld if the proposed Development Encumbrance is prohibited by Applicable Laws or if the proposed Development Encumbrance would materially impair Landlord’s ownership or use of the Premises upon expiration or earlier termination of this Lease or Landlord’s operation of the Airport. For additional clarity, Development Encumbrances may include construction easements, easements or rights of way for installation of water, gas, steam, electricity, telephone, cable or other communication service, sewer, district energy, chilled or heated water, storm drainage and other utilities, and easements or rights of way for streets, roads, alleys, or other access. Notwithstanding the foregoing, any leasehold condominium regime that affects the Premises shall explicitly provide that the condominium regime shall automatically terminate upon the expiration or earlier termination of this Lease.

Section 2. **Commencement Date; Initial Term; Extension Term.**

(a) Landlord and Tenant agree that the term of this Agreement (“Term”) shall commence upon the Effective Date (the “Commencement Date”) and expire at 11:59 p.m. local time on the day prior to the thirtieth (30th) anniversary of the Commencement Date (the “Fixed Expiration Date”), subject to earlier termination in accordance with the terms set forth in this Agreement. For additional clarity, the Term of the Lease shall be for a period of twenty-nine (29) years, three hundred sixty-four (364) days.

Section 3. **Use of Premises; Design, Permitting and Construction Contract.**

(a) Use. Except as otherwise provided in this Lease, Tenant shall use the Premises for the construction of the Project and for general aviation use and for no other purposes without Landlord’s prior written consent (subject to Section 44). The construction, operation, and maintenance of the Project shall be performed in material compliance with the requirements of this Agreement. Notwithstanding any other provision of this Lease, in all instances the Premises shall only be used in conformance with the Permitted Encumbrances and with the duly adopted federal, state, and municipal ordinances and regulations applicable to the Premises from time to time (“Applicable Laws”). Tenant acknowledges that, as of the Effective Date, the Airport Compliance Manual published by the FAA requires that the Premises shall only be used for “aeronautical activity”, which term is currently defined as “any activity which involves, makes possible, or is required for the operation of an aircraft, or which contributes to or is required for the safety of such operations”.

(b) Design, Permitting and Construction Contract. Landlord’s and Tenant’s obligations with respect to the design, permitting and contracting for construction of the Project are set forth below in this Section 3(b).

(i) Permits. Tenant shall compile the necessary information and diligently file complete applications for all Permits and shall thereafter use good faith efforts to pursue the Permits at Tenant’s sole cost and expense. Tenant shall deliver to Landlord in advance of filing copies of any and all applications for any Permits (with respect to which the term “applications” includes all materials delivered therewith or in support thereof) for the Landlord’s prior approval (subject to Section 44). Landlord shall cooperate with Tenant in Tenant’s efforts to obtain the Permits, including by promptly executing and returning to Tenant all applications therefor prepared by Tenant at its expense, subject to the Landlord’s review and approval rights as provided above. Landlord acknowledges that Tenant has filed applications for multiple Permits prior to the Effective Date of this Agreement and that Landlord has provided all approvals and consents with respect thereto as contemplated in this Section 3(b)(i). Tenant shall use good faith efforts to keep the Landlord apprised of the status of its efforts to obtain the Permits and the status of any related appeal being prosecuted or defended by Tenant. In particular, Tenant shall keep Landlord reasonably apprised of any proposed Permit conditions that would affect the Property outside of the Premises, and Landlord shall have the right, in Landlord’s sole but reasonable discretion, to reject (or to require Tenant not to accept) any such conditions that would materially adversely affect the Property outside of the Premises.

(ii) Approval of Project Design, Plans, and Specifications. Tenant shall provide to

Landlord for Landlord's review (at Landlord's sole cost and expense) and prior written approval (subject to Section 44) all design, plans, and specifications to be included in the Construction Contract (defined below) for the Project including with respect to its physical layout, pedestrian and vehicular traffic circulation and impacts, parking requirements, security features, exterior building appearance, durability of construction materials, durability of structural design, durability of construction finishes, grading and utilities, stormwater improvements, exterior lighting and landscaping (the "Plans and Specifications"). The parties will seek satisfaction of this requirement with respect to the permit-level Plans and Specifications during the period when Tenant is preparing applications for Permits (recognizing, as provided in Section 3(b)(i) that Tenant has already made application for certain Permits with respect to which Landlord has approved all Plans and Specifications), and the parties will seek satisfaction of this requirement with respect to other Permits and with respect to the construction-level Plans and Specifications prior to Tenant entering into the Construction Contract. Notwithstanding the foregoing or anything to the contrary, Landlord's review and right to approve of Plans and Specifications with respect to the Project shall be limited to confirming conformance of the Plans and Specifications with approved Permits and any applicable FAA requirements, reviewing exterior and structural design and materials for durability and aesthetic conformity with the Airport, and reviewing plans related to utilities and stormwater infrastructure for compatibility with the Airport's existing utilities and stormwater infrastructure.

- (iii) Construction Contract. Tenant shall use good faith efforts to negotiate and enter into a construction contract with a reputable contractor (the "Contractor") for the construction of the Project on terms acceptable to Tenant in its sole and absolute discretion (the "Construction Contract"). Any subcontracts that are required to be bonded under the Construction Contract, as may be determined by Tenant in its sole and absolute discretion, shall also name Landlord as a dual obligee. The Construction Contract shall include a guaranteed completion date not longer than twenty-four (24) months after commencement (subject to force majeure events as defined in the Construction Contract).

Section 4. **Construction Period.**

(a) Construction Period. The period during which the Project will be constructed is referred to herein as the "Construction Period". Tenant shall construct the Project during the Construction Period, at its sole cost and expense, in accordance with the Permits and in accordance with the Plans and Specifications for the Project that the City has reviewed and approved under and in accordance with Section 3(b) of this Agreement.

(b) Cooperation. Tenant recognizes that its development and construction activities will impact the operation of the Airport. The parties will consult and cooperate with one another to schedule and conduct development and construction activities to minimize such impacts. During the Construction Period, the Landlord shall reasonably cooperate with Tenant in arranging for Tenant and the Contractor to use portions of the Property outside the Premises for the development and construction of the Project, as follows:

- (i) Landlord shall provide Tenant with temporary and permanent access to utility services for the benefit of the Premises (or allowing the extension of such services as a part of the scope of the work) in a manner reasonably acceptable to Landlord.

Tenant shall separately meter any utility services provided to or used by Tenant, and if the utility service provider does not allow such usage to be separately metered, then Tenant shall submeter such usage and shall reimburse the Landlord for any such usage as indicated by such submeter as Additional Rent in accordance with Section 5(f) herein.

- (ii) Landlord shall provide Tenant with adequate ingress and egress to the Premises for construction equipment and related traffic (including necessary temporary or permanent modification of existing streets, drives or curb cuts) in a manner reasonably acceptable to Landlord. Tenant shall reimburse the Landlord for any out-of-pocket expenses incurred to modify existing streets, drives or curb cuts in accordance with the previous sentence.
- (iii) Tenant shall be solely responsible to secure and manage Tenant's construction site.

(c) Approved Plans and Specifications. No material deviations from the approved Plans and Specifications may be made without the written prior approval of the Landlord (subject to Section 44) and subject to the Landlord's review parameters as set forth in Section 3(b)(ii). Tenant shall notify the Landlord in writing of any such proposed changes in the Plans and Specifications and such changes must have the prior written approval of the Landlord (subject to Section 44) before they may be implemented.

(d) Authorized Representatives. Tenant and the Landlord have designated authorized representatives as set forth more specifically on **Exhibit C**. Either party may change its authorized representative(s) at any time by written notice to the other party without the consent of the other party. One or more authorized representatives shall be available on a daily basis to review, comment upon and render decisions promptly with respect to the construction of the Project. The authorized representatives are authorized to act on the behalf of the parties with respect to the construction of the Project. Except as otherwise specifically provided by this Agreement, any directions, approvals or other authorizations, written or verbal, given by any person other than an authorized representative shall not be binding on a party. One or more authorized representatives from each party shall meet on a weekly basis at mutually agreeable times and locations during the Construction Period.

(e) Construction Inspection. During the Construction Period, Landlord's representative(s) shall have the right to attend jobsite meetings for the purpose of observing the progress of the work. Nothing herein contained shall be construed as an obligation upon the Landlord to inspect the work. If Landlord reasonably determines that construction is not proceeding in substantial and material accordance with the approved Permits and/or applicable FAA requirements, and the Landlord gives prompt notice to Tenant of the particular substantial and material deviation, deficiency, error or omission, the parties shall promptly meet to address reasonable concerns raised in such notice. The Landlord shall not communicate directly with Tenant's Contractor or any of its subcontractors or material suppliers without an authorized representative of Tenant being present.

(f) Professional Certifications. Tenant shall obtain the services of a Vermont licensed engineer and architect, reasonably acceptable to the Landlord, to perform quality control observations, inspections, and testing for the Tenant and to properly document and certify that the completed Project conforms with the approved Plans and Specifications. Tenant shall direct its engineers, architects and other licensed professionals to provide the Landlord with all third-party inspection reports related to the Project at the same time as they are submitted to Tenant or Tenant's representatives or agents. If the Landlord determines it necessary to hire its own third-party inspector(s), it will be at the Landlord's expense and the Landlord's inspector(s) will be allowed to perform testing and take samples as they reasonably deem necessary or desirable.

(g) Construction Completion Deliverables. Upon completion of construction, Tenant shall provide Landlord with the following: (i) a certification from Tenant’s architect that the Project has been constructed in material accordance with the approved Plans and Specifications and with the Permits and approvals issued therefor; (ii) a certification from Tenant’s professional engineer that all grading and utilities, including electrical, communications, natural gas, stormwater, water and sewer, necessary for the Project shall have been completed in material accordance with the approved Plans and Specifications and with the Permits and approvals issued therefor; (iii) evidence reasonably satisfactory to Landlord that all approvals, certificates of occupancy and filings necessary for the Project’s legal use and occupancy shall have been issued by the regulatory authorities with jurisdiction over the Project; (iv) documentation evidencing that all contractors have been paid in full for the Project and that no claims for payment are outstanding; (v) as-built drawings in AutoCAD and PDF formats for the completed Project; and (vi) all additional documentation prepared by Tenant’s engineer and architect with respect to the Project including notes, photographs, reports, quality control testing reports, change orders, and submittals, provided in an electronic format specified by Landlord.

(h) Insurance During Construction Period. Throughout the Construction Period, Tenant shall obtain and maintain the types of insurance required under Section 15 of this Agreement.

Section 5. Rent; Airport Landing Fees.

(a) Base Rent. Commencing on the date that Tenant receives a certificate of occupancy (or its functional equivalent) from the City of South Burlington for the Project (the “Rent Commencement Date”), Tenant shall pay “Base Rent” to Landlord at the address specified in Section 5(g) or at such other location as Landlord may hereafter designate in writing in the amount of \$0.50/land sf/month for an annual total of \$13,672.50 annually, or \$1,148.49 per month.

(b) Annual Increase in Base Rent. The Base Rent shall be adjusted on July 1 of each year during the Term by the percentage increase in the Consumer Price Index for all Cities, all Urban Consumers, Northeast Region, (CPI-U-NE, 1982-84=100) (the “Price Index”) published just prior to July 1 of each such year by the Bureau of Labor Statistics of the United States Department of Labor over the corresponding value so published just prior to July 1 of the prior year during the Term, subject to a minimum increase of 2% and a maximum increase of 6% in any year. If the government body issuing the Price Index ceases to use the 1982-84 average of 100 as the basis of calculation, the Price Index shall be adjusted to mathematically account for the adjustment to the base year. If the Price Index (or a successor or substitute) ceases to be published, Landlord shall have the right subject to Tenant’s approval (subject to Section 44) to select another similar index, published by a governmental or other non-partisan body, with appropriate reconciliation of the base of the substituted index with the base of the Price Index. In addition, Base Rent shall adjust as of every tenth (10th) anniversary of the Rent Commencement Date to the amount of ground rent then charged by the Airport to its other tenants as approved by the FAA, provided that in no event shall the amount of Base Rent increase or decrease by more than twenty percent (20%) over the prior lease year as a result of any such decennial adjustment. There shall be no separate Price Index adjustment for years on which such decennial Base Rent reset is made.

(c) Additional Rent; Rent Defined. In addition, for each lease year Tenant agrees to pay all sums of money or charges of whatsoever nature required to be paid under any provisions of this Agreement by Tenant to Landlord (“Additional Rent”), whether or not the same are designated as additional rent, on the next Base Rent payment date following written notification of such sums or charges in the same manner as Base Rent, provided that if such notification is given fewer than fifteen (15) days prior to the next installment of Base Rent coming due, then such amount of

Additional Rent shall be due on the second next Base Rent payment date following such notification. Base Rent and any Additional Rent or other sums or charges are collectively referred to herein as “Rent.” It is understood and agreed that the Rent to be paid to Landlord by Tenant hereunder shall be absolutely net to Landlord, and that all costs, expenses and obligations of every kind and nature whatsoever relating to the Premises shall be paid by Tenant directly to the party invoicing the same or in the form of Additional Rent, and this Agreement shall be interpreted and construed to that effect.

