

EQUIPMENT LEASE AND USE AGREEMENT

BETWEEN THE PORT OF SEATTLE

AND

SEATTLE-TACOMA AIRLINE CONSORTIUM, LLC

AT

SEATTLE-TACOMA INTERNATIONAL AIRPORT

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**EQUIPMENT LEASE USE AGREEMENT BETWEEN
THE PORT OF SEATTLE AND
SEATTLE-TACOMA AIRLINE CONSORTIUM, LLC
AT SEATTLE-TACOMA INTERNATIONAL AIRPORT**

THIS EQUIPMENT LEASE AND USE AGREEMENT (this "Agreement"), dated as of _____, 2017, is made by and between the Port of Seattle (the "Port"), a Washington municipal corporation, that owns, and operates the Seattle-Tacoma International Airport (hereinafter referred to as "Airport") and Seattle-Tacoma Airline Consortium, LLC, a Washington limited liability company ("STAC"), duly designated to perform certain duties and obligations on behalf of the Member Air Carriers (defined below) serving Airport.

RECITALS

WHEREAS, Port owns and operates the Airport, located in Seattle, Washington and has the power to grant rights and privileges with respect thereto; and

WHEREAS, the Port owns certain equipment and systems serving the Airport; and

WHEREAS, STAC is an airline consortium comprised of Member Air Carriers (defined below), and

WHEREAS, STAC is engaged in the business of providing certain operations, and management services to the Air Carriers operating at the Airport; and

WHEREAS, STAC desires to obtain from Port, and Port desires to grant to STAC, in accordance with the terms and conditions of this Agreement, the right to lease and use the Port-owned equipment and systems, defined as the "Aeronautical Equipment" and as described on Exhibit A hereto; and

NOW, THEREFORE, in consideration of the promises, the terms and conditions set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Port and STAC, intending to be legally bound, agree as follows:

**ARTICLE 1
DEFINITIONS; INTERPRETATION**

1.01. Definitions. The following terms and phrases shall have the following meanings for purposes of this Agreement:

(a) "Aeronautical Equipment" means, collectively, the Port-owned equipment and systems to be leased and used by STAC in accordance with the terms and conditions of this Agreement, and as described on Exhibit A hereto, as may be amended from time to time.

- (b) “Aeronautical Equipment Use Fee” has the meaning given to it in Section 3.01.
- (c) “Air Carrier” means a carrier certificated by the Secretary of Transportation as a Passenger Carrier under 49 U.S.C. § 41102 or a Cargo Carrier under 49 U.S.C. § 41103.
- (d) “Air Operations Area” means any area enclosed by the Airport security fence, including ramps, aprons, runways, taxiways, gate positions, airport parking areas and Federal Aviation Administration facilities.
- (e) “Airport Movement Area” or “AMA” means the runways, taxiways and other areas of the Airport which are used for taxiing or hover taxiing, takeoff and landing aircraft, exclusive of loading ramps and aircraft parking areas..
- (f) “Airport Non-Movement Area” means any area intended and constructed for the use of aircraft which is not under direct control of the Airport Traffic Control Tower.
- (g) “Airport Traffic Control Tower” means a facility operated by the Federal Aviation Administration to manage and control operations on the AMA’s of the Airport.
- (h) “CoBus Operator” means a STAC Vendor engaged by STAC to provide CoBus services, including drivers to operate CoBus units in performance of the Services authorized under this Agreement.
- (i) “Consortium Manager” means an independent contractor selected by STAC to manage this Agreement and the STAC Vendor Agreements.
- (j) “Consortium Manager Agreement” means the professional services agreement as in effect between STAC and the Consortium Manager for the management of this Agreement and the STAC Vendor Agreements, and other duties as specified and agreed to as provided in the agreement.
- (k) “Effective Date” means the date on which this Agreement has received all required approvals and is fully-executed by STAC and Port.
- (l) “Equipment Access Agreement” means an agreement between STAC and a Handler to allow access to the Aeronautical Equipment by the Handler to provide services to a User.
- (m) “Equipment Use Agreement” means an agreement between STAC and any Non-Member Air Carrier desirous of using the Aeronautical Equipment.

