

NANTUCKET MEMORIAL AIRPORT COMMISSION
March 11, 2014

AGENDA

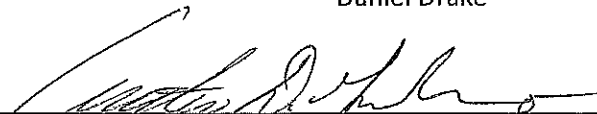
1. Review and Approve:
 - a. Agenda
 - b. 2/25/14 Minutes - *Pending*
 - c. Ratify 3/5/14 Warrant
2. Public Comment
3. Pending Leases/Contracts as Set Forth on Exhibit 1, Which Exhibit is Herein Incorporated by Reference
4. **031114-1** UPS Request for Temporary Portable Distribution Center
5. Pending Matters
 - a. **070913-1** TON Memorandum of Understanding (MOU) Update
6. **022613-2** Master Plan & Sustainability Program Update
7. Manager's Report
 - a. Project Updates
 - b. FUDS Update
 - c. RFP/Bid Status
 - d. Operations Update
 - e. Travel Request
8. Sub-Committee Reports
9. Commissioner's Comments
10. Public Comment
11. Executive Session – G.L. c.30A, §21(a)
 - a. Review ES minutes of 8/28/12, 9/18/12, 12/4/12, 12/11/12, 2/26/13, 4/23/13, 5/28/13, 8/27/13, 9/10/13, 9/24/13, 10/8/13 and 10/22/13, 11/12/13, 12/10/13 and 1/14/14 for possible release; and 2/11/14 for review and possible release, and
 - b. Clause 3: To discuss strategy with respect to threatened litigation with respect to the completion of the GA Building. The Chair has determined that an open session may have a detrimental effect on the litigation position of the Airport Commission, and
 - c. Clause 3: To conduct strategy session with respect to collective bargaining where if held in Open Session, may have a detrimental effect on the bargaining position of the Airport Commission, and
 - d. Clause 3: To discuss strategy with respect to pending litigation on a personnel matter. The Chair has determined that an Open Session may have a detrimental effect on the litigation position of the Commission.

Warrant 03/05/2014


Please Sign and Date

 2/25/14

Daniel Drake

 2/25/14

Arthur Gasbarro

 2/25/14

Andrea Planzer

Jeanette Topham

Batch# <u>890</u>	Total <u>\$9464.85</u>	Batch Date <u>2/19/14</u>
Batch# <u>891</u>	Total <u>\$6292.08</u>	Batch Date <u>2/19/14</u>
Batch# <u>896</u>	Total <u>\$77,278.60</u>	Batch Date <u>2/20/14</u>
Batch# <u>906</u>	Total <u>5049.11</u>	Batch Date <u>2/24/14</u>
Batch# _____	Total _____	Batch Date _____
Batch# _____	Total _____	Batch Date _____
Batch# _____	Total _____	Batch Date _____
Batch# _____	Total _____	Batch Date _____

EXHIBIT 1
PENDING LEASES/CONTRACTS/AGREEMENTS
March 11, 2014

Type of Agreement/Description	With	Amount	Other Information	Source of Funding
Lease	Emily Air, LLC	(\$3,877)	Sale of Ocean Wings Hangar 20 Year with 1 - 10 Yr Option Plus \$1,500 Annual Business Fee, Annual CPI	Income

Pending

Janine Torres

From: Marianne Hanley <mh@readelaw.com>
Sent: Tuesday, March 04, 2014 12:14 PM
To: Richard T. Holland
Cc: Zayatz, Donna; Thomas F. Cunningham; Arthur Reade; 'Tom Rafter' (trafter@nantucketairport.com); jtorres@nantucketairport.com
Subject: RE: Emily Air LLC
Attachments: mhrevisionsrevisedEmily Airlease.doc

See attached. I still need to review with the client, so I must reserve the bank's right to make further comments and changes. The bank will be requiring the borrower to have the surveyed plan done for closing, so we may simply amend the description provisions once it is available. I also need to review the information Ms. Torres supplied regarding the fee structure for annual fees/charges.

Janeen, can you let me know what the charges actually came to for this particular lease area for past couple of years? I cannot figure it out from what you sent me, and hope that you can just pull up the number on your accounts.

Marianne Hanley, Attorney
Reade, Gullicksen, Hanley, Gifford & Cohen, LLP
PO Box 2669
Nantucket, MA 02584
Tel (508)228-3128
Fax (508)228-5630
mh@readelaw.com

Please consider the environment before printing this email.

The information transmitted is intended solely for the individual or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of or taking action in reliance upon this information by persons or entities other than the intended receiver is prohibited. If you have received this email in error please contact the sender and delete the material from any computer.

From: Richard T. Holland [mailto:RHolland@k-plaw.com]
Sent: Friday, February 28, 2014 4:09 PM
To: Marianne Hanley
Cc: Zayatz, Donna; Thomas F. Cunningham; Arthur Reade; 'Tom Rafter' (trafter@nantucketairport.com); jtorres@nantucketairport.com
Subject: RE: Emily Air LLC

Marianne,

Using the lease I sent you, please make whatever changes you think you require, in "track changes" format, and I will review them with my client. Please do not leave in any track changes from the comparison you indicated you made below, as you should be using the document I sent you.

Thank you.

Rick

Richard T. Holland, Esq.
Kopelman and Paige, P.C.
101 Arch Street, 12th Floor
Boston, MA 02110
(617) 556-0007
(617) 654-1735 (Fax)
rholland@k-plaw.com

This message and the documents attached to it, if any, are intended only for the use of the addressee, may contain information that is PRIVILEGED and CONFIDENTIAL, and may also contain ATTORNEY WORK PRODUCT. If you are not the intended recipient, you are hereby notified that any dissemination of this communication is strictly prohibited. If you have received this communication in error, please delete all electronic copies of this message and its attachments, if any, and destroy any hard copies you may have created and notify me immediately.

From: Marianne Hanley [<mailto:mh@readelaw.com>]
Sent: Friday, February 28, 2014 2:28 PM
To: Richard T. Holland
Cc: Zayatz, Donna; Thomas F. Cunningham; Arthur Reade
Subject: RE: Emily Air LLC

For the benefit of my client and the borrower, who I am not sure have seen the changed lease, I have attached a redlined comparison with the new changes to the lease. I would reserve the right of the lender to request further information/changes, however, we need to change the lease to address these concerns of the lender:

Article One – can you find out how the Applicable Rates and Charges are determined, and what they have been for the past few years?

Section 7.1 – the lease needs to be clarified to take into account the fact that the hangar is already on the property, will be the property of the Tenant. I am confused by the last paragraph which says the structural elements belong to the Landlord, as Section 10.1 says structures need to be removed. These inconsistencies need to be worked out as the hangar will belong to the borrower and be part of the bank's security.

There need to be provisions inserted into the lease regarding leasehold mortgages/financing. If you have general language that you have used in other leases, please forward to me for review. In addition,

Section 7.2 – will need an estoppels certificate that mortgage is approved, no present default under the lease, and the improvements thereon have been consented to by NAC. There is also going to be a sublease of the hangar building to Island Air, so consent to that will need to be included. If you have not already seen the sublease, let me know.

Section 9.1 - We need the ability for the mortgagee to receive notice of any event of default before the landlord can terminate the lease, and for the lender be able to cure the default within a reasonable period of time. Also, in the event of foreclosure, the lender needs to be able to keep the lease in place so that it can assign the ground lease to someone needs hangar space.

Please discuss same with your client and get back to me.

Marianne Hanley, Attorney
Reade, Gullicksen, Hanley, Gifford & Cohen, LLP
PO Box 2669
Nantucket, MA 02584
Tel (508)228-3128

DRAFT 4

NANTUCKET MEMORIAL AIRPORT COMMISSION LEASE AGREEMENT

This Lease Agreement executed on the ___ day of _____, 2014, by and between the Town of Nantucket acting by and through the NANTUCKET MEMORIAL AIRPORT COMMISSION, an airport commission established pursuant to Massachusetts General Laws, Ch. 90, Sec. 51E, hereinafter called the "Landlord", and Emily Air LLC hereinafter called the Tenant, and the Tenant hereby leases the Premises described below in accordance with the following terms and conditions.

In consideration of the mutual covenants and agreements hereinafter set forth, Landlord and Tenant agree as follows:

ARTICLE ONE – Lease Data

Landlord: Nantucket Memorial Airport Commission
14 Airport Road
Nantucket, MA 02554
Attn: Airport Manager
(508) 325-5300

Tenant: Emily Air, LLC
550 Barnstable Road
Hyannis, MA 02601

Premises: 12 Airport Road, Nantucket, MA 02554
8,811 ± Square Feet, As described on Exhibit A1 & A2, attached hereto
and Exhibit A3, which shall be the plan to be produced by Tenant pursuant to Section 2.1 hereof

Permitted Use: Aircraft Storage, Aircraft Maintenance
Charter & Flight School Operations

Base Rent: \$3,876.84 Annually, or \$323.07 Monthly
as adjusted annually in accordance with Section 3.1

Additional Rent:

Annual Business Fee - Currently \$1,500 per year

Local Taxes - Determined by Assessor(s)

All Applicable Rates & Charges – Determined annually

Bond: \$100,000

Commencement Date: _____, 2014

Initial Term: Twenty (20) Years

Options to Extend: One – Ten (10) Year

Security Deposit: \$975.00

Initial Public Liability Insurance Coverage: \$1,000,000

ARTICLE TWO - Premises

2.1 Premises. Landlord hereby leases to the Tenant and the Tenant hereby leases from the Landlord, the Premises, as described on Exhibit A attached hereto and incorporated herein, upon and subject to the terms of this Lease—, together with a right to use the existing driveway access from Macy's Lane to the Premises. The Parties agree that, notwithstanding the foregoing, the exact location and extent of the Premises are to be mutually agreed to by the Parties, and shall be shown on a formal plan, stamped by a professional engineer, to be produced by Tenant at its sole expense within thirty (30) days of the date of this Lease. The Parties agree to append such plan to this Lease as part of Exhibit A and said plan shall be deemed a part of this Lease.