(d) Rent Payment. Except as otherwise specifically provided in this Agreement, all Base Rent shall be paid in monthly installments in arrears, without demand or setoff, on the first (1st) day of each month throughout the Term and Base Rent for any period of less than a full month shall be prorated on a per diem basis. Except as otherwise expressly provided in this Agreement, any and all Rent and other sums payable under this Agreement shall be paid without notice, demand, counterclaim, set off, deduction, or defense and without abatement, suspension, diminution, or reduction, and the obligations and liabilities of Tenant under this Agreement shall in no way be released, discharged or otherwise affected by reason of any occurrence whatsoever. Payment shall be made at the office of the Director of Aviation, Burlington International Airport, 1200 Airport Drive #1, South Burlington, Vermont 05403. Any Rent which has not been paid when due shall incur interest at the rate of 1.5% per month.

(e) Utilities and Services. Tenant shall, at its sole cost and expense, cause to be furnished and shall pay for all utilities and services necessary or desirable for Tenant’s use of the Premises, including water, sewer, gas, electricity, communications, stormwater, and trash and recycling pick-up and disposal. Tenant covenants to pay the charges for all such utilities and services prior to delinquency and to keep the Premises free and clear of any lien or encumbrance of any kind whatsoever constituting a charge against the Premises arising from the nonpayment or a delinquency in payment for said utilities or services. No trash is allowed to be stored outside unless it is in an approved trash container located in an approved area. If Tenant fails to comply with the requirements of this provision, then Landlord reserves the right to fulfill Tenant’s obligations and all costs incurred by Landlord in connection therewith shall immediately be paid by Tenant to Landlord as Additional Rent.

(f) Aircraft Landing Fees; Other Fees. In addition to Rent due hereunder, Tenant shall pay the following fees as generally applied to Airport users and as generally applied to the applicable type of aircraft:

(i) Aircraft Landing. On or before the 10th day of each month, Tenant shall provide the Airport’s Director of Aviation with a listing of its Aircraft Landings during for the preceding month. “Aircraft Landing” means any aircraft being utilized at the Airport by or on behalf of Tenant in carrying out the business which is authorized by this Agreement (including but not limited to aircraft owned or leased by Tenant, aircraft providing services to Tenant pursuant to contract whether oral or written, and aircraft being parked in or on the Premises).

(ii) Landing Fees. Tenant shall pay Landlord Airport Landing fees at the rate established by Landlord in its sole discretion and applicable to other aircraft landing at the Airport at that same time. Landlord shall issue an initial Airport Landing fee on the Effective Date and provide Tenant written notice seven (7) days in advance if the Airport Landing Fee is changed by Landlord. Tenant shall pay Landlord the then-applicable Aircraft Landing fees on or before the last day of each month based upon the number of Aircraft Landings properly attributable to

Tenant during the preceding month. Such payments shall be paid at the office of the Airport's Director of Aviation without billing.

- (iii) Late Payment of Landing Fees. If Tenant fails to promptly pay due Airport Landing fees on or before their due date, they shall be considered past due and shall incur interest at a rate of 1.5% per month.
- (iv) Records. Tenant shall keep and maintain a complete and accurate set of records of all the Aircraft Landings for the use of Landlord and payment of fees required under this Agreement for three (3) years. Tenant shall make such records available for inspection and copying by Landlord at any and all reasonable hours and times. Landlord shall have the right, at its expense and on reasonable notice, from time to time, but in no event more than once in any 12-month period, to audit the records and other data of the Tenant relating to the provisions and requirements hereof, provided such inspection is made during regular business hours. If Tenant is found to have under-reported Aircraft Landings by five percent or more, then Tenant shall pay the full cost of the audit.
- (v) Other Fees. Tenant shall direct all entities obligated to pay any transient aircraft landing, tie down, parking, and seat charges directly to Landlord or the fixed base operator for Landlord.

Section 6. **Reserved.**

Section 7. **Project; Capital Reserve Account.**

(a) Modifications. During the Term and following completion of construction of the Project, Tenant shall not modify or alter the structural design or exterior appearance of the buildings constructed on the Premises or the related site improvements in a manner that diminishes their quality without prior written approval of Landlord (subject to Section 44 provided that the Deemed Approval provision thereof shall not apply) to ensure the Project's compatibility with the functionality of the Airport, provided that structural modifications required from time to time to support ongoing needs of Tenant shall not require Landlord approval.

(b) Title to the Project. During the Term and until the expiration or earlier termination of this Agreement, title to the Project shall belong solely to Tenant, and Tenant alone shall have the right to operate, manage, repair, replace, maintain and further improve the Premises and the Project subject to the terms and conditions of this Agreement, and to deduct all depreciation on its income tax returns with respect thereto. Landlord hereby waives any right to claim a lien or security interest in Tenant's fixtures and personal property and, to the extent applicable, waives any statutory right of distraint in or to Tenant's fixtures and personal property; the foregoing shall not be construed to limit Landlord's ability to seek, obtain or enforce a judicial lien granted by a court of competent jurisdiction. Tenant shall not damage or remove the Project without Landlord's prior written consent (subject to Section 44 provided that the Deemed Approval provision thereof shall not apply).

(c) Removal of Project on Expiration or Termination. Unless Landlord shall have agreed to extend the Term of this Agreement, Landlord may, at its option, notify Tenant in writing delivered at least thirty-six (36) months prior to the expiration of the Term (or upon shorter notice in connection with the earlier termination of this Agreement) that following the expiration of the Term all or portions of the Project must be removed, in which event Tenant shall remove and/or demolish the applicable portions of the Project, grade the land and then seed it with grass so long as Tenant is able to obtain all municipal and state

permits and approvals necessary in connection with such demolition and removal, subject only to conditions that are reasonably acceptable to Tenant. If Landlord notifies Tenant of its desire to have the Project (or portions thereof) removed and demolished in accordance with this provision, Tenant shall use commercially reasonable, good faith efforts to obtain permits therefor, but in no event shall Tenant be required to appeal any denial of such permits, appeal any conditions that it reasonably deems unacceptable or to defend any appeals made by others in connection with any permits. If Tenant is unable to secure the necessary permits for demolition, Landlord may attempt to secure said permits. Tenant shall have the right to use the funds maintained in the Capital Reserve Account (as defined below) in connection with obtaining the permits required by this provision (i.e., to pay engineers, consultants, attorneys, application fees, etc. in connection with such permits) and thereafter to pay for the work to remove and/or demolish the Project (or portions thereof) and then grade and seed the land as aforesaid. If Tenant is unable to secure such permits and Landlord attempts to secure such permits, then Landlord may use the funds maintained in the Capital Reserve Account for such purposes, and Landlord agrees to use such funds in a prudent and reasonable manner. Following the issuance of all such permits and such permits having become final and unappealable, but in all events after the expiration or earlier termination of this Agreement, Tenant shall promptly remove and/or demolish the Project (or portions thereof) and then grade and seed the land as aforesaid, and shall use commercially reasonable, good faith efforts to complete such work in a timely manner, commencing promptly upon such permits having become final and unappealable (weather permitting) and then diligently prosecuting such work to completion thereafter. Landlord herein grants to Tenant a license to enter the Premises and other portions of the adjacent Property as necessary, said license shall take effect upon the termination or expiration of this Agreement for the sole and exclusive purpose of removing the Project (or portions thereof). Tenant's right to use said license is contingent upon Landlord's notification to Tenant that the Project (or portions thereof) shall be removed from the Premises. If there are insufficient funds in the Capital Reserve Account to permit and complete the removal and/or demolition the Project (or portions thereof) and then grade and seed the land as aforesaid, Tenant shall use its own funds to accomplish the demolition, grading and seeding required by this provision.

(d) Title Upon Expiration. Except as set forth in subsection (c) above, upon expiration or termination of this Agreement all rights and interests of Tenant (and all persons whomsoever claiming by, under or through Tenant) in and to the Premises and the Project shall wholly cease and title to the Premises and the Project, including all permanent and temporary non-proprietary improvements, erections and additions constructed on the Premises by Tenant (but excluding all furniture, proprietary fixtures, equipment and other personal property of Tenant used by Tenant solely in connection with the operation thereof, all of which Tenant shall have the right to remove from the Premises at any time prior to the expiration of the Term) shall automatically vest in Landlord without cost or expense to Landlord and without further act or conveyance, and without liability to make compensation therefor to Tenant or to anyone whatsoever, and shall be free and discharged from all and every lien, encumbrance, claim and charge of any character created or attempted to be created by Tenant at any time other than pursuant to the specific terms of this Agreement. This provision shall not relieve Tenant from liability for having left the Premises in unsound or unsafe condition or with encumbered title, in each event other than as permitted in this Agreement. Tenant, upon the request of Landlord, covenants and agrees to execute a deed and bill of sale conveying and releasing to Landlord all such rights in the Premises and the Project in a form and substance reasonably acceptable to Landlord.

(e) Tenant's Maintenance Obligations. Tenant shall, at all times during the Term, subject to the provisions of this Agreement, at its sole cost and expense, keep the Premises in good appearance, order and repair and in a clean and sanitary condition at all times, including by retaining and engaging pest control services as necessary. Tenant's obligations hereunder include all necessary repairs and replacements of the Premises and its improvements, structural or otherwise, ordinary or extraordinary, foreseen and unforeseen, including, but not limited to, the roof, exterior and interior windows, doors and entrances, signs, floor coverings, columns, and partitions, electrical and lighting, heating, plumbing and sewage facilities, and

HVAC equipment. Such actions include painting, lighting, removal of garbage, landscaping, snow removal, replacement of broken glass with glass the same size and quality of that broken, and utility services. Landlord shall not be required to make any repairs of any kind or nature, in, on or to the Premises during the Term.

(f) Capital Reserve Account. Within thirty (30) days of the Rent Commencement Date, Tenant shall establish a joint reserve account for the replacement and demolition of the Project (“Capital Reserve Account”) in accordance with the following:

- (i) The Capital Reserve Account shall be in the name of Tenant and the Landlord. The parties acknowledge and agree that during any period when a Leasehold Mortgage is in effect the Leasehold Mortgagee is likely to require that it maintain and control the funds maintained in the Capital Reserve Account, and Landlord will agree to authorize the Leasehold Mortgagee to maintain and control the funds maintained in the Capital Reserve Account so long as such funds are used solely for capital replacements and improvements and not used to pay debt service (principal or interest), lender fees or expenses, or to pay any other cost, fee or expense.
- (ii) The Capital Reserve Account shall be funded monthly consistent with the parameters set forth on **Schedule 7(f)** and based on a capital reserve study performed by a mutually acceptable consultant to Tenant, or otherwise in accordance with prudent long term maintenance practices applicable to structures and infrastructure similar to the Project as approved by Landlord (subject to Section 44). Such funds, including interest earned, from this Capital Reserve Account are to be used for major maintenance, repair, and replacement activities and not for minor or ongoing maintenance items. Tenant shall inform the Landlord in advance of its intent to expend funds from the Capital Reserve Account and the purpose of the expenditure, and all expenditures shall be subject to Landlord’s prior review and approval (subject to Section 44) subject to the provisions of Section 7(f)(iii). Balances in the Capital Reserve Account shall be reviewed periodically by Tenant and the Landlord to ascertain whether monthly funding levels are appropriate. Tenant shall provide Landlord with annual account statements reflecting the balances in the Capital Reserve Account no later than June 1 of each year. Provided that the Project is not demolished in accordance with Section 7(c) at the expiration or earlier termination of this Agreement, funds remaining in the Capital Reserve Account shall be used to perform whatever repairs are then necessary to preserve the Project in good quality, habitable condition, and any excess funds remaining thereafter in the Capital Reserve Account shall become the property of Landlord. If the Project is demolished in accordance with Section 7(c) at the expiration or earlier termination of this Agreement, funds remaining in the Capital Reserve Account following performance of the demolition, grading and seeding shall be disbursed to Tenant. If funds from the Capital Reserve Account are used in connection with the repair or restoration of the Project following casualty damage in accordance with Section 16, then after substantial completion of such repair or restoration Tenant shall engage a consultant to perform a new life cycle analysis of the Project, and Tenant shall thereafter fund the Capital Reserve Account monthly in accordance with such life cycle analysis, including any requirements in such analysis to bring the current funding to a particular level.
- (iii) Notwithstanding the provisions of Section 7(f)(ii), the funds deposited in the

Capital Reserve Account during the last five (5) years of the Term shall accumulate and shall not be spent until the Landlord determines whether the Project will be demolished in accordance with Section 7(c) at the expiration of the Term. If Landlord decides that the Project will be demolished, then the Capital Reserve Account shall be used to accomplish the demolition, grading and seeding described in Section 7(c) and any funds remaining after the performance of such work shall be disbursed to Tenant in accordance with Section 7(f)(ii). If Landlord decides to have the Project demolished and removed but the parties are unable to obtain permits therefor, then the funds held in the Capital Reserve Account shall be disbursed to Landlord in accordance with Section 7(f)(ii) as if Landlord decided not to demolish the Project. Tenant shall be solely responsible for all costs and expenses associated with demolition, grading and seeding, however Tenant may use funds from the Capital Reserve Account to perform the work before resorting to the use of its own funds. If Landlord does not opt to have the Project demolished and removed in accordance with Section 7(c), then the funds held in the Capital Reserve Account shall continue to be used for major maintenance, repair, and replacement activities in accordance with Section 7(g)(ii) and any funds remaining in the Capital Reserve Account at the expiration of the Term, including any extensions or renewals thereof, or earlier termination of this Agreement shall become the property of Landlord.