- (n) “Event of Default” has the meaning given to it in Section 9.01.
- (o) “Fees” means the Aeronautical Equipment Use Fee and any all other charges, fees, and amounts payable by STAC to Port hereunder.
- (p) “Fiscal Year” means a year beginning January 1 and ending December 31.
- (q) “Handler” means any person that: (i) executes an Equipment Access Agreement; and (ii) obtains all necessary approvals and permits from Port to perform handling services for one or more Users at the Airport.
- (r) “Hazardous Substances” has the meaning given such term in Article 11.
- (s) “Maintenance Standards” means those standards described on Exhibit B attached hereto, as the same may be updated from time to time by mutual agreement of STAC and the Port.
- (t) “Member Air Carrier” means an Air Carrier that is a party to the Member Agreement and is a member of STAC.
- (u) “Member Agreement” means the STAC Member Agreement (and all amendments or modifications thereto) by and among the Member Air Carriers pertaining to the allocation of rates, fees, and charges established pursuant to this Agreement and other expenses of STAC, and covering other related issues such as membership, governance, default, withdrawal, insurance, and indemnification.
- (v) “Non-Member Air Carrier” means an Air Carrier that uses the Airport that is not a party to the Member Agreement and is not a member of STAC and that has executed an Equipment Use Agreement.
- (w) “Operating Reserve Account” means the operating account established and maintained by STAC pursuant to Sections 12.06. of the Member Agreement and Section 3.06. hereof.
- (x) “Port Commission” means the Port of Seattle Port Commission.
- (y) “Licensed Premises” means the Airfield at the Airport and areas licensed by the Port to STAC, as described in Exhibit C, for parking and use of the Aeronautical Equipment.
- (z) “Release” has the meaning given such term in Article 11.
- (aa) “Services” means those certain services that are designated as the responsibility of STAC, as described in Exhibit D of this Agreement, and as may be modified from time to time

upon mutual written agreement between STAC and the Port.

(bb) “Signatory Airline” means any Air Carrier that has entered into a Signatory Lease and Operating Agreement or successor agreement with the Port.

(cc) “Signatory Lease and Operating Agreement” means the 2013-2017 Signatory Lease and Operating Agreement between the Port of Seattle and individual Air Carriers effective dated January 1, 2013, as may be amended, or a successor agreement.

(dd) “STAC Vendor” means one or more vendors or service providers, engaged by STAC: (i) to provide the Services; or (iii) to provide any other such Services specified by STAC.

(ee) “STAC Vendor Agreement” means an agreement between STAC and a STAC Vendor in which a STAC Vendor will provide Services as more particularly described in Section 2.07.

(ff) “User” means any Member, Non-Member Air Carrier or Handler that uses the Licensed Premises and/or the Aeronautical Equipment.

1.02. Interpretation. In this Agreement, unless otherwise expressly indicated:

(a) the terms “hereby”, “herein”, “hereof”, “hereto”, “hereunder” and any similar terms used in this Agreement refer to this Agreement;

(b) all Article and Section references, unless otherwise expressly indicated, are to Sections of this Agreement;

(c) words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect;

(e) words importing the singular shall include the plural and vice versa;

(f) all the agreements or instruments herein defined shall mean such agreements or instruments as the same may from time to time be supplemented or amended or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms thereof;

(g) references to statutes, sections or regulations are to be construed as including all

statutory or regulatory provisions consolidating, amending, replacing, succeeding or supplementing the statute, section or regulation referred to;

(h) the words “including,” “includes” and “include” shall be deemed to be followed by words “without limitation” or “but not limited to” or words of similar import;

(i) use of the word “or” in a series such as a, b or c means any one or more of the items in the series.

1.03. Incorporation of Exhibits. The exhibits, attachments, schedules, and addenda referenced herein and attached hereto are hereby made a part of this Agreement. Notwithstanding the provisions of Section 13.13, the parties acknowledge and agree that the Exhibits A, C and G attached to this Agreement may be revised from time to time during the Term as agreed to by the parties without further amendment of the Agreement. Any such revision shall be clearly documented on the face of the Exhibit and initialed by an authorized representative of each party.

ARTICLE 2 LEASE AND USE OF AERONAUTICAL EQUIPMENT

2.01. Right to Lease and Use Aeronautical Equipment. The Port hereby leases to STAC the Aeronautical Equipment and further grants STAC those responsibilities, duties, and obligations described in this Agreement including the exhibits, attachments, schedules and addenda attached hereto. STAC hereby accepts the lease of the Aeronautical Equipment and agrees to undertake the obligation to use the Aeronautical Equipment on the terms and conditions set forth in this Agreement.

2.02. Permitted Uses. STAC shall use the Aeronautical Equipment, wherever it may be located at the Airport, for the handling of flights and passengers by Member Air Carriers and Non-Member Air Carriers, in accordance with this Agreement, and for the carrying on of activities reasonably necessary or convenient in connection with the foregoing (collectively, “Services”).

2.03. Limitations Upon Use. STAC shall not use the Aeronautical Equipment for purposes other than the purposes specified in Section 2.02 hereof. STAC shall not do, or cause or permit anything to be done, in connection with the Aeronautical Equipment, or bring or keep anything thereon which will increase the risk of fire or explosion on Airport property; or create a nuisance; or obstruct or interfere with the rights of others on Airport property; or commit or suffer to be committed any waste in relation to the Aeronautical Equipment; or use or allow said Aeronautical Equipment to be used for any unlawful purposes or to be used in such a way as to interfere with Airport safety; or do or permit to be done anything tending materially to injure the reputation of the Airport.