2.2 Obligations of Tenant. The Tenant shall be solely responsible for obtaining all permits, licenses, consents, and approvals required by applicable federal, state or local laws and regulations and by any governmental body having jurisdiction over the use of the Premises and the construction of any buildings and improvements on the Premises which, if permitted by the terms of this Lease and subject to Landlord's prior written approval, Tenant may make undertake. Promptly upon receipt of such permits, licenses, consents and approvals, Tenant shall present copies of the same to the Airport Manager. Landlord may, in its discretion, terminate this Lease without penalty if Tenant shall fail to obtain all such required permits, licenses, consents and approvals within 120 days of the date of this Lease. Tenant also agrees to have any construction completed within one year from the date of this Lease.

2.3 Condition of Premises. The Parties agree that, notwithstanding anything to the contrary in this Lease, the Premises are hereby leased in an "as is" condition without any express or implied representations or warranties whatsoever, it being expressly understood and agreed that Tenant is solely responsible to confirm for itself whether the Premises are suitable for its intended purpose. The Parties also agree that Landlord is not obligated to install services or facilities in the Premises beyond those now in place.

2.4 Public Utilities. Tenant will be responsible for bringing to the Premises, and for making all connection to, public utilities. All connection charges and other costs incurred for public utilities will be paid for by the Tenant.

ARTICLE THREE – Rent and Other Charges

3.1 Base Rent. Tenant shall pay to the Landlord, during the term hereof, the Base Rent set forth in Article One, above, such amount to be paid in twelve equal monthly installments, in advance on or before the first day of each month. Base Rent shall be increased, but not decreased, annually based on the change in the federal CPI-W rate as published by the United States Bureau of Labor Statistics, effective on the anniversary of the Commencement Date specified in Article One, above. Further, on each five year anniversary of the Commencement Date, the Base Rent shall be increased, but not decreased, based on the greater of (i) the change in the CPI-W, as described above and (ii) the fair market rental value of the Premises as of such date as determined by an a qualified independent real estate appraiser identified by the Landlord to which the Tenant has no reasonable objection. Tenant agrees that it shall pay all Rent, and Additional Rent as defined below, without any offset or deduction whatsoever.

3.2 Additional Rent. In addition to the Base Rent, the Tenant shall pay annually, as Additional Rent:

- (i) an annual Business Fee in the amount set forth in Article One, above, as it may be adjusted from time to time by the Landlord for all tenants;

(ii) all taxes, fees and charges assessed against the Premises and the property and any improvements located thereon in accordance with applicable laws and regulations; and

(iii) such other fees and charges as may be required to be paid by the Nantucket Memorial Airport's Fees and Charges, as the same may be amended from time to time.

The Landlord will bill the Tenant for these amounts annually and the payment will be due within 15 days thereafter.

3.3 Security Deposit. On or before the Commencement Date, as set forth in Article One, above, the Tenant shall pay to the Landlord the amount of the Security Deposit, as set forth in Article One, above, which shall be held by the Landlord, without obligation for interest, as security for the performance of the Tenant's covenants and obligations under this Lease. If the Landlord draws upon the Security Deposit, the Tenant shall, within fifteen (15) days after receipt of written notice, replenish the amount of the Security Deposit held by the Landlord.

3.4 Removal and Restoration Bond. At least ninety (90) days prior to expiration of the Initial Term of the Lease (or any extended term if Article 1 allows for an option to extend the Initial Term and such term is extended in accordance with this Lease), the Tenant shall post a bond in the amount set forth in Article 1, or if no such amount is so indicated, an amount (i) sufficient to assure the removal of all improvements, if any, installed on the Premises by Tenant and restoration of the Premises to its original condition (reasonable wear and tear excepted) and (ii) satisfactory to Landlord. Notwithstanding the foregoing, such amount shall be subject to such reasonable adjustment as the Landlord may determine. Upon expiration of the Lease, except as otherwise directed in a subsequent writing by Landlord, Tenant shall remove all its property and Tenant-installed improvements from the Premises and restore the Premises to its original condition (reasonable wear and tear excepted), failing which Landlord may use the removal and restoration bond for such purpose, and Tenant shall be responsible to pay for any costs incurred by Landlord in so doing in excess of the amount payable under the bond.

3.5 Late Payment Fee. Any amount due from Tenant to Landlord under this Article Three or otherwise due under this Lease that is not paid when due shall bear and accrue interest at the rate of one and one-half percent (1.5%) per month from the due date until receipt of payment. Any partial payments received on said indebtedness shall be applied first to interest, and then to principal. With respect to any payment of additional Rent that is determined to be due as a result of an audit, the late payment fee shall be assessed beginning on the date such additional amount of Rent should have been paid.

ARTICLE FOUR – Term and Extensions

4.1 Term. This Lease shall commence on the Commencement Date set forth in Article One, above and, subject to earlier termination in accordance with the terms hereof, continue for the Initial Term set forth in Article One, above.

4.2 Extension Options. The Tenant shall have such options to extend this Lease as set forth in Article One, above, provided that, (i) at the time of both the exercise and extension of the this Lease, the Tenant is in full compliance with the terms and conditions here and (ii) throughout the term of the Lease, the Tenant has not been in any material default hereunder. The Tenant shall exercise any option hereunder by giving written notice to the Landlord by certified mail, return receipt requested, postage prepaid to Landlord, no later than six (6) months prior to the expiration of the then-current term.

Except as may be otherwise agreed in writing by the Parties in the form of an amendment to this Lease, all provisions of the Lease shall apply for any extended term, except that the Base Rent for the initial year of the extension period shall be the Base Rent for the final year of the then-current term, as adjusted as provided in Section 3.1, above, which amount shall be increased similarly thereafter.

4.3 Holding Over. If, after the termination or expiration of this Lease, Tenant shall remain in possession without any express written agreement as to such holding over, Tenant shall be deemed to be a tenant at sufferance from day to day at a daily rental rate equal to two hundred fifty percent (250%) of the Base Rent previously in effect. During such continued occupancy, all other provisions of this Agreement (except as to the term) shall be in effect.

ARTICLE FIVE - Rules and Regulations Governing the Airport

5.1 Acceptance of Airport Rules and Regulations. Tenant shall observe and obey all requirements, rules, laws and regulations promulgated by the Landlord and other local, state and federal agencies and governmental bodies having jurisdiction over the Nantucket Memorial Airport, including, but not limited to, the Nantucket Memorial Airport Commission, Federal Aviation Administration (FAA), and the Massachusetts Aeronautics Commission. In addition to, and not to the exclusion or in limitation of, all other applicable rules, requirements, and regulations promulgated by the FAA, Tenant agrees to conduct its operations in compliance with the Federal Aviation Regulations, so called, including all amendments hereafter made, as embodied in 49 C.F.R. Part 107, as the same may be amended or superseded from time to time. Tenant further agrees to comply with all fire fighting and safety equipment requirements consistent with the nature of the Premises to comply with local codes and fire regulations of the Town of Nantucket and will not take, or fail to take, any action that would or can be reasonably expected to adversely affect the insurability of the Premises or any other portion of the Airport.

(a) Tenant acknowledges the existence of a body of procedures for the abatement of noise caused by aircraft which have been adopted by the Airport and community as of December 1, 1987, as part of a study performed under Part 150 of the Federal Air Regulations. It is further understood that all tenants conducting commercial airlines operations, or general aviation operations, at the Nantucket Memorial Airport are required to comply with those flight procedures as a condition of their tenancy. Each tenant must satisfy the Nantucket Memorial Airport of their continuing compliance no more seldom than once each year prior to lease renewal and at any time that the Airport Commission has reason to believe that non-compliance has occurred. A finding after hearing that the tenant has failed to comply with such flight procedures shall be deemed to be sufficient cause for non-renewal or cancellation of tenant's lease.

(b) Lessee will recognize the importance of federal funding to the Airport under the Airport Improvement Program (or other future program) and will submit to the DOT (whether required by the DOT or not) Form Number 1800-31 on a timely basis with a copy to the Airport Manager's office. This report is for reporting enplanements, from which our Airport receives its federal funding for capital improvement projects. Also, monthly enplanement numbers shall be supplied to the Airport Manager's office within 15 days after the month being reported.