Section 8. **Taxes and Other Expenses.**

(a) **Taxes.** Tenant is responsible for payment of all transfer taxes associated with this Agreement, if any, and shall pay all income taxes, sales and use taxes, and any other taxes imposed on Tenant in connection with or by reason of its lease of the Premises and its ownership and operation of the Project. In addition, Tenant shall, from and after the Rent Commencement Date and thereafter during the Term, pay and discharge punctually, as and when the same shall become due and payable as Additional Rent, all real estate taxes or ad valorem taxes as assessed by any government then entitled to do so, special and general assessments and other governmental impositions and charges, extraordinary as well as ordinary, including any state, regional or local taxes, fees or payments that may be imposed in lieu of such real estate or ad valorem taxes or assessments (collectively hereinafter referred to as “Taxes”), and each and every installment thereof which shall or may during the Term be charged, levied, laid, assessed, imposed, become due and payable, or a lien upon, or for, or with respect to, the Premises or any part thereof, together with all interest and penalties thereon, under or by virtue of all present or future laws, ordinances, requirements, orders, directives, rules or regulations of the federal, state, county and municipal governments and of all other governmental authorities whatsoever (all of which shall also be included in the term “Taxes” as heretofore defined). For the period between the Effective Date and the Rent Commencement Date, Landlord and Tenant shall each pay one-half of the Taxes. Landlord shall deliver to Tenant an invoice detailing Tenant’s share of Taxes, calculated with reference to the assessed value of the land and improvements that comprise the Premises as determined by the City of South Burlington or any additional or successor taxing authority.

(b) **Time For Payment.** Tenant shall be deemed to have complied with the covenants of this Section 8 if payment of such Taxes shall have been made either within any period allowed by law or by the governmental authority imposing the same during which payment is permitted without penalty or interest or before the same shall become delinquent, and Tenant shall produce and exhibit to Landlord satisfactory evidence of such payment as and when so requested by Landlord.

(c) **Right To Contest.** Tenant or its designee shall have the right to contest or review all Taxes by legal proceedings, or in such other manner as it may deem suitable (which, if instituted, Tenant or its

designees shall conduct promptly at its own cost and expense, and, if necessary, in the name of and with the cooperation of Landlord and Landlord shall execute all documents reasonably necessary to accomplish the foregoing). Notwithstanding the foregoing, Tenant shall promptly bond off or otherwise cause the removal of any lien which is placed on the Premises as a result of or arising out of such dispute and Tenant shall promptly pay all Taxes prior to commencement of any foreclosure, tax sale or other forfeiture proceeding, the result of which would be loss of title to the Premises to the taxing authority. The legal proceedings referred to in this Subsection 8(c) shall include appropriate certiorari proceedings and appeals from orders therein and appeals from any judgments, decrees or orders. If there is any reduction, cancellation or discharge, Tenant shall pay the amount finally levied or assessed against the Premises or adjudicated to be due and payable on any such contested Taxes.

(d) Refunds. Landlord covenants and agrees that if there shall be any refunds or rebates on account of the Taxes paid by Tenant under the provisions of this Agreement, such refund or rebate shall belong to Tenant. Landlord will, upon the written request of Tenant, sign such receipts as may be necessary to secure the payment of any such refund or rebate, and will pay over to Tenant such refund or rebate as received by Landlord.

(e) Remedies for Nonpayment. If Tenant shall fail, refuse or neglect to make any of the payments required by this Section, then Landlord, at its option, may pay the same or any portion thereof, and the amount or amounts so paid, including reasonable attorneys' fees and expenses incurred by Landlord in connection therewith, shall be repaid by Tenant to Landlord within ten (10) days after written demand by Landlord, and the amount thereof shall be treated as Additional Rent.

Section 9. **Requirements of Governmental Authorities.**

(a) Compliance. During the Term, Tenant shall, at its own cost and expense, promptly observe and comply with all present or future, foreseen or unforeseen, laws, ordinances, requirements, orders, directives, rules and regulations duly adopted by applicable federal, state, county, and municipal governments and of all other governmental authorities affecting the Premises or appurtenances thereto or any part thereof whether the same are in force at the Effective Date or may in the future be passed, enacted or directed giving full effect to all vesting or "grandfathering" provisions. Tenant shall further so comply with each and every duly adopted rule, order and requirement of any applicable federal, state, municipal, legislative, executive, judicial or other governmental body, commissioner or officer or of any bureau or department thereof, whether now existing or hereafter created, having jurisdiction over the Premises or any part thereof, or properly exercising any power relative thereto or to the owners, tenants or occupants thereof including compliance with all regulations and permits for the Project giving full effect to all vesting or "grandfathering" provisions. Tenant shall maintain the Project and the Premises, and otherwise operate the Project and the Premises, in conformity with all municipal, state and federal land use permits and approvals governing the Project or the Premises at any time giving full effect to all vesting or "grandfathering" provisions.

(b) Minimum Standards for Commercial Aeronautical Activities. Tenant's right of access to the Property for aircraft shall be subject to all applicable federal, state and local laws, ordinances and regulations, as well as all Airport standards, rules and policies including Minimum Standards for Commercial Aeronautical Activities now in effect or hereinafter duly adopted or promulgated and consistently applied by the Airport.

(c) FAA and TSA. This Agreement is subject and subordinate to FAA regulations duly adopted and consistently applied governing the use of Airport including those regulations imposed by reason of the Landlord's acceptance of federal funds relative to the operation or maintenance of the Airport, the transfer of federal rights, funds or property to Landlord for Airport purposes, or the expenditure of

federal funds for the improvement or development of the Airport. In addition, this Agreement may be amended without further consideration (except as provided below) if and to the extent required by the FAA or Transportation Safety Administration (“TSA”) or their respective successor agencies as a condition precedent to Landlord’s receipt of federal rights, funds or property for Airport purposes, or precedent to the expenditure of federal funds for the improvement or development of the Airport. If the FAA requires modifications or changes to this Agreement as a condition precedent to Landlord’s receipt or retention of funds for the improvement of the Airport, Tenant agrees to execute and deliver to Landlord an amendment to this Agreement (prepared by Landlord) that effects such modifications or changes as may be required to enable the Landlord to obtain or retain such funds or funding. If any such amendment as described in this Section 9(c) modifies the terms and conditions of this Agreement in a manner that causes the Tenant to directly incur costs, expenses or fees that materially modify the financial bargain embodied by this Agreement or otherwise materially adversely affects Tenant’s use of the Premises or other rights under this Agreement, then the parties shall use good faith efforts to cooperatively seek to obtain exemptions or exclusions from the FAA or TSA requirements in an effort to eliminate or minimize the costs or expenses or other material adverse effects arising from the amendment sought to be imposed and, if such exemptions or exclusions are not forthcoming, to modify the terms of this Agreement in order to eliminate, minimize or otherwise fairly account for such costs or expenses or other material adverse effects. Without limiting the foregoing, the Tenant agrees that it is subject to the terms and provisions of the required federal provisions included on **Exhibit E** attached hereto, with the understanding that the Tenant is the “Contractor” identified therein.

(d) Livable Wage Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Livable Wage Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance on an annual basis (due by April 1st of each year) if requested by Landlord.

(e) Union Deterrence Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Union Deterrence Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance if requested by Landlord.

(f) Non-Outsourcing Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Outsourcing Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance if requested by Landlord.

(g) No Discrimination. Tenant, for itself and its personal representatives, successors and assigns, as part of the consideration hereof, does hereby covenant and agree that (i) no person on the grounds of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, genetic information or other protected classification shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Tenant’s facilities pursuant to its operations hereunder; (ii) in the furnishing of services at the Project and the Premises, no person on the grounds of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, genetic information or other protected classification shall be excluded from participation in, denied the benefit of, or otherwise be subjected to discrimination; (iii) Tenant shall ensure compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 as amended, Executive Order 11246 as amended by Executive Order 11375 and as supplemented by the Department of Labor regulations (41 CFR Part 60); (iv) Tenant shall also comply with the rules, regulations and relevant orders of the Secretary of Labor, Nondiscrimination regulations 49 C.F.R. § 21 through Appendix C, and Regulations under 23 C.F.R.

§ 710.405(b); (v) Tenant shall comply with all the requirements of Title 21, V.S.A., Chapter 5, Subchapter 6 and 7, relating to fair employment practices to the extent applicable; and (vi) all subcontracts shall include reference to the above.

(h) Public Records Act. Any and all records submitted to Landlord, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of Landlord. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified, as shall all other records considered to be exempt under the Act. It is not sufficient to merely state generally that the proposal is proprietary or a trade secret or is otherwise exempt. Particular records, pages or sections that are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

(i) Right to Contest. Tenant shall have the right to contest by appropriate legal proceedings diligently conducted in good faith, in the name of Tenant, without cost or expense to Landlord, the validity or application of any law, ordinance, rule, regulation or requirement of the nature referred to in this Section 9 and, if by the terms of any such law, ordinance, order, rule, regulation or requirement, compliance therewith may legally be delayed pending the prosecution of any such proceeding, Tenant may delay such compliance therewith until the final determination of such proceeding. Notwithstanding the foregoing, Tenant shall promptly bond off or otherwise cause the removal of any lien which is placed on the Premises as a result of or arising out of such dispute, provided that in no event shall Tenant be permitted or authorized to maintain any such contest if doing so has or would have an adverse effect on the Airport as determined by Landlord in its discretion.

(j) Aircraft Parking. Tenant shall abide by all Airport rules concerning parking of aircraft. Tenant shall not park or allow any contract carrier to park an aircraft or leave or allow the same to be left standing on a public landing area, public ramp and apron area, public cargo ramp and apron area, public aircraft parking and storage area, or operational area, except as such places as may be prescribed or permitted by the Airport's Director of Aviation. Tenant further covenants and agrees to move or cause to be moved such aircraft from the place where it is parked or stored to any other place as designated and directed by the Airport's Director of Aviation. At no time will Tenant occupy or enter any portion of existing or future Air Carrier Apron as defined by TSA and FAA regulations.

(k) Security. Tenant shall secure the Premises with construction fencing prior to performing any work on the Premises during the Construction Period and shall maintain the safety and security of the Premises during the Term of this Agreement. Tenant shall observe and comply with any and all present and future security regulations and procedures and operational procedures promulgated from time to time by or at the direction of the Landlord for the administration of the Airport, including but not limited to training and Secure Identification Area ("SIDA") Badging requirements. Tenant shall create a security policy covering the Premises that will include, but not be limited to, security procedures, configurations, infrastructure and equipment, provision of emergency alerts and notices to Landlord, reporting guidelines, maintenance of security footage and records, staffing of security personnel, and training of personnel. Tenant shall be responsible for following this policy. The Landlord shall review the proposed security policy and any subsequent revisions and, at the Landlord's sole but reasonable discretion, may either approve or require changes. Tenant shall, at its sole cost and expense, install, maintain and replace as necessary all equipment necessary for SIDA compliance, including but not limited to badge readers, locks, alarms, doors and cameras. Any alterations to existing security configurations, SIDA boundaries, infrastructure, and equipment will require the Landlord's prior written consent (subject to Section 44). Landlord shall reasonably cooperate with Tenant to minimize interference with Tenant's business operations, including the installation of SIDA equipment in additional locations as is reasonably determined

by Tenant to promote efficient circulation within the Premises.

Section 10. **Covenant Against Liens.** If during the Term, including during the Construction Period, any mechanic's lien or other lien shall be filed against the Premises or any portion of the Property because of any work performed upon the Premises by or at the expense of Tenant, or any failure of Tenant to pay Taxes in accordance with this Agreement, Tenant shall, at its own cost and expense, cause the same to be discharged of record or bonded within twenty (20) days after the recording thereof; and Tenant shall indemnify and save harmless Landlord against and from all costs, liabilities, suits, penalties, claims and demands, including reasonable attorneys' fees, resulting therefrom. If Tenant fails to timely discharge any such lien by payment or bond, Landlord may (but shall not be obliged to) pay the amount of such lien, or discharge the same by bonding, and the amount so paid shall be deemed to be Additional Rent.

Section 11. **Access to Premises.** During the Term, Landlord or Landlord's agents shall have the right to inspect the Project and the Premises at reasonable times upon reasonable advance notice to Tenant, given no more than twice in any consecutive 12 month period (except in the event of an emergency).

Section 12. **Assignment and Subletting.**

(a) Prior to substantial completion of the Project, neither this Lease nor any interest of Tenant in this Lease, shall be sold, assigned, or otherwise transferred, whether by operation of law or otherwise (each, a "Transfer"), nor shall Tenant sublet the Premises as an entirety or substantially as an entirety, without the prior written consent of Landlord in each instance. Landlord may withhold such consent in its sole but reasonable discretion.

(b) Following substantial completion of the Project, Tenant may, from time to time, effectuate a Transfer to any person, subject to Landlord's prior written consent (subject to Section 44), provided that in the instrument effecting the Transfer, the transferee shall assume and agree to perform all of the terms, covenants and conditions of this Lease from and after the date of the Transfer, including the terms and conditions of this Lease related to the use of the Premises, subject in all respects to the exceptions and limitations set forth in this Lease. Tenant shall give Landlord sixty (60) days prior written notice of its desire to assign this Agreement and shall furnish Landlord with such information as it may reasonably request indicating that the proposed assignee is reputable and financially responsible. Landlord may justifiably refuse consent to any assignment based upon (i) the financial position of the proposed assignee; (ii) the relevant business experience of the proposed assignee; (iii) the proposed use of the Premises (if different than the permitted uses under this Agreement); (iv) the character and reputation of the proposed assignee; (v) the economic terms of the proposed assignment; and (vi) any other factor that Landlord reasonably deems relevant to the proposed assignment. Tenant agrees to reimburse Landlord for any reasonable third party expenses that may be incurred by Landlord in connection with any proposed assignment, including the reasonable cost of investigating the acceptability of the proposed assignee and reasonable third party legal expenses incurred in connection with the granting of any requested consent.

(c) Notwithstanding anything to the contrary, Landlord's consent shall not be required and Section 12(b) shall not apply with respect to any Transfer (i) by the foreclosure of any Leasehold Mortgage or through a deed or instrument of transfer delivered in lieu of such foreclosure or through a deed or instrument of transfer by a Leasehold Mortgagee out of foreclosure or next after having received a deed or other instrument of transfer delivered in lieu thereof, (ii) to a direct or indirect Affiliate of Tenant so long as the ultimate parent company, currently Beta Technologies, Inc., a Delaware corporation, remains liable for the obligations of the tenant under this Lease, or (iii) in connection with a Permitted Sale-Leaseback (as set forth in Section 13(m)). As used in this Agreement, "Affiliate" means a person or entity that Controls, is Controlled by, or is under common Control with another person or entity, and "Control" or "Controlled" means ownership of more than fifty percent (50%) of the outstanding voting stock of a corporation, or other

majority equity and control interest of an entity which is not a corporation, or the possession of power to direct or cause the direction of the management and policy of such corporation or other entity, whether through the ownership of voting securities, by statute or according to the provisions of a contract.

(d) Except for a Transfer to an Affiliate pursuant to which the parent company will remain liable for the obligations of the tenant under this Lease as stated in Section 12(c), from and after a Transfer by Tenant of its interest in the Premises and this Lease that is permitted pursuant to this Section 12, the Tenant (meaning, the transferor) shall have no obligation for liabilities under this Lease first arising from and after the date of such Transfer, provided that in the instrument effecting the Transfer, the transferee shall assume and agree to perform all of the terms, covenants and conditions of this Lease from and after the date of the Transfer.

(e) Except as expressly set forth in Section 12(a), Tenant may, without Landlord's consent, enter into subleases, licenses, occupancy agreements or management agreements for the possession, operation or use of any space in the Project and any amendments thereto (collectively, "Subleases") with any person in Tenant's sole discretion; provided, however, Tenant shall not enter into any Sublease of the Project (exclusive of Subleases with Affiliates) which, when combined with any other then pending Sublease of the Project (exclusive of Subleases with Affiliates), exceeds fifty percent (50%) of the occupiable area of the Project, without Landlord's prior written consent (subject to Section 44). Whether Landlord's consent to a Sublease is required or not, Tenant shall provide Landlord with a copy of each and every Sublease that Tenant enters into for space in the Project. When Tenant seeks Landlord's consent to any Sublease of the Project, Tenant shall provide Landlord with a written list of all then pending Subleases in the Project and Tenant's calculation of the occupiable area covered by such Subleases, as well as the total occupiable area of the Project. Notwithstanding anything to the contrary, Landlord's consent shall not be required and this Section 12(e) shall not apply with respect to any Sublease (i) by the foreclosure of any Leasehold Mortgage or through a deed or instrument of transfer delivered in lieu of such foreclosure or through a deed or instrument of transfer by a Leasehold Mortgagee out of foreclosure or next after having received a deed or other instrument of transfer delivered in lieu thereof, (ii) to a direct or indirect Affiliate of Tenant so long as the ultimate parent company, currently Beta Technologies, Inc., a Delaware corporation, remains liable for the obligations of the tenant under this Lease, or (iii) in connection with a Permitted Sale-Leaseback (as set forth in Section 13(m)).

(f) Except as set forth above in this Section 12, any transfer, assignment or subletting without the prior written consent of Landlord as provided above shall be void *ab initio*. Landlord's consent to a transfer, assignment or subletting, or to any use or occupancy by a party other than Tenant, shall not invalidate or constitute a waiver of this provision, and each subsequent transfer or assignment, and each subsequent use and occupancy by a party other than Tenant shall likewise be made only with the prior written consent of Landlord.

Section 13. **Leasehold Mortgage / Sale-Leaseback.**

(a) Tenant shall have the right to mortgage or pledge its interest in this Lease (a "Leasehold Mortgage") to one or more mortgagees (a "Leasehold Mortgagee") at any time and from time to time. The term "Leasehold Mortgage" as used in this Agreement shall include a mortgage, a deed of trust, a deed to secure debt and any other conveyance or agreement for security purposes, which may now or hereafter affect the Premises. The term "Leasehold Mortgagee" as used in this Agreement shall include the holder of (including any nominee or administrator) or the beneficiary under, as the case may be, a mortgage, deed of trust, deed to secure debt or any other conveyance or agreement for security purposes, which may now or hereafter affect the Premises.

(b) Tenant or the Leasehold Mortgagee shall give to Landlord written notice of the making of

any Leasehold Mortgage (which notice shall contain the name and office address of the Leasehold Mortgagee) within ten (10) days after the execution and delivery of such Leasehold Mortgage and a duplicate original or certified copy thereof.

(c) Landlord shall give to each Leasehold Mortgagee, at the address of such Leasehold Mortgagee set forth in the notice from such Leasehold Mortgagee or from Tenant, and otherwise in the manner provided by Section 25, a copy of each notice given by Landlord to Tenant hereunder (including notice of an Event of Default) at the same time as and whenever any such notice shall thereafter be given by Landlord to Tenant, and no such notice by Landlord shall be deemed to have been duly given to Tenant (and no grace or cure period shall be deemed to have commenced) unless and until a copy thereof shall have been given to each such Leasehold Mortgagee. The Leasehold Mortgagee (i) shall thereupon have a period of thirty (30) days more in the case of an Event of Default in the payment of Rent and sixty (60) days more in the case of any other Event of Default (or in the case of a non-monetary Event of Default which shall require more than sixty (60) days to cure using due diligence, then such longer period of time as shall be necessary so long as such Leasehold Mortgagee shall have commenced to cure (or caused to be commenced such cure) within such 60-day period and continuously prosecutes or causes to be prosecuted the same to completion with reasonable diligence and continuity), after the applicable period afforded Tenant for remedying the Event of Default or causing the same to be remedied has expired and (ii) shall, within such period and otherwise as herein provided, have the right (but not the obligation) to remedy such Event of Default or cause the same to be remedied. Landlord shall accept performance by or on behalf of the Leasehold Mortgagee of any covenant, condition or agreement on Tenant's part to be performed hereunder with the same force and effect as though performed by Tenant, so long as such performance is made in accordance with the terms and provisions of this Lease. Landlord shall not object to any temporary entry onto the Premises by or on behalf of the Leasehold Mortgagee to the extent necessary to effect such Leasehold Mortgagee's cure rights, provided such entry is in compliance with Applicable Law. Notwithstanding anything to the contrary, the Leasehold Mortgagee shall have no obligation to cure an Event of Default except as expressly provided in this Lease.

(d) A non-monetary default by Tenant or a non-monetary Event of Default shall not be deemed to exist as long as the Leasehold Mortgagee, in good faith, (i) shall have commenced to cure (or caused to be commenced such cure) the default or Event of Default within the time periods provided in Section 13(c), and continuously prosecutes or causes to be prosecuted the same to completion with reasonable diligence and continuity (subject to Unavoidable Delays), or (ii) if possession of the Premises or any part thereof is required in order to cure such default or Event of Default, shall have notified Landlord within thirty (30) days after the applicable period afforded to Tenant for remedying the default or Event of Default shall have expired of its intention to institute foreclosure proceedings to obtain possession directly or through a receiver, and thereafter commences such foreclosure proceedings, prosecutes such proceedings with all reasonable diligence and continuity (subject to Unavoidable Delays) and, upon obtaining such possession, commences promptly to cure the default or Event of Default and prosecutes the same to completion with all reasonable diligence and continuity (subject to Unavoidable Delays).

(e) Notwithstanding anything in this Section 13 to the contrary, a Leasehold Mortgagee shall not be required to cure any Incurable Defaults of Tenant, and if any Leasehold Mortgagee, assignee or transferee shall acquire the Premises pursuant to a foreclosure or transfer in lieu of foreclosure, then any such Incurable Default by Tenant shall no longer be deemed a default or Event of Default. For purposes of this Agreement, "Incurable Default" shall mean (i) any Event of Default described in Section 21(a)(iv) or Section 21(a)(v), (ii) any Event of Default that is personal in nature to the Tenant, and (iii) any Event of Default that is based upon Tenant's wrongful assignment of this Lease or any interest therein (other than a wrongful assignment to such Leasehold Mortgagee).

(f) With respect to any default or Event of Default, so long as the Leasehold Mortgagee shall

be diligently exercising its cure rights under this Section 13 with respect thereto within the applicable cure periods set forth above and so long as, if possession of the Premises is required to cure the same, the Leasehold Mortgagee shall be taking the actions required by Section 13(d), Landlord shall not (i) re-enter the Premises, (ii) serve a termination notice, or (iii) bring a proceeding on account of such default to (A) dispossess Tenant and/or other occupants of the Premises, (B) re-enter the Premises, or (C) terminate this Lease or the leasehold estate (such rights described in clauses (i), (ii) and (iii) being herein "Landlord's Termination Rights"). Upon any cessation of the Leasehold Mortgagee so exercising such rights and undertaking such activities, Landlord may exercise any of Landlord's Termination Rights hereunder. Nothing in the protections to Leasehold Mortgagees provided in this Lease shall, however, be construed to either (i) extend the Term beyond the expiration date provided for in this Lease that would have applied if no default had occurred or (ii) require such Leasehold Mortgagee to cure any non-monetary default by Tenant that is not capable of being cured as a condition to preserving this Lease or, in the case of a Leasehold Mortgagee only, to obtaining a New Lease as provided in this Section 13.

(g) The exercise of any rights or remedies of a Leasehold Mortgagee, including the consummation of any foreclosure or transfer in lieu of foreclosure, shall not constitute a default under this Lease. A Leasehold Mortgagee shall provide Landlord with prior written notice of its commencement of any foreclosure or of its commencement of any efforts to cause a transfer in lieu of foreclosure.

(h) No Leasehold Mortgagee shall become liable under the provisions of this Lease unless and until such time as it becomes, and then only for so long as it remains, the owner of the leasehold estate created hereby and no performance by or on behalf of such Leasehold Mortgagee of Tenant's obligations hereunder shall cause such Leasehold Mortgagee to be deemed to be a "mortgagee in possession" unless and until such Leasehold Mortgagee shall take control or possession of the Premises.

(i) New Lease.

(i) In the event of the termination of this Lease as a result of an Event of Default by Tenant, prior to the expiration of the Term, whether by summary proceedings to dispossess, service of notice to terminate, or otherwise, or as a result of any bankruptcy, insolvency or similar proceedings, Landlord shall serve upon each Leasehold Mortgagee who is entitled to notice, written notice of such termination promptly following same, together with a statement of any and all sums which would at that time be due under this Lease but for such termination, and of all other defaults, if any, under this Lease then known to Landlord. Subject to Section 13(i)(iv) below, the Leasehold Mortgagee shall thereupon have the option to obtain a new lease in accordance with and upon the following terms and conditions, and otherwise upon the same terms and conditions and in the same form as this Lease (including a term that expires on the same expiration date as this Lease) (a "New Lease"):

i. Upon the written request of such Leasehold Mortgagee, served upon Landlord in accordance with Section 25, within forty-five (45) business days after service upon the Leasehold Mortgagee of the aforementioned notice of termination, Landlord shall enter into a New Lease of the Premises with the Leasehold Mortgagee or any designee of the Leasehold Mortgagee (such Leasehold Mortgagee or such designee, the "New Tenant").

ii. The New Lease shall be effective as of the date of termination of this Lease and shall be for the remainder of the Term and at the Base Rent and upon

all the agreements, terms, covenants and conditions hereof, it being acknowledged that the New Lease is effectively a reinstatement of this Lease (but with the New Tenant). Upon and as a condition to Landlord's execution of such New Lease, the New Tenant shall pay any and all sums which would at the time of the execution thereof be due under this Lease but for its termination, as aforesaid, and shall commence to remedy any non-monetary defaults (other than Incurable Defaults) under this Lease (and the New Lease shall require the New Tenant to diligently continue to remedy such non-monetary defaults until cured). Landlord shall have no obligation to deliver physical possession of the Premises in connection with the giving of any such New Lease to the extent that Landlord shall not previously have recovered possession of same.