5.2 Non-Discrimination Assurances. The Tenant, for itself, its heirs, personal representatives and its successors and assigns, does hereby covenant and agree:

(a) That in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended;

(b) As a covenant running with the Premises that (i) no person on the grounds of race, color, handicap, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (ii) that in the construction of any

improvements on, over, or under such Premises and the furnishing of services thereon, no person on the grounds of race, color, handicap, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (iii) that the Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended;

(c) If the U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended;

(d) That the breach of any of the above nondiscrimination covenants constitutes a material breach of this Lease and the Landlord shall have the right to terminate the Lease and to re-enter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued.

5.3 Liability for Fines and Penalties. Should Tenant, its customers, agents, employees, officers or guests violate said rules, regulations or covenants, and should said violations result in a citation or fine to the Landlord, then Tenant shall fully reimburse the Landlord for said citation or fine and for all costs and expenses, including reasonable attorney's fees, incurred by the Landlord in defending against the citation or fine. All such amounts shall constitute additional amounts due under the Lease and shall be paid within fifteen (15) days of Tenant's receipt of notice thereof.

ARTICLE SIX – Use of Premises

6.1 Use of Premises: The Tenant shall use the Premises solely for the purposes set forth in Article One and the activities necessary and incidental thereto, including any additional activities as approved by the Landlord.

ARTICLE SEVEN – Tenant Covenants and Restrictions

7.1 Liens and Alterations: Tenant shall not permit any mechanic's liens or similar liens to remain upon the Premises for labor and materials furnished to Tenant in connection with work of any character performed at the direction of the Tenant and shall cause any such lien to be released of record without cost to Landlord within sixty (60) days of the filing of the lien. Landlord shall not, under any circumstances, be liable for the payment of any expenses incurred or for the value of any work done or material furnished to the Premises or any part thereof, all of which expenses shall be paid by Tenant. Tenant shall cause all contractors to carry workers' compensation insurance in accordance with statutory requirements and comprehensive public liability insurance and automobile liability insurance covering such contracts on or about the Premises in amounts reasonably acceptable to Landlord; and Tenant agrees to submit, and cause its contractors to submit, certificates evidencing such coverage to Landlord prior to the commencement of and during the continuance of such work.

Notwithstanding anything to the contrary in this Lease, Tenant shall not make any alterations, additions or improvements to the Premises without the prior written consent of the Landlord, which may be withheld in Landlord's sole and absolute discretion. All such alterations, additions or improvements shall be at Tenant's expense.

Tenant shall procure and pay for all necessary permits before undertaking any work on the Premises, and shall cause all such work to be performed in a good and first-class workmanlike manner and in accordance

with the requirements of insurers, employing new materials of prime quality and shall defend, hold harmless, exonerate and indemnify Landlord from all injury, loss or damage to any person or property occasioned by such work. Tenant improvements, alterations and repairs shall be done and materials and labor furnished at Tenant's expense, and the laborers and material men furnishing labor and materials to the Premises or any part thereof shall release Landlord and the Premises from any liability.

All structural and nonstructural improvements and additions made by Tenant, including the existing woodframe hangar building now located upon the Premises (i.e., alterations or additions which are not of a structural nature and may be removed without damage to the Premises, as reasonably determined by Landlord) shall be the exclusive property of the ~~Landlord~~ Tenant, ~~and all nonstructural alterations and additions shall be the exclusive property of Tenant.~~ So long as it is not in default of any of its obligations under the Lease, Tenant may at any time, at its sole option, remove any such ~~nonstructural alteration or addition and improvements and reconstruct similar improvements upon the Premises~~ restore the Premises to the same conditions as prior to such alteration or addition, reasonable wear and tear excepted.

7.2 Assignment and Subletting: Tenant shall not sublet, underlet, mortgage, pledge or encumber this Lease any portion of the Premises without, in each instance, having first obtained the prior written consent of Landlord. Any assignment or sublease under such consent shall, notwithstanding such consent, be void unless the assignee or sub-Tenant acknowledges in writing that it will be bound by and subject to the terms of this Agreement. No permitted assignment or subletting shall in any way impair the continuing primary liability of the Tenant-assignor hereunder and no consent by the Landlord in a particular instance shall be deemed to be a waiver of the obligation to obtain the Landlord's consent in a subsequent instance. As used herein, the term "assign" or "assignment" shall be deemed to include, without limitation, any transfer of Tenants interest in the Lease by operation of law. See also the provisions of Article Twelve hereof.

7.3 Aeronautics Restrictions. Tenant shall have the right to operate in the manner authorized by proper governmental authority and agencies, and shall be subject to the following restrictions:

(a) The Landlord reserves unto itself, its successors and assigns, for the use and benefit of the public a right of flight for the passage of aircraft in the airspace above the surface of the real property as described in this Lease, together with the right to cause in said airspace such sound as may be inherent in the operation of aircraft, now known or hereafter used for the navigation of or flight in said airspace, together with the emission of fumes or particles incidental to aircraft navigation, and for the use of said airspace for the landing on, taking off from or operating on Nantucket Memorial Airport.

(b) The Tenant expressly agrees for itself, its successors and assigns to prevent the use of the Premises for purposes which will create or result in hazards to flight such as, but not limited to, purposes which will (i) produce electrical interference with radio communications, (ii) make it difficult for pilots to distinguish between airport lights and others, (iii) project glare in the eyes of the pilots, (iv) impair visibility in the vicinity of the airport, or (v) otherwise endanger the landing, take-off or maneuvering of aircraft.

(c) The Landlord retains the continuing right in the Premises to prevent the erection or growth of any building, structure, tree, or other objects extending in to the airspace (above 45 feet Mean Ground Level) and to remove from said airspace, at the Tenant's expense or at the sole option of the Landlord, as an alternative, to mark and light as obstructions to air navigation, any such building, structure, tree, or other object now upon, or which in the future may be upon the property together with the right of ingress to, passage over, and egress from Tenant's property for the above purposes.

(d) The Tenant expressly agrees for itself, its successors and assigns, that the reservations and restrictions set forth in this instrument shall run with the land which shall be the servient tenement, it being intended that the lands now and hereafter comprising the Airport shall be the dominant tenement; excepting, however, that such reservations and restrictions shall become void and of no force and effect on such date as the lands comprised in the aforesaid Airport shall cease to be used for Airport purposes.

(e) The Tenant for itself, its heirs, personal representatives, successors in interest and assigns do hereby agree that if any aeronautical services or activities are to be offered, performed or conducted upon the Premises that:

In the exercise of the rights and privileges granted for the furnishing of aeronautical services to the public, Tenant will

- (i) furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and
- (ii) charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided that the Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

(f) It is mutually understood and agreed by the parties hereto that nothing contained in this Lease shall be construed as granting or as authorizing the granting of an exclusive right within the meaning of Section 308 (a) of the Federal Aviation Act of 1958.

7.4 Maintenance and Repair; Nuisance. Tenant agrees that it shall not injure, deface or otherwise harm the Premises or use the Premises in any manner that will constitute waste. Tenant will maintain the Premises and any structures or other improvements constructed thereon in good condition and repair, including painting the exterior of the building to prevent rusting or deterioration of any portions thereof; shrubbery, plantings and lighting will also be maintained. Any visible damage or defacement to the building, windows, or appurtenances will be corrected by the Tenant as quickly as possible to prevent a continuing condition of apparent disrepair or will remove the damaged remains from the Premises, and any replacement structure will be subject to the same terms and conditions as the original structure. Tenant shall not create, permit, or suffer to exist any unsafe condition. It shall be solely responsible to remove snow and ice from the Premises. The Tenant will not make or suffer any unlawful, improper, noisy or offensive use of the Premises, or permit any use that shall be liable to endanger, affect, or make voidable any insurance on the Premises, or the building or any of its contents, or to increase the cost of any such insurance. Tenant covenants and agrees that the Premises shall not be used for any objectionable, unlawful purpose, or for any purpose which will constitute a nuisance; that it will permit Landlord to enter the Premises at all reasonable times for the purpose of inspecting the same and that upon the termination of this Lease it will quietly and peacefully surrender possession of the Premises to Landlord in good order and condition, ordinary wear and tear, damage by the elements and unavoidable casualty only excepted. If Tenant shall fail to keep the Premises in the condition required herein or to make repairs are required to be made by Tenant pursuant to the terms hereof, Landlord shall have the right, but not the obligation, after giving thirty (30) days' notice to Tenant (or without notice in any emergency), to make such repairs or perform maintenance work or any other work required of Tenant pursuant to this Lease and charge the reasonable cost thereof to Tenant as Additional Rent.

7.5 Sanitation. Tenant shall supply at its own expense a receptacle suitable for the disposal of refuse and shall be responsible for the disposal of all refuse. Tenant shall not permit any refuse to accumulate so as to constitute a fire or health hazard within the Premises. If Tenant fails or neglects to keep the Premises and area herein described in a clean and sanitary condition at all times, Landlord shall have the right, without any obligation to do so, to enter upon the Premises and put them in a clean and sanitary condition in the event that Tenant fails to do so within twenty-four (24) hours after notice of any such condition. In the event the Tenant fails to comply with any such notice and Landlord acts to clean the Premises, Tenant shall reimburse Landlord for all cost and expense incurred by Landlord to clean the Premises

7.6 Airport Construction and Development. Tenant recognizes that from time to time during the term of this Lease it may be necessary for Landlord to initiate and carry forward programs of construction, expansion, maintenance and repair, and that such construction, expansion, maintenance and repair or relocation to an equal or better location may temporarily inconvenience or temporarily interrupt Tenant in its operations at

the Airport. Tenant agrees that no liability shall be attached to Landlord, its agents or employees by reason of such relocation, temporary inconvenience or temporary interruption, so long as Landlord has made reasonable efforts to mitigate the effect of such work on the Tenant, and Tenant waives any right or claim to damages or other consideration therefor, except for reasonable and proportionate rental abatement in the event the Premises may not be used during any such period of time, or, in the alternative, the cost of the relocating the Tenant to an alternative location.