- iii. Nothing herein contained shall release Tenant from any of its obligations under this Lease which shall not have been discharged or fully performed by Tenant or by such Leasehold Mortgagee.
- (ii) As between Landlord and such New Tenant, any such New Lease and the leasehold estate thereby created, subject to the same conditions contained in this Lease, shall continue to maintain the same priority as this Lease with regard to any mortgage or any other lien, charge or encumbrance whether or not the same shall then be in existence.
- (iii) Upon the execution and delivery of a New Lease under this Section 13(i), all subleases which theretofore may have been assigned to Landlord thereupon shall be assigned and transferred, without recourse, by Landlord to the New Tenant. Between the date of termination of this Lease and the date of execution and delivery of the New Lease, if a Leasehold Mortgagee shall have requested such New Lease, Landlord shall not enter into any new subleases, cancel or modify in any material respect any then-existing subleases or accept any cancellation, termination or surrender thereof (unless such termination shall be effected as a matter of law on the termination of this Lease) without the written consent of the Leasehold Mortgagee, not to be unreasonably withheld or delayed, except as permitted in the subleases.
- (iv) Any rejection of this Lease by any trustee of Tenant in any bankruptcy, reorganization, arrangement or similar proceeding which would otherwise cause this Lease to terminate, shall, without any action or consent by Landlord, Tenant or any Leasehold Mortgagee, effect the transfer of Tenant's interest hereunder to the Leasehold Mortgagee or its nominee or designee. Such Leasehold Mortgagee may reject the transfer of this Lease upon such transfer upon giving notice thereof to Landlord no later than thirty (30) days after notice from Landlord of such transfer. Such Leasehold Mortgagee shall thereupon have no further rights or obligations hereunder. Alternatively, the Leasehold Mortgagee may, during such 30-day period, request a New Lease in accordance with the provisions of this Section 13(i). In the event that the Leasehold Mortgagee shall fail either to timely effect the transfer of this Lease or timely request a New Lease, then this Lease shall be deemed terminated and no Leasehold Mortgagee shall have any further rights under this Lease.
- (j) Additional Leasehold Mortgagee Protective Clauses. In addition to the other rights, notices

and cure periods afforded to the holders of any Leasehold Mortgage, Landlord further agrees that:

- (i) without the prior written consent of the Leasehold Mortgagee, Landlord will neither agree to any material modification or amendment of this Lease, including any modification or amendment that increases Tenant's obligations or reduces Tenant's rights under this Lease, nor accept a surrender or cancellation of this Lease;
- (ii) Landlord shall execute any modification to the Lease and enter into recognition agreements (in form and substance reasonably acceptable to Landlord, at the cost and expense of the party making the request) as reasonably requested by a Leasehold Mortgagee as a condition to making a loan to Tenant, provided that the same does not materially increase Landlord's obligations or materially diminish Landlord's rights hereunder;
- (iii) the Leasehold Mortgagee shall have the right to participate in the adjustments of any insurance claims of the nature set forth in Article 16 and condemnation awards of the nature set forth in Article 17; and
- (iv) within fifteen (15) business days following the written request of Tenant from time to time, Landlord shall execute and deliver an instrument addressed to the holder of any Leasehold Mortgage confirming that such holder is a Leasehold Mortgagee and entitled to the benefit of all provisions contained in the Lease which are expressly stated to be for the benefit of Leasehold Mortgagees.

(k) No merger of fee title with the leasehold interest under any circumstances (whether voluntary or involuntary or effected by the Landlord or the Tenant) will result in the termination of this Agreement or an extinguishment of any Leasehold Mortgage.

(l) Notwithstanding any other term or provision of this Lease to the contrary, Landlord's interest in this Lease and in the Premises shall not be subject or subordinate to any Leasehold Mortgage now or hereafter placed upon Tenant's interest in this Lease, the leasehold interest created hereby, or upon any interest in Tenant.

(m) Sale-Leaseback. Upon or following substantial completion of the Project, Tenant may, with Director of Aviation's prior written consent, to Transfer, in whole or in part, Tenant's interest in this Lease and/or the Project in a transaction through which Beta Technologies, Inc. or its Affiliate (the "Beta Sublessee") simultaneously enters into, and thereafter remains the subtenant under, a Sublease for the entirety of the property interest subject to such Transfer (the "Beta Sublease", and together with such Transfer, a "Sale-Leaseback"). Notwithstanding anything to the contrary, the City shall have the same rights, subject to the same exceptions, to review and approve any Transfer of the Beta Sublessee's interest in the Beta Sublease that the City holds with respect to a Transfer of this Lease pursuant to Section 12. Following any such approval by the Director of Aviation, Landlord shall execute any modification to the Lease and enter into recognition agreements (in form and substance reasonably acceptable to Landlord, at the cost and expense of the party making the request) as reasonably requested in connection with a Sale-Leaseback, provided that the same does not materially increase Landlord's obligations or materially diminish Landlord's rights hereunder.

Section 14. Signs. Tenant has the right to place, install or maintain upon the Premises any sign, symbol, advertisement or similar device which is intended to be visible to public view from outside the Premises so long as Tenant first obtains, at its sole expense, all necessary governmental permits and

approvals therefor and Landlord's prior written consent (subject to Section 44).

Section 15. **Indemnity and Insurance.** [NTD: Beta to confirm with risk management]

(a) Tenant shall, from and after the Effective Date, defend, indemnify and hold harmless Landlord, its officers and employees, from and against all loss, liability, damages, claims, proceedings, costs (including costs of defense and reasonable attorneys' and professionals' fees incurred in defense or incurred in enforcement of this indemnity), expenses, demands, suits and causes of action (all of the foregoing collectively referred to as "Liabilities") arising out of or in connection with (i) damage to property or death or injury to any person sustained on or about the Premises, or arising (directly or indirectly) out of or in connection with Tenant's possession, use, occupation or control of the Premises, (ii) damage to any property or death or injury to any person anywhere occasioned, or claimed to have been occasioned, by any willful misconduct or any negligent act or omission of Tenant, its agents, employees, licensees or contractors and (iii) any breach or default of this Agreement by Tenant, its agents, employees, licensees or contractors, except in any event to the extent such damage, death, injury or Liabilities are caused by or arise from the willful misconduct or negligence of Landlord.

(b) Insurance Certificates. Unless waived in writing or otherwise provided by the Landlord, the Tenant shall procure the insurance coverages identified below at the Tenant's own expense and shall furnish the Landlord an insurance certificate listing "City of Burlington, Burlington International Airport" as the certificate holder. The insurance certificate must provide the following:

- Name and address of authorized agent.
- Name and address of insured.
- Name of insurance company(ies).
- Description of policies, including coverage type and amounts.
- Policy Number(s).
- Policy Period(s).
- Limits of liability.
- Name and address of Landlord as certificate holder.
- Signature of authorized agent.
- Telephone number of authorized agent.
- Insurance company will endeavor to notice in accordance with the policy provisions in the event of cancellation/non-renewal.
- Landlord designated as additional insured on a primary, noncontributory basis, with waiver of subrogation and thirty (30) days' notice of cancellation under all policies with the exception of professional liability, and except that additional insured status is not required for workers' compensation. Copies of endorsements shall be attached to the certificate of insurance.

Landlord may require certificates of insurance for any insurance policies entered into by Tenant, and Tenant is responsible for annually verifying and confirming in writing to Landlord that all sub-contractors, agents, operators or workers meet the minimum coverage and limits plus maintain current certificates of coverage, and that all work activities related to this Agreement shall meet minimum coverage and limits, with any sub-contractors, agents, operators or workers complying with the same insurance requirements as Tenant.

(c) Policy Provisions. Each of the insurance coverages required below (i) shall be issued by a company licensed by the State of Vermont to transact the business of insurance in the State of Vermont for the applicable line of insurance, and (ii) shall be an insurer with an A.M. Best Co. Policyholders Rating of "A-/VIII" or better by the latest *A. M. Best Insurance Report* or has an analogous rating from a comparable

rating service approved by Landlord. Each such policy shall contain the following provisions:

- (i) All certificates shall contain a provision stating that the coverages afforded under said policies will not be cancelled, materially changed or not renewed without at least thirty (30) days written prior notice to the Landlord; and
- (ii) The policies shall not be subject to invalidation as to any insured by reason of any act or omission of another insured or any of its officers, employees, agents or other representatives and shall contain a clause to the effect that such policies and the coverage evidenced thereby shall be primary with respect to any policies carried by Landlord, and that any coverage carried by Landlord shall be excess insurance. In no event shall the limits of said policies be considered as limiting the liability of Tenant under this Agreement.

(d) Insurance Coverages. During the Term, the Tenant agrees to purchase and maintain the following types of insurance coverages, and provide evidence of continuing coverage to Landlord on an annual basis. Under no circumstances shall Tenant's liability be limited to the amount of insurance carried. Any changes to insurance are at the sole expense of Tenant. Limits of insurance required at the Effective Date of this Agreement are as follows:

- (i) Workers' Compensation and Employer's Liability. The Tenant agrees to provide Workers' Compensation coverage in accordance with the statutory limits as established by the State of Vermont and with a minimum limit for employer's liability no lower than \$500,000/accident (bodily injury by accident) and \$500,000 policy limit, \$500,000/employee (bodily injury by disease). The Tenant shall require all contractors and subcontractors performing work or occupying the Premises under this Agreement to obtain an insurance certificate showing proof of Workers' Compensation coverages and Tenant shall require from its general contractor(s) that all subcontractors submit certificates of such insurance to Landlord prior to performing work or occupying the Premises.
- (ii) Employers' Liability Insurance. If Tenant has employees, the Tenant shall also maintain Employers Liability Insurance Coverage with limits of at least:

Bodily Injury by Accident - \$500,000 each accident; and
Bodily Injury by Disease - \$500,000 each employee.
Bodily Injury by Disease - \$500,000 policy limit.

The Tenant shall require all contractors and subcontractors performing work or occupying the Premises under this Agreement to obtain an insurance certificate showing proof of Employers Liability Insurance Coverage and Tenant shall require from its general contractor(s) that it and all subcontractors submit certificates of such insurance to Landlord prior to performing work or occupying the Premises. Notwithstanding the foregoing, recognizing that not all subcontractors will have the limits set forth herein, the Tenant may allow its contractor to have discretion to accept lower limits from subcontractors as appropriate.

- (iii) Commercial General Liability Insurance. The Tenant shall provide Commercial General Liability Insurance naming the Landlord as additional insured on a primary, non-contributory basis (using endorsements CG 20 10 and CG 20 37 or their equivalents for a period of three year), which shall include, but need not be

limited to, coverage for bodily injury and property damage arising from premises and operations liability, products and completed operations liability, personal injury and advertising liability, contractual liability, fire legal liability, blasting and explosion, collapse of structures and underground damage liability. The Commercial General Liability Insurance shall provide at minimum limits of \$1,000,000 per occurrence, \$2,000,000 aggregate. Pollution shall be included or provided as a separate policy with minimum limits of \$1,000,000 per occurrence.

- (iv) Commercial Business Automobile Liability Insurance. The Tenant shall provide Commercial Business Automobile Liability Insurance naming the Landlord as additional insured on a primary, non-contributory basis which shall include coverage for bodily injury and property damage liability arising from the operation of any owned, non-owned or hired automobile. The Commercial Business Automobile Liability Insurance Policy shall provide not less than \$1,000,000 Combined Single Limits for each accident.
- (v) Commercial Umbrella Liability Insurance. The Tenant shall provide a Commercial Umbrella Liability Insurance Policy to provide excess coverage above the Commercial General Liability, the Commercial Business Automobile Liability, Pollution Liability, and Employers' Liability on a follow form basis in addition to the minimum limits set forth herein and including identical additional insured requirements as required in the primary liability policies. The minimum amount of Umbrella limits required above the coverages and minimum limits stated above shall be \$4,000,000 per occurrence and \$4,000,000 in the aggregate. Alternatively, if excess coverage is not available for any of the liability policies referenced above, the minimum limits of the underlying policy shall be increased by \$4,000,000 per occurrence and \$4,000,000 in the aggregate.
- (vi) Builders Risk Insurance. During the construction of the Project, any major renovation (defined to mean with a cost in excess of \$100,000) or major reconstruction of all or any portion of the Project, Tenant shall provide, or cause its Contractor to provide, a Builder's Risk Insurance Policy to be made payable to the Landlord and Tenant as their interests may appear, but in all instances subject to the terms, conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgage. The policy amount should be equal to 100% of the construct sum under any construction contract applicable to any such reconstruction. All deductibles shall be the sole responsibility of Tenant or the Contractor, and in no event shall the amount of any deductible exceed \$250,000.00. The policy shall be endorsed substantially as follows:

"The following may occur without diminishing, changing, altering or otherwise affecting the coverage and protection afforded the insured under this policy:

- (i) Furniture and equipment may be delivered to the insured premises and installed in place ready for use; and
- (ii) Partial or complete occupancy by Tenant, and
- (iii) Performance of work in connection with construction operations insured by the Tenant, by agents or sublessees or other contractors of Tenant, or by contractors of the Tenant."