7.7 Hazardous Materials. Tenant shall not use, handle, store or dispose of any Hazardous Waste, Hazardous Material, Oil or radioactive material, as such terms are used or defined in Section 2 of Chapter 21C, Section 2 of Chapter 21D, and Section 2 of Chapter 21E of the General Laws of Massachusetts, and the regulations promulgated thereunder, as such laws and regulations may be amended from time to time (collectively "Hazardous Materials") in, under, on or about the Premises except for such storage and use consented to by Landlord in advance in writing, which consent may be withheld in Landlord's sole and absolute discretion. Any Hazardous Materials on the Premises, and all containers therefore, shall be used, kept, stored and disposed of in conformity with all applicable laws, ordinances, codes, rules, regulations and orders of governmental authorities. Any violation of said laws, rules or regulations shall be deemed a material breach of this Lease for which Landlord may terminate this Lease. Tenant shall (i) notify Landlord immediately of any discovery, release or threat of release of any Hazardous Materials on or from the Premises and any loss or damage or claim of loss or damage resulting therefrom, (ii) be solely responsible for remediating all contamination in full compliance with all applicable statutes, regulations and standards, at Tenant's sole cost and expense, and, in addition to all other rights and remedies available to Landlord, (iii) indemnify, defend and hold Landlord harmless from and against all liability, loss, damage, costs and expenses (including without limitation, reasonable attorney's fees and expenses), causes of action, suits, claims, demands, or judgments of any nature in any way suffered, incurred, or paid as a result of the presence or release or threatened release of Hazardous Materials on or from the Premises which is caused or exacerbated by Tenant, its agents, employees, contractors, representatives, licensees, or invitees. Tenant hereby acknowledges and agrees that Landlord shall have no responsibility to Tenant, its agents, employees, representatives, permittees and invitees, for the presence of such Hazardous Materials on the Premises or be required to abate or remediate the same. This provision shall survive the expiration or termination of this Lease.

ARTICLE EIGHT - Indemnity and Public Liability Insurance

8.1 Tenant's Indemnity. To the maximum extent this agreement may be made effective according to law, Tenant agrees, in addition to all other rights and remedies available to Landlord, to defend, indemnify and save harmless Landlord from and against all claims, expenses or liability of whatever nature from any suits, claims and demands arising directly or indirectly (i) from the failure of the Tenant's or Tenant's contractors, agents, employees or invitees to comply with the terms of this Lease or with any applicable laws, codes, bylaws, rules, orders regulations or lawful direction now or hereafter in force of any public authority and any accident, injury or damage whatsoever to any person, or to the property of any person, occurring on or about the Premises or (ii) from any accident, injury or damage however caused to any person or property on the Premises or occurring outside of the Premises but on the Airport property, in each case where such accident, damage or injury results or is claimed to have resulted from any act, omission or negligence on the part of Tenant or Tenant's contractors, agents, employees, or invitees or anyone claiming by or through the Tenant; and (iii) from any and all costs and expenses incurred in connection with any cleanup, remediation, removal or restoration work required by any federal, state or local governmental authority because of the presence of any Hazardous Materials on or about the Premises to the extent that Tenant or Tenant's contractors, agents, employees or invitees or anyone claiming by or through the Tenant caused or contributed to such environmental occurrence, in these cases, occurring after the date of this Lease until the end of the term of this Lease and thereafter so long as Tenant is in occupancy of any part of the Premises. This indemnity and hold harmless agreement shall include indemnity against all costs, expenses and liabilities incurred in or in connection with any such claim or proceeding brought thereon, and the defense thereof, including, without limitation, reasonable attorneys' fees at both the trial and appellate levels.

8.2 Insurance. Tenant agrees to maintain in full force from the date upon which Tenant first enters the Premises for any reason, throughout the term of this Lease, and thereafter so long as Tenant is in occupancy of any part of the Premises and agrees prior to the commencement of the Lease, and thereafter on or before January 1 of each term of this Lease, to deliver to the Landlord a certificate of insurance evidencing compliance with the requirements herein:

(a) A policy of general liability and property damage insurance with respect to the Premises and the property of which the Premises are a part, naming the Tenant as an insured and the Landlord as an additional named insured, in the minimum amount of \$1,000,000 bodily injury and property damage for each occurrence, with a combined single limit of \$3,000,000 annual aggregate limit under which Tenant and Landlord are named as an insured. Landlord shall have the right from time to time to increase such minimum amounts upon notice to Tenant, provided that any such increase shall provide for coverage in amounts similar to like coverage being carried on like coverage being carried on similar property in the Nantucket area;

(b) A policy of fire and extended coverage insurance upon its building and leasehold improvements, furniture, furnishings, fixtures and equipment to the full insurable value thereof and any applicable equipment vendors or lenders give the Airport satisfactory releases from fire and extended coverage liability;

(c) A policy of Workers' Compensation insurance during any construction, maintenance or repair of the Premises by the Tenant or any of its contactors, covering the obligations of the Tenant and or its contractors in accordance with Massachusetts Workers' Compensation or Benefits law. Prior to the commencement of any construction, maintenance or repair of the Premises, the Tenant shall deliver to the Landlord a copy of the certificate of insurance which shall also name the Landlord as an additional insured.;

(d) Automobile Liability Insurance of not less than \$1,000,000 per occurrence covering owned, hired and non-hired vehicle use and shall name the Landlord as an additional insured.; and

(e) Such other insurance as may reasonably be required by the Landlord.

Without limiting Landlord's other rights under any other provisions of this Lease, if Tenant shall fail to keep the Premises insured as provided herein, and if such failure shall continue for a period of ten (10) days following written notice by Landlord to Tenant thereof, then Landlord, without further notice to Tenant, may take out and pay for such insurance, and the amount of such payment shall become due and payable as Additional Rent on demand.

8.3 Tenant's Risk. To the maximum extent this agreement may be made effective according to law, Tenant agrees that all of the furnishings, fixtures, equipment, effects and property of every kind, nature and description of Tenant and all persons claiming by, through or under Tenant which, during the Term of this Lease or any occupancy of the Premises by Tenant or anyone claiming under Tenant, may be on the Premises or elsewhere on the Property, shall be at the sole risk and hazard of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes or sprinklers, by theft or from any other cause, no part of said loss of damage is to be charged to or be borne by Landlord unless due to the negligence or misconduct of Landlord, its employees, agents, or contractors.

8.4 Injury Caused By Third Parties. To the maximum extent this agreement may be made effective according to law, Tenant agrees that Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage that may be occasioned by or through the acts or omissions of persons other than Landlord and Landlord's employees, agents and contractors.

8.5 Waiver of Subrogation. Insofar as, and to the extent that, the following provision shall not make it impossible to secure insurance coverage obtainable from responsible insurance companies doing business in the locality in which the Property is located (even though extra premium may result therefrom)

Landlord and Tenant mutually agree that any property damage insurance carried by either shall provide for the waiver by the insurance carrier of any right of subrogation against the other, and they further mutually agree that, with respect to any damage to property, the loss from which is covered by insurance then being carried by them, respectively, the one carrying such insurance and suffering such loss releases the other of and from any and all claims with respect to such loss to the extent of the insurance proceeds paid with respect thereto.

THE TENANT SHALL DEPOSIT WITH THE LANDLORD CERTIFICATES FOR ALL INSURANCE REQUIREMENTS LISTED ABOVE PRIOR TO THE COMMENCEMENT OF THEIR TERM, AND THEREAFTER WITHIN THIRTY (30) DAYS PRIOR TO THE EXPIRATION OF ANY SUCH POLICIES. ALL SUCH INSURANCE CERTIFICATES SHALL PROVIDE THAT SUCH POLICIES SHALL NOT BE MATERIALLY CHANGED, ALTERED OR CANCELED WITHOUT AT LEAST TEN (10) DAYS PRIOR WRITTEN NOTICE TO EACH ASSURED NAMED THEREIN.

ARTICLE NINE – Default and Landlord's Remedies

9.1 Tenant's Default. If at any time subsequent to the date of this Lease any one or more of the following events (herein referred to as a "Default of Tenant") shall happen, Landlord may, in addition to all other rights and remedies available to it, terminate this Lease upon ten days' notice to Tenant and Tenant will then quit and surrender the Premises to Landlord, and Tenant shall remain liable as herein provided (Tenant hereby waiving any rights of redemption under Massachusetts General Laws c. 186 §11):

(i) Tenant shall fail to pay the Base Rent, payment of Additional Rent when due and such failure shall continue for ten (10) days after written notice thereof; or

(ii) Tenant shall fail to pay charges hereunder when due and such failure shall continue for ten (10) days after notice to Tenant; or

(iii) Tenant shall neglect or fail to perform or observe any other covenant herein contained on Tenant's part to be performed or observed and Tenant shall fail to remedy the same as soon as practicable and in any event within thirty (30) days after written notice to Tenant specifying such neglect or failure, or if such failure is of such a nature that Tenant cannot reasonably remedy the same within such thirty (30) day period, Tenant shall fail to commence promptly (and in any event within such thirty (30) day period) to remedy the same and to prosecute such remedy to completion with diligence and without interruption; or

(iv) Tenant's leasehold interest in the Premises shall be taken on execution or by other process of law directed against Tenant; or

(v) Tenant shall make an assignment for the benefit of creditors or shall file a voluntary petition in bankruptcy or shall be adjudicated bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future Federal, State or other statute, law or regulation for the relief of debtors, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of all or any part of its properties, or shall admit in writing its inability to pay its debts generally as they become due; or

(vi) A petition shall be filed against Tenant in bankruptcy or under any other law seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future Federal, State or other statute, law or regulation and shall remain undismissed or unstayed for an aggregate of sixty (60) days (whether or not consecutive), or if any debtor in possession (whether or not Tenant) trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises shall be appointed without the consent or acquiescence of Tenant and such appointment shall remain unvacated or unstayed for an aggregate of ninety (90) days (whether or not consecutive); or

(vii) If a failure of Tenant to pay Base Rent or charges as set forth in clauses (i) and (ii) above shall occur but be cured by Tenant within the applicable grace period on three or more occasions within any rolling 365 day period, such shall constitute a Default of Tenant.

9.2 Re-entry by Landlord. If this Lease shall have been terminated as provided in this Article, or if any execution or attachment shall be issued against Tenant or any Tenant's property whereupon the Premises shall be taken or occupied by someone other than Tenant, then Landlord may, without notice, re-enter the Premises, either by force, summary proceedings, ejectment or otherwise, and remove and dispossess Tenant and all other persons and any and all property from the same, as if this Lease had not been made, and Tenant hereby waives the service of notice of intention to re-enter or to institute legal proceedings to that end.

9.3 Damages. In the event of any termination as provided in this Article, Tenant shall pay the Base Rent and other sums payable hereunder up to the time of such termination, and thereafter Tenant, until the end of what would have been the Term of this Lease in the absence of such termination, and whether or not the Premises shall have been relet, shall be liable to Landlord for, and shall pay to Landlord, as liquidated current damages, the Base Rent and other sums which would be payable hereunder if such termination had not occurred, less the net proceeds, if any, of any reletting of the Premises, after deducting all reasonable expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, legal expenses, attorneys' fees, costs to restore the Premises to its original condition (reasonable wear and tear excepted), advertising, expenses of employees, and alteration costs and expenses of preparation for such reletting. Tenant shall pay such current damages to Landlord monthly on the dates which the Base Rent would have been payable hereunder if this Lease had not been terminated.

At any time after such termination, whether or not Landlord shall have collected any current damages as set forth in Section 9.3, as liquidated final damages and in lieu of all such current damages beyond the date of such demand, at Landlord's election Tenant shall pay to Landlord an amount equal to the excess, if any, of the Base Rent and other sums as hereinbefore provided which would be payable hereunder from the date of such for what would be the then unexpired Term of this Lease if the same remained in effect, discounted to present value at a rate of 8% per year, over the then fair net rental value of the Premises for the same period, also discounted to present value at a rate of 8% per year.

9.4 Reletting of Premises. In case of any Default by Tenant, re-entry, expiration and dispossession by summary proceedings or otherwise, Landlord may (i) re-let the Premises or any part or parts thereof, either in the name of Landlord or otherwise, for a term or terms which may at Landlord's option be equal to or less than or exceed the period which would otherwise have constituted the balance of the Term of this Lease and may grant concessions or free rent to the extent that Landlord considers reasonably advisable and necessary for the purpose of reletting the Premises; and such actions and the making of any alterations, repairs and decorations to the Premises in connection therewith shall not operate or be construed to release Tenant from liability hereunder as aforesaid. Landlord shall in no event be liable in any way whatsoever for failure to re-let the Premises, or, in the event that the Premises are re-let, for failure to collect the rent under such re-letting. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any of the covenants and conditions of this Lease.

9.5 No Limitation of Remedies. The specified remedies to which Landlord may resort hereunder are not intended to be exclusive of any remedies or means of redress to which Landlord may at any time be entitled lawfully, and Landlord may invoke any remedy (including the remedy of specific performance) allowed at law or in equity as if specific remedies were not herein provided for.

9.6 Costs. All reasonable costs and expenses incurred by or on behalf of Landlord (including, without limitation, reasonable attorneys' fees and expenses at both the trial and appellate levels) in enforcing its rights hereunder in connection with any Default of Tenant shall be paid by Tenant.

9.7 Lender's Rights – See also the provisions of Article Twelve hereof, regarding the rights of a Lender in the event of Tenant default.

ARTICLE TEN – Tenant Obligation Upon Lease Termination

10.1 Restoration of Premises. Subject to the provisions hereof, upon the expiration or earlier termination of this Lease, the Tenant shall have the obligation, at its expense, to dismantle and remove the structures it has constructed upon the Premises and to remove and dispose of any hazardous waste deposited thereon by the Tenant, and to restore the Premises to its original condition, reasonable wear and tear excepted. Such removal and restoration shall be commenced only after written notice is given to the Landlord and shall be completed within forty-five (45) days; provided, however, that if, upon receipt of such notice, the Landlord determines that Tenant is in default of any provision hereof, which default is not otherwise cured by Tenant's mortgagee or lender, Landlord, in its discretion may elect by written notice to instruct the Tenant not to remove the improvements, or any part thereof, and may take possession thereof as security for the performance of the terms hereof. Landlord, in its discretion may elect by written notice to instruct the Tenant not to remove the improvements, or any part thereof, and may take possession thereof as security for the performance of the terms hereof—, subject however to the rights of Tenant's then mortgagee, lender or any assignee or transferee of such mortgagee or lender. Notwithstanding Landlord's election to take possession of the improvements, Tenant shall continue to be obligated to restore the Premises as aforesaid.

10.2 Removal of Personal Property. The Tenant shall at the expiration or other termination of this Lease remove all Tenant's goods and effects from the Premises, (including, without hereby limiting the generality of the foregoing, all signs and lettering affixed or painted by the Tenant, either inside or outside the Premises). Tenant shall deliver to the Landlord the Premises and all keys, locks thereto, and other fixtures connected therewith and all alterations and additions made to or upon the Premises, in good condition, damage by fire or other casualty only excepted. In the event of the Tenant's failure to remove any of Tenant's property from the Premises, Landlord is hereby authorized, without liability to Tenant for loss or damage thereto, and at the sole risk of Tenant, to remove and store any of the property at Tenant's expense, or to retain same.

10.3 Environmental Inspection. Within forty-five (45) days before or after the termination of the Lease, Tenant shall at its sole cost and expense have a Site Assessment performed by a certified engineer to be performed on the Premises as to the presence of Hazardous Materials as defined in G.L. c. 21E, and will promptly forward a copy thereof to the Landlord.

ARTICLE ELEVEN – Miscellaneous

11.1 Notices. Whenever under this Lease a provision is made for any demand, notice, or declaration of any kind or where it is deemed desirable or necessary by either party to give or serve any such notice, demand, or declaration to the other, it shall be in writing sent by certified or registered mail, return receipt requested with postage prepaid at the address set forth in Article One, above, or at such other addresses as the parties may from time to time designate by written notice to the other party, as it may be changed by notice duly given hereunder.

11.2 Waiver. One or more waivers of any covenant, term, or condition of this Lease by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term, or condition. The consent or approval of either party to or of any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

11.3 Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of rent nor any of the other provisions contained in this Lease nor any act or acts of the parties shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

11.4 Governing Law. The law of the Commonwealth of Massachusetts shall govern the validity, performance, and enforcement of this Lease.

11.5 Successors. The provisions, covenants, and conditions of this Lease shall be binding on the legal representatives, heirs, successors, and permitted assigns of the respective parties.

11.7 Amendments. Except as provided herein, no subsequent alterations, amendments, changes, or additions to this Lease shall be binding upon Landlord or Tenant unless and until reduced to writing and signed by both parties. Submission of this Lease by Landlord to Tenant for examination shall not bind Landlord in any manner, and no lease, contract, option, agreement to lease, or other obligation of Landlord shall arise until this Lease is signed by Landlord and delivered to Tenant.

11.8 Quiet Enjoyment: Landlord agrees that, on payment of the rentals herein provided for and the performance of the covenants and agreements on the part of the Tenant to be performed hereunder, Tenant shall have peaceful and quiet use and possession of the Premises.

11.9 Severability. If any provision of this Lease is declared to be illegal, unenforceable, or void, then both parties shall be relieved of all obligations under that provision, provided, however, that the remainder of the Lease shall be enforced to the fullest extent permitted by law.

11.10. Notwithstanding anything to the contrary in this Lease, Landlord does not waive and hereby reserves all rights, remedies and defenses under G.L. c. 258.