- (vii) During the construction of the Project, any major renovation (defined to mean with a cost in excess of \$100,000) or major reconstruction of all or any portion of the Project, Tenant shall require its general contractor, architect and other design professionals with significant design obligations (other than the landscape architect) to carry professional liability insurance covering claims arising out of negligent errors or omissions in rendering or failure to render professional services, in an amount not less than \$1 million each claim and \$2 million annual aggregate; coverage shall include liability arising out of a contract, and if such insurance is on a claims made basis, Tenant's architect shall maintain liability coverage for not less than five years following the date of substantial completion of the work.
- (viii) Property Insurance. Upon completion of the Project, during the Term Tenant shall provide an "all risk" Property Insurance Policy to be made payable to the Landlord and Tenant as their interests may appear, but in all instances subject to the terms and conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgagee. The policy amount should be equal to 100% of the replacement value of the completed Project and related improvements and shall include replacement cost, demolition cost and increased cost of construction endorsements. All deductibles shall be the sole responsibility of Tenant, and in no event shall the amount of the "All Risk" deductible exceed \$100,000.00. Any improvements constructed by Tenant upon the Premises shall be constructed and maintained at Tenant's risk.
- (ix) Performance Bond and Payment Bond. During the construction of any major renovation (defined to mean with a cost in excess of \$500,000) or major reconstruction of all or any portion of the Project, Tenant shall deliver to Landlord, at the time of execution of a contract related to such construction or reconstruction work evidence of, (x) a Performance Bond of Tenant's contractor equal to 100% of the completed value of the work with Landlord named as a co-obligee, and (y) a Labor and Materials Payment Bond from Landlord's contractor in the amount equal to 100% of the completed value. For additional clarity, this Section 15(d)(ix) shall not apply with respect to the initial construction of the Project, bonding for which is addressed in Section 3(d)(iii), or otherwise with respect to work being performed by the Contractor.

(e) Waiver of Subrogation. Each of Landlord and Tenant hereby releases the other and their officers, directors, shareholders, agents and employees from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage to property caused by any of the perils which are insured against under standard policies of fire and casualty insurance (including extended coverage), even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible. This provision shall be deemed suspended during any period of time when insurance companies will not issue insurance policies for properties with such a provision in this Agreement.

(f) Termination of Obligation to Insure. Unless otherwise expressly provided to the contrary, the obligation to insure as provided herein continues throughout the Term and shall not terminate until this Agreement has expired or been terminated and the Premises surrendered.

(g) Review of Insurance. Subject to the terms and conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgagee, the Landlord reserves the right to review the insurance

coverage requirements every five years to ensure that the specified coverages and limits remain commercially reasonable for similar improvements and facilities, and Tenant shall modify its coverage throughout the term of this Agreement at Tenant's sole expense upon the reasonable request of Landlord if the specified coverages and limits are no longer commercially reasonable for similar improvements and facilities.

Section 16. **Damage or Destruction.** If, during the Term, the Project is wholly or partially damaged or destroyed, Tenant shall promptly give written notice of that damage or destruction to Landlord. Subject to the terms of any Leasehold Mortgage then in effect, any such damage or destruction shall not terminate this Agreement, and Tenant shall apply available insurance proceeds and the amount then held in the Capital Reserve Account to promptly repair, restore, replace, rebuild, or reconstruct (herein "Restoration" or "Restore") the Project to substantially the same quality, workmanship, finishes and size as existed immediately before the damage or destruction unless the Landlord gives its prior written approval to do otherwise (subject to Section 44). Subject to the terms of any Leasehold Mortgage then in effect, which may provide that a Leasehold Mortgagee has the right to participate in adjustment of losses as to casualty proceeds, the Restoration shall be commenced promptly and prosecuted with due diligence following adjustment or collection of insurance proceeds. The terms of any Leasehold Mortgage may require payment of insurance proceeds to be made to the Leasehold Mortgagee or to an independent trustee acceptable to the Leasehold Mortgagee until Restoration is complete. Base Rent required to be paid hereunder shall abate in proportion to that part of the Premises that is rendered unfit for occupancy bears to the whole of the Premises until Restoration is complete. In no event shall Landlord have any right to receive any insurance proceeds; any excess insurance proceeds remaining following Restoration shall be delivered to Tenant, subject to the rights of any Leasehold Mortgagee. The parties acknowledge that if funds held in the Capital Reserve Account are used in connection with the restoration of the Project, the reduction of the sum then held in the Capital Reserve Account may be offset by the fact that some or all of the Project shall have been replaced prior to their scheduled replacement. Notwithstanding the foregoing, Tenant agrees that if reasonably requested by Landlord, it shall commission a third-party consultant selected and paid for by Tenant and reasonably acceptable to Landlord to perform a life cycle analysis of the Project following restoration to determine the amount by which the Capital Reserve Account shall be funded on a monthly basis following restoration.

Notwithstanding anything to the contrary, if any damage or casualty to the Project shall occur within the five (5) years prior to the end of the Term, and the cost of Restoration pursuant is reasonably estimated to exceed one percent (1%) of the replacement cost thereof, Tenant shall have the right to terminate this Lease. Tenant shall exercise such right on or before the date that is ninety (90) days after the occurrence of such damage or casualty. If Tenant provides such notice of termination of this Lease, then at the option of Landlord, Tenant, at its sole cost and expense (subject to reimbursement from the Capital Reserve Fund and as described below), shall either (i) demolish the Project, or (ii) safeguard and secure the Project so that they do not present any imminent danger to person or property. Landlord shall exercise such option within two (2) months after such notice. If this Lease so terminates, then the proceeds of insurance shall be disbursed as follows: (a) first, to any Leasehold Mortgagee, the amount of the outstanding indebtedness secured by the Leasehold Mortgage, (b) second, to Tenant to reimburse Tenant for the out-of-pocket costs incurred by Tenant pursuant to clauses (i) and (ii) above, if any, and (c) the balance, to Landlord.

Section 17. **Condemnation or Eminent Domain; Certain Other Governmental Orders.**

(a) If the whole of the Premises and the Project shall be appropriated or condemned under power of eminent domain by any competent authority for any public or quasi-public use or purpose after the Effective Date, Tenant reserves unto itself the right to prosecute its claim for an award of damages for the termination of this Agreement caused by such appropriation or taking, together with damages based on

the value of Tenant's total improvements on the Premises and damages Tenant may sustain caused by such appropriation and taking of, or the injury to, the Tenant's leasehold interest. In such event, this Agreement shall terminate when Tenant can no longer use the Premises in the manner herein intended, or when possession thereof shall be required by the appropriating or condemning authority, whichever shall first occur and any unearned Rent or other charges, if any, paid in advance shall be refunded to Tenant.

(b) If a part of the Premises shall be appropriated or condemned, and Tenant determines in its reasonable discretion that such partial taking renders the continued operation and management of the Premises uneconomic, then and in any such event Tenant, at any time either before or within a period of sixty (60) days after the date when possession on the part of the Premises so taken shall be required by the appropriating or condemning authority may elect to terminate this Agreement. If Tenant shall exercise such election to terminate this Agreement, Tenant shall have the right to prosecute its claim for an award for damages for the termination of this Agreement caused by such partial appropriation or taking, together with damages based on the value of Tenant's total improvements in the same manner and to the same extent as that hereinbefore reserved by Tenant in the event that the whole of the Premises were appropriated or condemned, except that nothing herein shall be construed to entitle Tenant to any such damages or to obligate the Landlord to pay any such damages or portion thereof upon a failing by the condemning or appropriating authority or an adjudication as between the authority and Tenant to make an award of damages. Upon termination, any unearned Rent or other charges, if any, paid in advance shall be refunded to Tenant. For additional clarity, any temporary taking of the whole or part of the Premises shall be considered under this Section 17 as a partial taking.

(c) If Tenant shall fail to exercise such option, or in the event that a part of the Premises shall be taken or condemned under circumstances in which Tenant shall have no such option, then in either event this Agreement shall continue in full force and effect and shall terminate only as to that part of the Premises so taken and Rent required to be paid hereunder shall abate in proportion to that part of the Premises that is taken or condemned bears to the whole of the Premises. In that event Tenant shall, using compensation available or paid upon such a partial taking (or purchase), and if those are insufficient, using funds then held in the Capital Reserve Account, make all repairs to the buildings and improvements on the Premises affected by such taking (or purchase) to the extent necessary to restore the same to a complete architectural unit (to the extent permitted, however, taking into consideration the amount of land remaining after any such taking or purchase). All compensation available or paid to the Landlord and Tenant upon such a partial taking (or purchase), shall be paid to Tenant for the purpose of paying towards the cost of such restoration, and any excess compensation shall be paid first to Tenant for the value of any improvements or improved property so taken, and then to Landlord for the value of any property taken and considered as unimproved and for the cost of any property restoration occasioned by such partial taking (or purchase). The parties acknowledge that if funds held in the Capital Reserve Account are used in connection with the restoration of the Project, the reduction of the sum then held in the Capital Reserve Account may be offset by the fact that some or all of the Project shall have been replaced prior to their scheduled replacement. Notwithstanding the foregoing, Tenant agrees that if reasonably requested by Landlord, it shall commission a third-party consultant selected and paid for by Tenant and reasonably acceptable to Landlord to perform a life cycle analysis of the Project following restoration to determine the amount by which the Capital Reserve Account shall be funded on a monthly basis following restoration.

(d) In all events, and notwithstanding the foregoing provisions of this Section or anything to the contrary, a Leasehold Mortgagee shall have the right to participate in any condemnation proceedings and settlement discussions. If any Leasehold Mortgage is in effect at the time of any taking or partial taking, payments or awards made in connection therewith shall be made to the Leasehold Mortgagee or to an independent trustee for the purposes of supervising and controlling the receipt and disbursement of condemnation awards for the restoration of the Premises (in the event of a partial taking that does not result in the termination of this Agreement) or otherwise. This payment must not be less than the total award

minus the value of the land considered as unimproved but encumbered by this Agreement.

(e) To the maximum extent allowable under State or Federal Law, Tenant reserves its rights to pursue damages or remedies for any condemnation of the Premises. Nothing in this Section 17 waives or modifies any legal or equitable rights Tenant may have as a leasehold owner or as a business owner in the event the Premises is subject to eminent domain.

(f) In the event of the issuance by any court of competent jurisdiction of an injunction, order, or decree preventing or restraining the use by Tenant of all or any substantial part of the Premises or preventing or restraining the use of the Airport for usual Airport purposes in its entirety, or the use of any part thereof which may be used by Tenant and which is necessary for Tenant's operations on the Airport, Landlord shall not be deemed in default of its obligations hereunder, and Tenant's obligation to pay Rent shall equitably abate until such order terminates or is vacated.

(g) In the event that any agency or instrumentality of the federal or any state or local government shall occupy the Airport or a substantial part thereof, or in the event of military mobilization or public emergency wherein there is a curtailment, either by executive decree or legislative action, of normal civilian traffic at the Airport or its use for civil aviation, and any of said events shall result in material interference with Tenant's normal operations, Landlord shall not be deemed in default of its obligations hereunder, and Tenant's obligation to pay Rent shall equitably abate until such state affairs ceases and normal operations resume

Section 18. **Landlord's Right to Mortgage Property.**

(a) Landlord shall have the right to grant one or more mortgages, deeds of trust or other security instruments on Landlord's interest in the Premises (each, a "Fee Mortgage"), subject to Section 18(b).

(b) Any Fee Mortgage shall automatically and without further act be subject and subordinate in all respects to this Lease, any Leasehold Mortgage and the Tenant's rights hereunder. The foregoing is intended to provide that although the Fee Mortgage pertains to the fee interest in the Property, any exercise by the holder of a Fee Mortgage (each, a "Fee Mortgage") of its remedies thereunder shall be subject to this Lease and any Leasehold Mortgage and shall not terminate or otherwise affect this Lease. No foreclosure of such Fee Mortgage (or deed in lieu of such foreclosure) or other exercise of remedies under a Fee Mortgage, shall operate to disturb the rights of Tenant under this Lease or the rights of a Leasehold Mortgagee under a Leasehold Mortgage, and the transferee thereof shall recognize such rights. The foregoing provisions of this Section 18(b) are intended to be self-operative, but each Fee Mortgagee, by acceptance of its Fee Mortgagee, shall be deemed to have agreed to execute such further assurances as Tenant or any Leasehold Mortgagee may reasonably request to confirm the agreements set forth in this Section 18(b).