ARTICLE TWELVE Lender's Rights

12.1. Pledge of Lease. Notwithstanding any term of this Lease to the contrary, TENANT may pledge and assign this Lease together with all rights related thereto as security for a loan made to TENANT by Cape Cod Five Cents Savings Bank in the original principal amount of \$340,000.00, or such other loan to a future first mortgage lender in an amount to be determined, as LANDLORD shall consent to, such consent not to be unreasonably withheld.

12.2. Lender's Right's. If LANDLORD receives written notice from a lender stating that the lender has made a loan secured by the Lease, which notice states the Lender's address and is accompanied by copies of the relevant loan documents, then such lender ("Lender") shall have the following rights together with such other rights as may be granted under the Lease:

- (a) LANDLORD agrees to accept payment and performance from Lender as if made by TENANT and, if TENANT is in default at the time such notice is received, Lender shall have an additional grace period of thirty (30) days to pay or perform.
- (b) No cancellation, surrender assignment, or modification of this Lease, or any sublease or mortgage of the Lease by TENANT shall be effective as to Lender unless consented to in writing by the Lender.
- (c) LANDLORD upon providing TENANT any notice of a default under this Lease, shall at the same time provide a copy of such notice to Lender. No such notice by LANDLORD to TENANT shall be deemed to have been duly given unless and until a copy thereof has also been mailed by certified mail, postage prepaid, to Lender. From and after the date that such notice has been given to Lender, Lender shall have the same period after the giving of such notice for remedying any defaults or terminations which are the subject matter of a notice as is given to TENANT.
- (d) TENANT hereby authorizes Lender to take any such action to cure TENANT's defaults at such Lender's option and does hereby authorize entry onto the leasehold premises by Lender for such purpose.

- (e) LANDLORD agrees to recognize such priority as Lender's lien or security interest may have in all sums otherwise due to TENANT on account of a casualty, taking or liquidation of LANDLORD, or the proceeds of the sale of the leasehold covered by Lender's security interest after a surrender of such leasehold to LANDLORD.
- (f) LANDLORD will execute, acknowledge, and deliver to Lender within thirty (30) days after a written request therefore, a written certificate stating that (i) this Lease is in full force and effect, or if there have been modifications, that the lease is in full force and effect as modified, and setting forth such modifications; (ii) the dates, if any, to which Rent, Additional Rent, and other sums payable hereunder have been paid; (iii) whether or not, to the knowledge of the certifying party, there are then existing any defaults under this Lease, and if so, specifying same; and (iv) such other matters relating to this Lease as may be reasonably required.
- (g) In the event of foreclosure, the Lender shall have the right, at its option, to assign or transfer TENANT'S interest in the leasehold to any other assignee or transferee, provided however that at such time, any and all defaults of the TENANT under the lease shall have been cured to the reasonable satisfaction of the LANDLORD, and provided further, that such assignee or transferee shall expressly assume all of the covenants, agreements, or and obligations of the Tenant under this Lease by written instrument to be recorded at the Nantucket Registry District of the Land Court.

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Lease Agreement to be executed under seal as of the day and year first above written.

NANTUCKET MEMORIAL AIRPORT
COMMISSION

TENANT:

By: _____

By: _____

Janine Torres

From: sboudette@ups.com
Sent: Thursday, March 06, 2014 3:50 PM
To: jtorres@nantucketairport.com
Subject: UPS Summer Peak PDC use
Attachments: MANAN site drawing.pdf; UPS, Nantucket, MA PDC 2014 Preliminary (A1) 1-22-2014.pdf

Ms. Torres

It was a pleasure talking with yesterday.

Per our conversation yesterday on the telephone, please find the attached drawings. One is a package car staging layout and the other is a plan for a UPS PDC (Portable Distribution Center). A PDC is a specialized road worthy trailer (approximately the same size as one of our regular trailers) that we move from site to site to temporarily enable us to sort to additional delivery routes during peak seasons. Generally this is during Christmas. However with Nantucket, this peak season is during the summer.

We would be using this from June through the end of August as to meet the summer peak package delivery demand on Nantucket.

If there is any other information that you or airport commission should need, do not hesitate to call or email.

Stephen Boudette
UPS Plant Engineering
District Project Engineer
1045 University Ave.
Norwood, MA 02062
781-551-2527

Old South Road

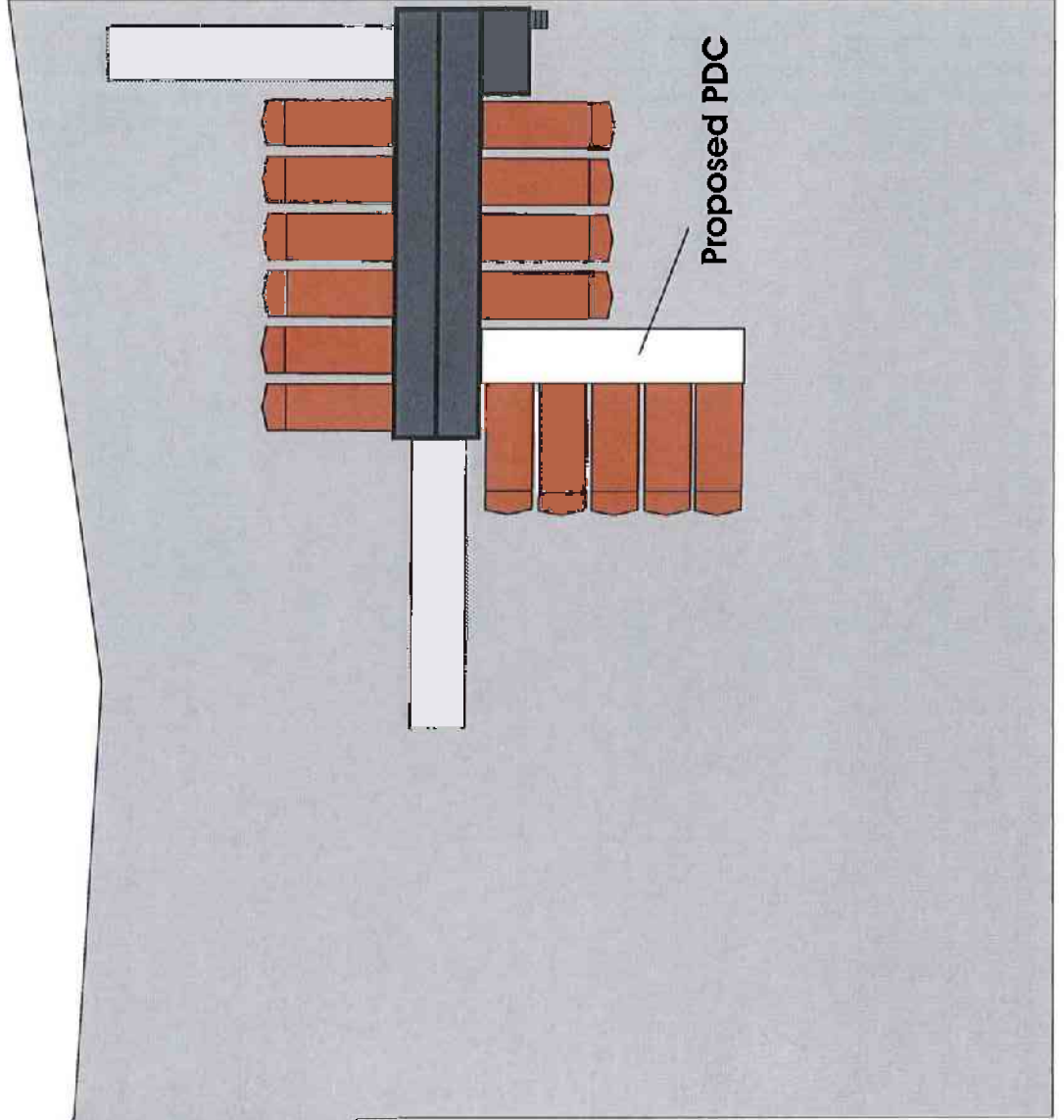


MANAN Old South Road, Nantucket, MA

1-31-14

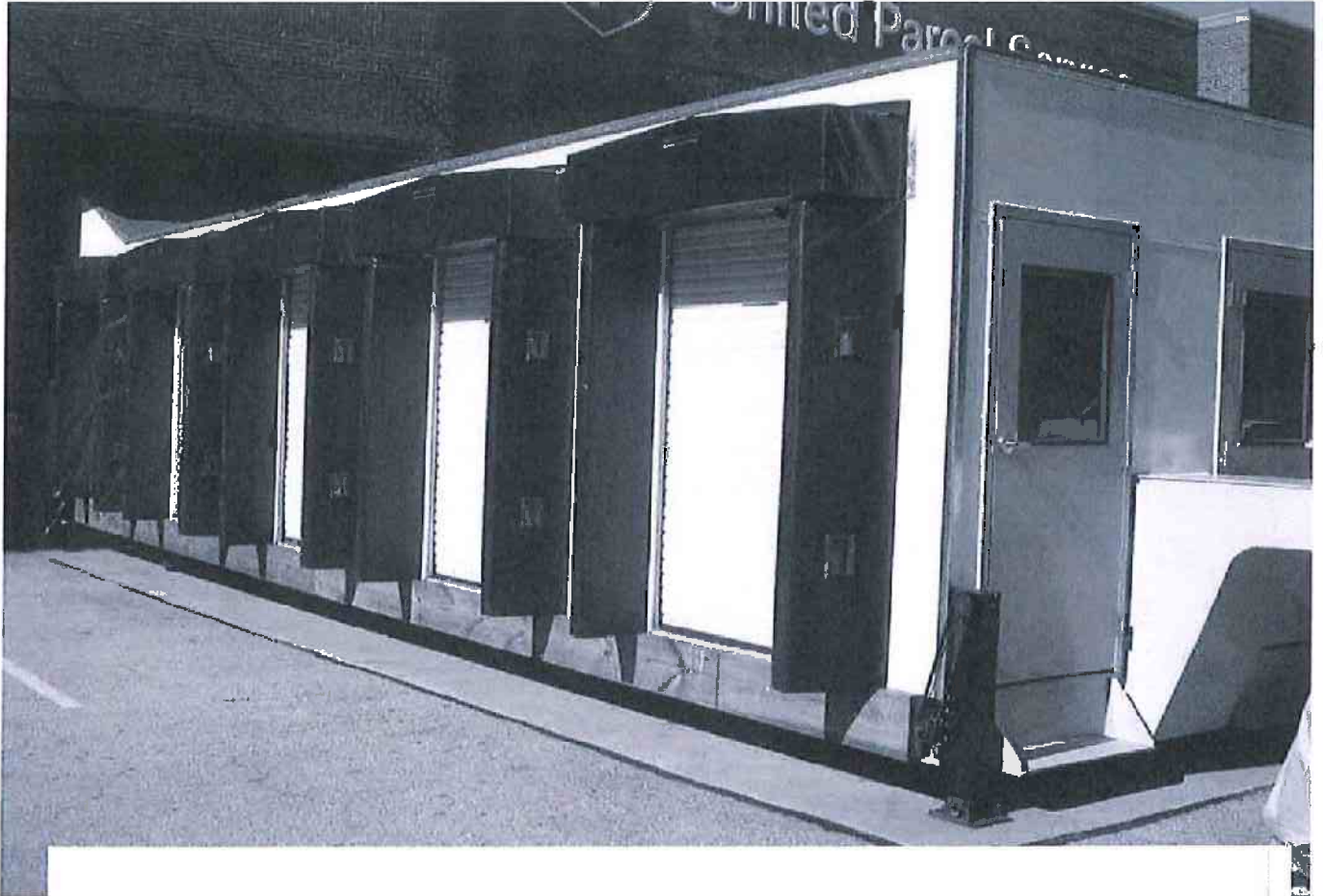
2014 10 Car PDC Expansion

Scale: 1" = 30'

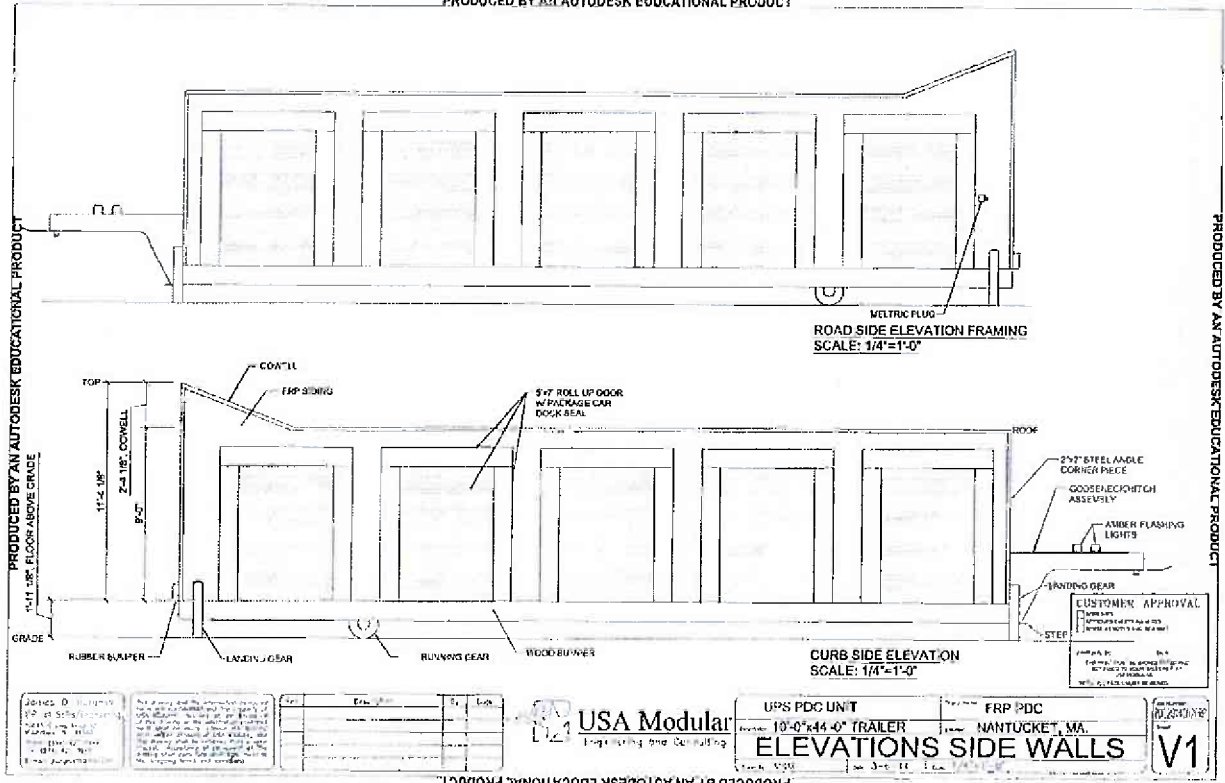


AIRFIELD

UPS PDC Unit



PRODUCED BY AN AUTODESK EDUCATIONAL PRODUCT

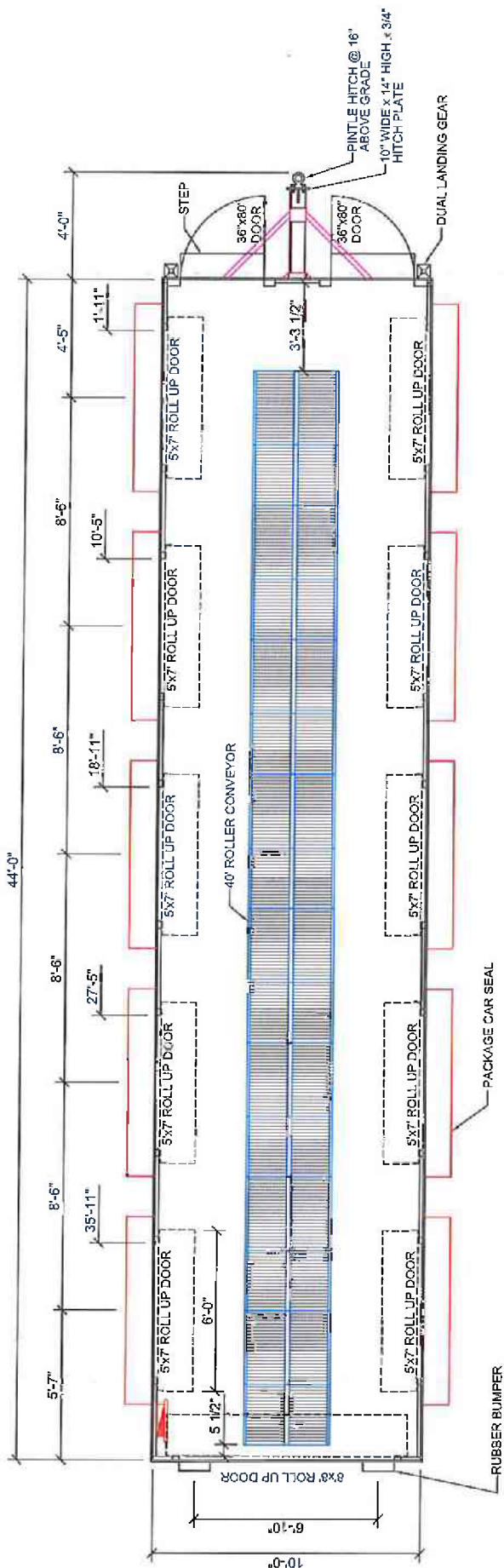


PRODUCED BY AN AUTODESK EDUCATIONAL PRODUCT

PRODUCED BY AN AUTODESK EDUCATIONAL PRODUCT

PRODUCED BY AN AUTODESK EDUCATIONAL PRODUCT

PRODUCED BY AN AUTODESK EDUCATIONAL PRODUCT



- GENERAL NOTES:**
- APPROXIMATE TOWING WEIGHT: 21,600 LBS. (VERIFY)
 - APPROXIMATE WEIGHT AT OVER-THE-ROAD DOLLY: 17,280 LBS. (VERIFY)
 - APPROXIMATE WEIGHT AT HITCH: 4,320 LBS. (VERIFY)

CUS' OWNER APPROVAL
 E
 APPROVAL No. _____
 DATE _____
 PROJECT No. _____

Job Number: PDC2014
 Sheet: _____
A1

Project Name: FRP PDC
 Location: NANTUCKET, MA.
 Date: 1-21-14
 Scale: 1/4"=1'-0"

UPS PDC UNIT
 Contributor: 10'-0"x44'-0" TRAILER
OVERALL PLAN
 Drawn by: MKM

USA Modular
 Engineering and Consulting

Rev.	Description	By	Date

James D. Burgess
 V.P. of Sales/Engineering
 10891 County Road 10
 Middleburg, FL 32666
 Phone: (352) 882-3064
 Fax: (352) 882-3046
 e-mail: jburgess1@usa.com

PRODUCED BY AN AUTODESK EDUCATIONAL PRODUCT

AAAE DELIVERS SERVICE. INNOVATION. RESULTS.