Section 19. **Environmental Compliance.**

(a) Except as provided in Subsections 19(b) and 19(d), below, to the extent caused by or arising from the acts or omissions of Tenant, its agents, employees or contractors, Tenant shall defend, indemnify, and hold harmless Landlord and its officers and employees from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including reasonable attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to: (i) the presence, disposal, release, or threatened release of any Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party

other than Tenant, its agents, employees or contractors; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors; and/or (iv) any violation of laws, orders, regulations, requirements, or demands of government authorities which are based upon or in any way related to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors. For purposes of this Section 19, the term “Hazardous Materials” includes any flammable explosives, radioactive materials, hazardous materials, hazardous waste, hazardous or toxic substances, oil or petroleum products, asbestos, or related materials; including as the same are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601, *et seq.*), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §§ 1801, *et seq.*), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 6901, *et seq.*), applicable Vermont Statutes, and in the regulations adopted and publications promulgated pursuant thereto. Tenant shall provide Landlord with copies of any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials and the Premises and shall give Landlord written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises. The foregoing provisions shall be in addition to any other obligations and liabilities Tenant may have under this Agreement, at common law, or otherwise, and shall survive the termination or expiration of this Agreement for a period of two years.

(b) Tenant shall not be liable to Landlord for any Hazardous Materials to the extent that such Hazardous Materials were generated, stored, handled, transported, disposed of, discharged or released by any party other than Tenant, its agents, employees or contractors.

(c) Tenant shall provide Landlord with copies of any environmental reports or studies in its possession or in the possession of its agents which it can obtain without expense related to the Premises and any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials on, from or affecting the Premises and shall give Landlord written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises.

(d) Except as otherwise provided in Subsection 19(a), above, Landlord shall defend, indemnify, and hold harmless Tenant and its members and managers from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to: (i) the presence, disposal, release, or threatened release of any Hazardous Materials on, from, or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to Hazardous Materials on, from or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to Hazardous Materials on, from or affecting the Premises; and/or (iv) any

violation of laws, orders, regulations, requirements, or demands of government authorities based upon or in any way related to Hazardous Materials on, from or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors. Landlord shall provide Tenant with copies of any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials on, from or affecting the Premises and shall give Tenant written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises. The foregoing provisions shall be in addition to any other obligations and liabilities Landlord may have under this Agreement, at common law, or otherwise, and shall survive the termination or expiration of this Agreement for a period of two years.

Section 20. **Quiet Enjoyment; Landlord's Warranties.**

(a) Landlord covenants and agrees with Tenant that upon Tenant paying the Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed under this Agreement, Tenant shall and may peaceably and quietly have, hold, occupy and enjoy the Premises, the Project and all appurtenances thereto without hindrance or molestation from any person claiming by, through or under Landlord.

(b) Landlord represents and warrants to Tenant that (i) Landlord and any person executing this Agreement in a representative capacity has full right and lawful authority to execute this Agreement in the manner and upon the conditions and provisions herein contained; (ii) Landlord has obtained all necessary approvals, including from the FAA, to enter into this Agreement, including to allow the use of the Premises by Tenant as permitted under this Lease; (iii) Landlord owns good and marketable fee simple title to the Premises subject only to the Permitted Encumbrances and to no other restrictions, covenants, conditions, easements or encumbrances whatsoever unless subsequently consented to by Tenant (and if applicable by any Leasehold Mortgagee), (iv) Landlord has fully complied with all requirements pertaining in any way to the disposition of real estate as the same may apply to this Agreement, including undertaking the Procurement in compliance with Applicable Law, and (v) except as expressly provided otherwise in this Lease, there are no leases, licenses, or other agreements pursuant to which any person has the right to use or occupy any part of the Premises, except as set forth on **Schedule 20(b)** attached hereto.

Section 21. **Defaults.**

(a) If any one or more of the following events (herein called "Events of Default") shall occur:

- (i) if default shall be made in the due and punctual payment of any installment of Rent, when and as the same shall become due and payable, and such default shall continue for a period of ten (10) business days after written notice thereof from Landlord; provided, however, that once Landlord has given Tenant two (2) such notices during any twelve (12) consecutive month period, Landlord shall not be required to give further written notice, and thereafter the failure by Tenant to pay any installment of Rent, when and as the same shall become due and payable, which failure continues for a period of ten (10) business days, shall be an Event of Default without further notice; or
- (ii) if default shall be made in the due and punctual payment of any installment of any sum of money payable by Tenant under this Agreement other than Rent, when and

as the same shall become due and payable, and any such default shall continue for a period of ten (10) business days after written notice thereof from Landlord; provided, however, that once Landlord has given Tenant two (2) such notices during any twelve (12) consecutive month period, Landlord shall not be required to give further written notice, and thereafter the failure by Tenant to make any such payment when and as the same shall become due and payable, which failure continues for a period of ten (10) business days, shall be an Event of Default without further notice; or

- (iii) if default shall be made by Tenant in the performance or compliance with any of the agreements, terms, covenants or conditions in this Agreement provided, other than those referred to in the foregoing Subsections 21(a)(i) or (ii), and such default shall continue for a period of thirty (30) days after written notice from Landlord to Tenant specifying the items in default, or in case of a default or contingency which cannot with due diligence be cured within said thirty (30) day period, Tenant fails to proceed within said thirty (30) day period to commence to cure the same and thereafter to prosecute the curing of such default with due diligence (it being understood that the time of Tenant within which to cure shall be extended for such period as may be necessary to complete the same with all due diligence); or
- (iv) if Tenant shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future state or federal bankruptcy or insolvency statute or law, or shall seek or consent to the appointment of any bankruptcy or insolvency trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises; or
- (v) if within sixty (60) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future state or federal bankruptcy act or any other present or future state or federal bankruptcy or insolvency statute or law, such proceeding shall not have been dismissed, or, if, within sixty (60) days after the appointment, without the consent or acquiescence of Tenant, of any trustee, receiver or liquidator of Tenant or of all or substantially all of its properties or of the Premises, such appointment shall not have been vacated or stayed on appeal or otherwise, or if within sixty (60) days after the expiration of any such stay, such appointment shall not have been vacated,

then and in any such event Landlord, at any time thereafter that the Event of Default remains uncured, may give written notice to Tenant specifying such Event of Default or Events of Default and stating that this Agreement and the term thereof shall expire and terminate on the date specified in such notice which shall be at least sixty (60) days after the giving of such notice, and upon the date specified in such notice this Agreement and such term and all rights of Tenant under this Agreement shall, subject to the rights of Leasehold Mortgagees, expire and terminate (except those that are expressly provided to survive termination of this Agreement) and whereupon the provisions of Section 7(c) and Section 7(d) shall apply.

Notwithstanding anything to the contrary, if the Event of Default giving rise to such notice of termination from Landlord arises pursuant to Section 21(a)(i) or 21(a)(ii), Tenant may cure such Event of Default prior to the date specified in Landlord's notice of termination in which event this Agreement shall continue in full force and effect.

Further notwithstanding anything to the contrary, if the Event of Default results in an emergency matter posing a risk of immediate harm to persons or property and/or respects failure by Tenant to maintain insurance as required by this Lease and Tenant fails to remedy the same within a reasonable time given the exigency, Landlord may elect to cure the same and Landlord's reasonable costs in so doing will be considered Additional Rent under this Lease.

(b) Upon any such expiration or termination of this Agreement, Tenant shall quit and peacefully surrender the Premises to Landlord, and Landlord, upon or at any such expiration or termination, may without further notice, enter upon and reenter the Premises and possess and repossess itself thereof by summary proceedings, and may bring such actions for damages or equitable relief to which Landlord may be entitled under Applicable Law or at equity, provided that in no event shall Landlord be entitled to accelerate or otherwise receive Rent for longer than four (4) years of the unexpired remainder of the Term, subject to Landlord's obligation to use good faith efforts to mitigate Tenant's damages.

(c) If Landlord shall default in its obligations under this Agreement, Tenant may pursue all available legal or equitable remedies provided by law.

Section 22. **Additional Covenants of Tenant.** Tenant covenants and agrees as follows:

(a) To keep and maintain the Project and the Premises, and each and every part thereof including the building structure and roof, doors and windows, exterior appearance, gas, electrical, plumbing, HVAC and other building systems, landscaping and hardscaping, and building shell and core fixtures, in good order, condition and repair (reasonable wear and tear excepted).

(b) Not to make any illegal use of the Premises and not to cause waste to the Premises.

(c) To pay to Landlord a late charge equal to five percent (5%) of each payment of Rent or other amount due hereunder which is not received by Landlord within ten (10) days after the same is due.

Section 23. **No Waiver; No Accord and Satisfaction.** The waiver by Landlord of a breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, or of any subsequent breach of the same or any other term, covenant or condition. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No covenant, term or condition of this Agreement shall be deemed to have been waived or modified, unless such waiver or modification is in writing and executed on behalf of the parties. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent 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 Rent or pursue any other remedy in this Agreement provided.

Section 24. **Time is of the Essence; Force Majeure.** All time limits stated herein are of the essence of this Agreement. If either party (and/or a Leasehold Mortgagee curing Tenant's or its obligations hereunder) shall be affected by Unavoidable Delay (as defined below), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. As used in this Agreement, "Unavoidable Delay" means delays incurred due to (i) any act of God (including weather delays beyond historic weather patterns), flood, earthquake, fire, disease, pandemics, epidemics and the like, (ii) labor strike, civil unrest or work stoppage

or slowdown (including failure of building inspectors to reasonably process approvals that cause work stoppage), (iii) unforeseeable interruptions in utility services, (iv) unforeseeable material shortages, transportation and logistics delays, (v) sabotage, war, riot, terrorism, moratorium, (vi) unforeseeable governmental action (including required work stoppage or closure of construction sites by applicable government authorities including closures in the general vicinity where the Premises is located, and including unforeseen archeological conditions or closure of government offices that issue necessary permits), (vii) delays caused by the other party, or with respect to Tenant any Affiliate of Tenant, or with respect to Landlord, any division, department or instrumentality of Landlord or under Landlord control, (viii) any other unforeseeable act of any third party unrelated to, and having no arrangements, contractual or otherwise, with the Premises or the respective party claiming the delay that reasonably prevents an action from being taken through no fault of the respective party claiming the delay, or (xi) other similar causes beyond the reasonable control of the party claiming the delay (but not including insolvency).

Section 25. **Notices.** Any notices to be given pursuant to this Agreement shall be sufficient if given by a writing deposited in the United States mails, certified mail or registered mail, return receipt requested, postage prepaid, by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, by email (provided the electronic process used is reasonably secure and not easily susceptible to manipulation and that if notice is delivered by email, notice must also be delivered by one of the other methods described above unless the recipient or its counsel waives for foregoing) addressed as follows:

- If to Landlord: City of Burlington
Attention: Office of the City Attorney
City Hall, 149 Church St.
Burlington, VT 05401
Email: [_____]

- with a copy to: Patrick Leahy Burlington International Airport
Attention: Director of Aviation
1200 Airport Drive
South Burlington, VT 05403
Email: [_____]

- If to Tenant: Beta Technologies, Inc.
Attention: CEO & COO
1150 Airport Drive
South Burlington, VT 05403
Telephone No.: (802) 281-3623
Email: kyle@beta.team & blain@beta.team

- with a copy to: Beta Technologies, Inc.
Attention: General Counsel
1150 Airport Drive
South Burlington, VT 05403
Telephone No.: (802) 281-3623
Email: bdunkiel@beta.team

or to such other person, address or number as the party entitled to such notice or communication shall have specified by notice to the other party given in accordance with the provisions of this Section. Any such

notice or other communication shall be deemed given: (i) if mailed, three days after being deposited in the mail, properly addressed and with postage prepaid; (ii) if sent by courier, the next day after being deposited with the courier, properly addressed and with prepaid; (iii) if sent by email, when transmitted, provided that the sender does not receive an automated delivery failure or “out of office” message.

Section 26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Vermont, without giving effect to such jurisdiction’s principles of conflict of laws. The parties consent to and submit to in personam jurisdiction and venue in the State of Vermont, County of Chittenden, and in the U.S. District Court for the District of Vermont. The parties assert that they have purposefully availed themselves of the benefits of the laws of the State of Vermont and waive any objection to in personam jurisdiction on the grounds of minimum contacts, waive any objection to venue, and waive any plea of forum non conveniens. This consent to and submission to jurisdiction is with regard to any action related to this Agreement, regardless of whether the parties’ actions took place in the State or elsewhere in the United States.