CHAIR

MARK P. BREWER, A.A.E.

FIRST VICE CHAIR

RANDALL D. BERG, A.A.E.

SECOND VICE CHAIR

JEFFREY A. MULDER, A.A.E.

SECRETARY/TREASURER

CARL D. NEWMAN, A.A.E.

FIRST PAST CHAIR

BRUCE E. CARTER, A.A.E.

SECOND PAST CHAIR

KELLY L. JOHNSON, A.A.E.

BOARD OF DIRECTORS

SCOTT A. BROCKMAN, A.A.E.

KELLY L. CAMPBELL, A.A.E.

ROD A. DINGER, A.A.E.

TIMOTHY M. DOLL, A.A.E.

JOHN K. DUVAL, A.A.E.

TIMOTHY J. EDWARDS, A.A.E.

LUIS E. ELQUEZABAL, A.A.E.

MARK E. GAFF, A.A.E.

CLAUDIA B. HOLLOWAY

LAWRENCE J. KRAUTER, A.A.E.

MICHAEL J. LANGGUTH, A.A.E.

TODD L. MCNAMEE, A.A.E.

ALFRED POLLARD, A.A.E.

TORRANCE A. RICHARDSON, A.A.E.

BARRY A. RONDINELLA, A.A.E.

SHAWN M. SCHROEDER, A.A.E.

MARSHALL B. STEVENS, A.A.E.

WALTER B. STRONG, A.A.E.

AMYN L. STUART, A.A.E.

PAUL J. WIEDEFFELD, A.A.E.

CHAPTER PRESIDENTS

CASEY DENNY, A.A.E.

JEFFREY C. GRAY, A.A.E.

SCOTT D. HINDERMAN, A.A.E.

SCOTT C. MCMAHON, A.A.E.

JOHN E. PARROTT, A.A.E.

EDELANA C. VANMARTER, A.A.E.

POLICY REVIEW COMMITTEE

IFTIKHAR AHMAD

BONNIE A. ALLEN, A.A.E.

ROSEMARIE S. ANDOLINO

WILLIAM G. BARKHAUSER, A.A.E.

THELLA F. BOWENS

ALFONSO DENSON, A.A.E.

MARIO C. DIAZ

KEVIN A. DILLON, A.A.E.

JAMES P. ELWOOD, A.A.E.

THOMAS E. GREER, A.A.E.

GARY L. JOHNSON, C.M.

RONALD F. MATHIEU, C.M.

ERIN M. O'DONNELL

BRADLEY D. PENROD, A.A.E.

ELAINE ROBERTS, A.A.E.

RICKY D. SMITH

MARK D. VANLOH, A.A.E.

ROBERT R. WINGINGTON

PRESIDENT & CEO

TODD J. HAUPTLI

DATE: February 6, 2014

TO: AAAE Board of Directors, Policy Review Committee, Chapter Officers, Committee Chairs and Past Chairs

FROM: Todd Hauptli, President & CEO

AAAE's 86th Annual Conference and Exposition will take place May 18-21, 2014 in San Antonio, TX. The conference is being hosted by San Antonio Airport System and Frank Miller, A.A.E, Aviation Director. To assist you in planning your travel, the schedule of events is listed below.

Saturday, May 17

12:00 - 1:00 p.m.

Lunch for AAAE Board of Directors and Policy Review Committee

(AAAE Executive Committee, Board of Directors, Policy Review Committee, Chapter Officers, Committee Chairs/Vice Chairs and Past Chairs)

1:00 - 5:00 p.m.

AAAE Board of Directors and Policy Review Committee Meeting

(AAAE Executive Committee, Board of Directors, Policy Review Committee, Chapter Officers, Committee Chairs/Vice Chairs and Past Chairs)

6:00 - 9:30 p.m.

Reception & Dinner at San Fernando Cathedral Hosted by San Antonio International Airport
(All AAAE VIPS)

Sunday, May 18 - Wednesday, May 21

86th Annual AAAE Conference and Exposition

The conference will officially open on Sunday, May 18, with a welcome reception in the exhibit hall and conclude on Wednesday, May 21, with a final banquet and dessert reception. All conference events, including general sessions, concurrent sessions, breakfasts, lunches, the exposition, the airport tours departure, the final banquet and dessert reception, will take place at the Henry B. Gonzalez Convention Center.

We will make hotel reservations for you with the Marriott San Antonio Rivercenter at 101 Bowie Street, San Antonio, TX, phone (210) 233-1000. All attendees will receive the group rate of \$215 (plus applicable taxes) single/double occupancy. As

AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES

AAAЕ DELIVERS SERVICE. INNOVATION. RESULTS.

CHAIR

MARK P. BREWER, A.A.E.

FIRST VICE CHAIR

RANDALL D. BERG, A.A.E.

SECOND VICE CHAIR

JEFFREY A. MULDREN, A.A.E.

SECRETARY/TREASURER

CARL D. NEWSIAN, A.A.E.

FIRST PAST CHAIR

BRUCE E. CARTER, A.A.E.

SECOND PAST CHAIR

KELLY L. JOHNSON, A.A.E.

BOARD OF DIRECTORS

SCOTT A. BROCKMAN, A.A.E.

KELLY L. CAMPBELL, A.A.E.

ROD A. DINGER, A.A.E.

TIMOTHY M. DSEI, A.A.E.

JOHN N. DUVAL, A.A.E.

TIMOTHY J. EDWARDS, A.A.E.

LUIS E. FIGUEROA, A.A.E.

MARK E. GALE, A.A.E.

CLAUDIA B. HIGHTWAY

LAWRENCE J. KRALTER, A.A.E.

MICHAEL J. LANGGUTH, A.A.E.

TODD L. MCNAMRE, A.A.E.

ALFRED POLLARD, A.A.E.

TORRANCE A. RICHARDSON, A.A.E.

BARRY A. ROKINELLA, A.A.E.

SHAWN M. SCHROEDER, A.A.E.

MARSHALL B. STEVENS, A.A.E.

WALTER B. STRONG, A.A.E.

ALVIN L. STUART, A.A.E.

PAUL J. WIDFELD, A.A.E.

CHAPTER PRESIDENTS

CASLY DENNY, A.A.E.

JEFFREY C. GLAY, A.A.E.

SCOTT D. HINDERMAN, A.A.E.

SCOTT C. MCMAHON, A.A.E.

JOHN E. PARROTT, A.A.E.

EDELANA C. VANMARTER, A.A.E.

POLICY REVIEW COMMITTEE

ETIKHAR AHMAD

BONNIE A. ALLIN, A.A.E.

ROSEMARIE S. ANDOLINO

WILLIAM G. BARSHAUER, A.A.E.

THELMA F. BOWENS

ALFONSO DENSON, A.A.E.

MARIO C. DIAZ

KEVIN A. DILLON, A.A.E.

JAMES P. FLOWOOD, A.A.E.

THOMAS E. GREER, A.A.E.

GARY L. JOHNSON, C.M.

RONALD F. MATHIEU, C.M.

ERIN M. O'DONNELL

BRADLEY D. PENROD, A.A.E.

ELAINE ROBERTS, A.A.E.

RICKY D. SMITH

MARK D. VANLOH, A.A.E.

ROBERT R. WINGTON

PRESIDENT & CEO

TODD J. HAUTLI

always, you will be responsible for your own charges. The hotel requires payment for the first night's room and tax upon confirmation of all reservations. Cancellations made at least 48 hours prior to arrival date will be eligible for a refund of the deposit.

The San Antonio International Airport (SAT) is located approximately nine miles from the Marriott San Antonio Rivercenter. A taxicab ride between San Antonio International Airport and the Marriott San Antonio Rivercenter is approximately \$25 each way and takes approximately 25 minutes. If you decide to rent a car, Avis Budget Group, Inc. is the official rental car company for this meeting. To make reservations or for further information, call (800) 331-1600 and reference J097316. Please visit our website for driving directions from the San Antonio International Airport to the Marriott San Antonio Rivercenter.

If you are attending the conference, please remember to complete your registration form and return it to AAAE. A PDF version of the registration brochure is attached for your convenience or visit the AAAE website to register on line at <http://events.aaae.org/sites/140501/registration.cfm>.

We will be happy to provide complimentary exhibit hall passes for Sunday only if you cannot attend the conference – please let us know if you will need a pass.

Please return the attached form by Friday, March 14, 2014 with your arrival and departure details so that we can arrange your hotel accommodations. Contact Shameka Jennings at (703) 797-2543 or shameka.jennings@aaae.org should you have any questions.