Section 27. **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 28. **Holding Over.** If Tenant shall continue in occupancy of the Premises after the expiration or termination of this Agreement, such occupancy shall not be deemed to extend or renew the terms of this Agreement, but such occupancy shall continue as a tenancy at will from month to month and otherwise upon the covenants, provisions and conditions herein contained, except that Base Rent shall be doubled. This Section shall not be construed as giving Tenant any right to hold over after any such expiration or termination. In addition, Tenant agrees to pay Landlord’s reasonable attorney’s fees and related costs if Landlord must take legal action to evict or eject Tenant who is holding over or to collect the holdover amount as set forth in this provision.

Section 29. **Jury Trial Waiver.** Landlord and Tenant waive the right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Agreement. This waiver is knowingly, intentionally, and voluntarily made by Tenant and Landlord and Tenant and Landlord acknowledge that neither Landlord nor Tenant nor any person acting on behalf of Landlord or Tenant has made any representations of fact to induce this waiver of trial by jury or in any way to modify or nullify its effect. Tenant and Landlord further each acknowledge that it has been represented (or has had the opportunity to be represented) in the signing of this Agreement and in the making of this waiver by independent legal counsel, selected of its own free will, and that it has had the opportunity to discuss this waiver with counsel. Tenant and Landlord further acknowledge that it has read and understands the meaning and ramifications of this waiver provision.

Section 30. **Tenant and Landlord Defined.** The word “Tenant” shall be deemed and taken to mean Beta Technologies, Inc. and its successors and permitted assigns. The term “Landlord” as used in this Agreement means only the owner for the time being of the Premises, so that, in the event of any sale thereof, the seller shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder not theretofore accrued, and it shall be deemed and construed, without further agreement between the parties or between the parties and the purchaser of the Premises, that such purchaser has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder.

Section 33. **Notice of Lease.** The parties will at any time, at the request of either one, promptly execute

multiple originals of an instrument, in recordable form which will constitute a notice of lease, setting forth the information required by 27 V.S.A. § 341(c). Landlord shall, upon request of Tenant, promptly execute and deliver to Tenant any transfer tax returns, affidavits or other documents which shall be required by any recording office as a condition of recording such memorandum or notice of this Agreement. Tenant shall be responsible for all recording fees and other recording costs, including recording taxes, related to the recording of the memorandum or notice of this Agreement.

Section 34. **Number; Gender; “Including”**. Wherever the context so requires, the singular and the plural form of words and words of masculine or feminine gender shall, within those respective classifications, be deemed interchangeable. The term “including”, and variants thereof, shall mean “including without limitation” unless the context otherwise expressly provides.

Section 35. **Captions; Headings**. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit, construe or describe the scope or intent of such sections, nor in any way affect this Agreement or have any substantive effect.

Section 36. **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument; such counterparts may be evidenced by pdf or similar reproduction methods and/or may be executed electronically using electronic signature software (e.g., DocuSign or similar software) or similar methods (each a method of “Electronic Execution”), and each pdf or Electronic Execution shall have the same legal and binding effect as original signatures; upon the request of either party, the other shall furnish a copy or copies with original signature within five (5) business days.

Section 37. **Waiver of Rule of Construction**. The parties waive the benefit of any rule that this Agreement is to be construed against one party or the other.

Section 38. **Entire Agreement; Amendment**. This Agreement and the exhibits hereto and the agreements referenced herein embody the entire agreement and understanding between the parties relating to the subject matter hereof and there are no covenants, promises, agreements, conditions or understandings, oral or written, except as herein set forth. This Agreement may not be amended, waived or discharged except by an instrument in writing executed by both parties.

Section 39. **Successors and Assigns**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 40. **Commissions and Fees**. The parties hereto warrant and represent to each other that they have no knowledge of any real estate broker or agent to whom a commission may be payable as a result of this transaction or any such knowledge of any other finder’s fees or commissions related thereto, and each party agrees to indemnify and hold harmless the other for all claims or demands of any real estate agent or broker claiming by, through, or under such party, which indemnification shall also include payment of costs and attorneys’ fees incurred by a party in defense of a claim for such real estate commissions or fees.

Section 41. **Tenant Representations and Warranties**. The Tenant makes the following representations and warranties to and for the benefit of Landlord:

(a) Tenant is a Delaware corporation, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in the State of Vermont and has the full power and authority to enter into, execute, deliver, and consummate the transaction contemplated by this Agreement and any instruments and agreements contemplated herein. Tenant has taken all action required by law or by its organizational or corporate documents to authorize the execution, delivery, and consummation of the

transaction contemplated hereby.

(b) The consummation of the transaction contemplated by this Agreement will not violate or be in conflict with any provision of Tenant's governing documents, or any other agreement or instrument to which Tenant is a party or by which Tenant is bound, or any judgment, decree, order, statute, rule or regulation applicable to Tenant.

(c) This Agreement constitutes the legal, valid and binding obligation of Tenant in accordance with its terms. No consent or approval of any trustee or holder of any indebtedness of the Tenant, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Agreement or the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

(d) No information, exhibit or report furnished to the Landlord by the Tenant in connection with the negotiation of this Agreement knowingly contains any untrue statement of a material fact or knowingly omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 42. **No Partnership.** The parties do not intend by this Agreement to create, nor shall this Agreement be deemed to create, a partnership or a joint venture among the parties; each party is an independent actor and entity, and nothing in this Agreement shall be deemed to make either party an agent or partner of the other, or to give either party the right to bind the other in any way, notwithstanding any reference to the Project as a "public-private partnership."

Section 43. **No Third-Party Rights.** This Agreement is made solely and specifically between and for the benefit of the parties hereto, and their respective successors and assigns, subject to the express provisions hereof relating to successor and assigns, and except as otherwise expressly set forth herein, no other person, individual, corporation or entity, whatsoever, shall have any rights, interests or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

Section 44. **Consents and Approvals.** Wherever this Agreement requires the approval or consent of Landlord or Tenant, unless a different standard is expressly indicated, such approval or consent shall not be unreasonably withheld, conditioned or delayed. Wherever this Agreement requires the approval or consent of Landlord or Tenant, unless a different time period is expressly provided, such party shall respond to any written request for approval or consent within ten (10) business days following receipt of the same. Such response shall include either the party's consent to, or rejection of, such request. The responding party may also request additional information or materials related to the approval or consent requested (provided such request shall not extend the time of such party to respond to the request). If any party fails to respond to any written request for approval or consent within such time period as may be provided in this Agreement, the party requesting such approval or consent may elect to send an additional written notice that (i) is marked URGENT, IMMEDIATE RESPONSE REQUIRED and states the approval or consent that is requested, and (ii) states that the failure to respond to such request within two (2) business days after receipt of such additional written notice shall be deemed approval or consent. If such additional notice is sent as aforesaid, the failure to respond to such request within two (2) business days after receipt of such additional written notice shall be deemed approval or consent to the request contained therein (a "**Deemed Approval**"). Wherever this Agreement requires the approval or consent of Landlord or Tenant, if such party determines to withhold such approval or consent, such party shall state in reasonable detail the basis for withholding such approval or consent.

Section 45. **Estoppel.** Each party shall, within thirty (30) business days after request by the other party, execute and deliver to the requesting party, or the party designated by the requesting party, a statement certifying that: (i) this Agreement is unmodified and in full force and effect (or, if there have been modifications, stating the modifications, and that the modified Agreement is in full force and effect); (ii) whether, to the responding party's knowledge, either party is in default in performance of any of its obligations under this Agreement, and, if so, specifying each default; and (iii) any other information reasonably requested concerning this Agreement.

Section 46. **Further Assurances.** Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Lease, including amending this Lease to adjust the legal description of the Premises following construction to account for as-built conditions and entering into separate easements or other instruments to effectuate the access, use and other rights set forth in this Lease; provided, however, that the execution and delivery of such documents by such party shall not result in any additional liability or material cost to such party.

Section 47. **Dispute Resolution; Attorneys' Fees.** If a dispute arises between the parties with regard to the performance or interpretation of any terms of this Agreement, the parties agree to use the following procedures in the order as set forth below:

(a) **Negotiation.** A meeting shall be held between the Landlord and Tenant regarding the dispute to attempt in good faith to negotiate a resolution of the dispute (the "Negotiation Meeting"); such Negotiation Meeting shall be held within five (5) business days of a party's written request for such a meeting and may occur by telephone or video conference.

(b) **Mediation.** If the parties fail to resolve their dispute through the Negotiation Meeting, either party (the "**Notifying Party**") may demand non-binding mediation in an effort to resolve the dispute by giving written notice (the "**Notice of Dispute**") to the other party (the "**Receiving Party**"). The Notice of Dispute shall include, in detail, the issues in dispute that the Notifying Party deems relevant to the mediation. Within five (5) business days following the date of the Notice of Dispute, the Receiving Party shall submit to the Notifying Party a list of three (3) persons in Vermont or adjacent states who (i) do not have any professional, business, family or personal affiliation with any of the parties that would compromise their independence, (ii) have relevant training, experience and expertise with regard to the matters in dispute, and (iii) are reasonably available to mediate the dispute (the "**Mediator List**"). The Notifying Party shall, within three (3) business days following receipt of the Mediator List select a mediator (the "**Designated Mediator**") from the Mediator List and give written notice of the identification of the Designated Mediator to the Receiving Party and to the Designated Mediator. If the Receiving Party fails to approve a Mediator List within the time provided above, the Notifying Party shall have the right, upon notice to the Receiving Party, to designate a Designated Mediator who the Notifying Party reasonably believes will satisfy the Mediator criteria set forth above. The parties shall use good faith efforts to schedule and conduct the mediation as expeditiously as is reasonably possible, and the parties shall use their best efforts to make authorized representatives with authority to settle the dispute available for mediation and to cooperate in the mediation. The cost of Mediation, including any fees charged by the Mediator, shall be paid in equal shares by the Notifying Party and the Receiving Party.

(c) All negotiation shall occur in Chittenden County, Vermont at a mutually agreeable location; all Mediation shall occur or at the office of the Designated Mediator unless the parties to the dispute otherwise agree.

(d) If the parties fail to resolve the dispute through negotiation or mediation, then (1) if the parties agree on binding arbitration, they shall submit the matter to binding arbitration by a single arbitrator,

or (2) a party may seek an adjudicated resolution through an appropriate court.

(e) The parties consent to the inclusion in any mediation, arbitration, or litigation (by consolidation, joinder, or any other manner) third parties substantially involved in a question of law or fact common to a dispute between the parties under this Agreement.

(f) The substantially prevailing party in any dispute arising out of or relating to this Agreement that is resolved by binding arbitration or by litigation shall be entitled to recover from the other party its reasonable attorneys' fees, costs and expenses incurred in connection therewith.

(g) This dispute resolution provision shall survive the expiration or termination of this Agreement.

One Signature Page Follows

IN WITNESS WHEREOF, the parties, as evidenced by the signatures of their duly authorized agents, do hereby execute this Agreement as of the date first set forth above.

LANDLORD

City of Burlington

By: _____
Name: _____
Title: _____

STATE OF VERMONT
CHITTENDEN COUNTY, SS.

This Lease was acknowledged before me on _____, 2025, by _____ as _____ and Authorized Agent of the City of Burlington.

Before me, _____
Notary Public State of Vermont
My commission expires: 1.31.27
My credential number: _____

TENANT

Beta Technologies, Inc.

By: _____
Name: _____
Title: Duly Authorized Agent

STATE OF VERMONT
CHITTENDEN COUNTY, SS.

This Lease was acknowledged before me on _____, 2025, by _____ as _____ and Authorized Agent of _____ Beta Technologies, Inc.

Before me, _____
Notary Public State of Vermont
My commission expires: 1.31.27
My credential number: _____

EXHIBIT A

DEPICTION OF AIRPORT PROPERTY

[PENDING]

EXHIBIT B-1

LEASE PLAN

[PENDING]

EXHIBIT B-2

PREMISES LEGAL DESCRIPTION

[PENDING]

EXHIBIT C

AUTHORIZED REPRESENTATIVES

City: Director of Aviation
Deputy Director of Operations (Airport)
Engineering Director (Airport)

Beta: Kyle Clark
Blain Newton
Alex Gagnon

EXHIBIT D

Reserved

EXHIBIT E

REQUIRED FEDERAL PROVISIONS

I. Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Tenant transfers its obligation to another, the transferee is obligated in the same manner as Tenant. This provision obligates Tenant for the period during which the property is owned, used or possessed by Tenant and the Airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

II. **Compliance with Nondiscrimination Requirements:** During the performance of this contract, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

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

2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

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

5. **Sanctions for Noncompliance:** In the event of a Contractor’s continuing noncompliance with the nondiscrimination provisions of this contract and failure to cure the same following the applicable notice and cure provisions of this Agreement, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
- b. Cancelling, terminating, or suspending a contract, in whole or in part.

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

III. During the performance of this Agreement, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 *et seq.*).

Schedule 1(d)

PERMITTED ENCUMBRANCES

[PENDING]

Schedule 7(f)

PARAMETERS FOR CAPITAL RESERVE ACCOUNT

[PENDING]

Schedule 20(b)

LEASE SCHEDULE

None.

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