2.04. Compliance with Laws and Regulations. The use by STAC of the areas, Aeronautical Equipment, Licensed Premises and facilities described herein and the rights and privileges granted STAC pursuant to this Agreement shall at all times be subject to any and all applicable rules, regulations, and federal laws, state laws and local laws of governmental agencies having jurisdiction over the Airport, including, but not limited to, airport rules and regulations, airport operation bulletins, and airport directives (collectively “Airport Rules”), as may be established by Port, as the same may be amended from time to time, and to the provisions of this Agreement. Nothing herein contained shall be deemed to prevent STAC from contesting in good faith any federal, state or local code, law, regulation, ordinance or rule, (other than Airport Rules which are addressed below) or its applicability to STAC or this Agreement without being considered in breach of this Agreement so long as such contest is diligently commenced and prosecuted by STAC. STAC shall at all times during the term of this Agreement comply with all Airport Rules and any amendment thereto, as they now exist or may hereafter be adopted or amended herein. Port agrees to publish any amendments or new Airport Rules, in accordance with established Port procedures, and STAC may provide the Port with comments to any amendments or new Airport Rules within thirty days of the published date. The Port shall consider STAC’s comments, but shall determine in its sole discretion, whether or not to accept STAC’s comments. STAC shall, at its own expense, use the Aeronautical Equipment in accordance with prudent engineering and safety standards, and in accordance with all Airport Rules. Without limiting the generality of the foregoing, STAC shall assure that the Aeronautical Equipment is used in compliance with all requirements of the Occupational Safety and Health Act. Port shall have no liability for any damage to persons or property as a result of the use or misuse of any Aeronautical Equipment, and STAC’s indemnity in Section 8.01 hereof shall include any costs, losses, claims, damages, liabilities, and expenses arising out of such use or misuse. STAC shall keep current all licenses and permits, whether municipal, county, Airport, State, or federal, required for the conduct of its operations at Airport, and pay all fees promptly when due, subject to their right to contest such fees.

2.05. Access to the Aeronautical Equipment.

(a) Anything herein to the contrary notwithstanding, STAC shall provide all Air Carriers access to the Aeronautical Equipment for the uses permitted herein, in compliance with the terms of this Agreement and all applicable federal laws, regulations and grant assurances and subject to non-discriminatory reasonable rules, regulations and fees established by STAC.

(b) STAC may require, as a condition to the use of the Aeronautical Equipment or any part of the Aeronautical Equipment, that Non-Member Air Carriers execute an Equipment Use Agreement with STAC and that Handlers execute an Equipment Access Agreement with STAC, each such agreement providing for the payment of fees, appropriate insurance and indemnification provisions and such other matters as may reasonably be required by STAC. The form of all such agreements and amendments thereto shall be subject to the prior approval of the Port. At the Port’s request, STAC shall provide the Port with notice of any defaults under Non-Member Agreements.

Exhibits E and F are representative forms of the Equipment Use Agreement and Equipment Access Agreements, respectively.

2.06. Acquisition of Additional Aeronautical Equipment. At the request of either party, Port and STAC shall meet and confer to determine whether additional Aeronautical Equipment is required to meet new customer service or technology requirements in order to maintain the Airport's competitive position world-wide or to support changes in aviation security required as a result of the Transportation Security Act or similar national legislation. The parties shall jointly determine the extent of the need for additional Aeronautical Equipment, as well as the type and quantity of additional Aeronautical Equipment required. Subject to Port Commission approval, the Port shall procure the additional Aeronautical Equipment and obtain reimbursement from STAC through adjustment of the Aeronautical Equipment Use Fee.

2.07. Consortium Manager and STAC Vendors.

(a) The rights and obligations of STAC under this Agreement may be delegated to and completed by a Consortium Manager and one or more STAC Vendors selected by STAC, including a CoBus Operator, and approved by the Port, which approval shall not be unreasonably withheld.

(b) The Consortium Manager Agreement, and STAC Vendor Agreements shall set forth the duties, responsibilities, obligations and compensation of the Consortium Manager, and STAC Vendor(s), as the case may be, with respect to the Aeronautical Equipment as well as the rights and obligations of STAC with respect to the Consortium Manager or STAC Vendor. Notwithstanding the foregoing, any such delegation shall not limit or reduce the obligations and responsibilities of STAC under this Agreement. STAC shall notify the Port of any default under the Consortium Manager Agreement, or STAC Vendor Agreement. STAC shall enforce the terms and conditions of the Consortium Manager Agreement, and all STAC Vendor Agreements.

(c) STAC covenants and agrees that it will not remove or replace the Consortium Manager without prior notice given to the Port. In the event the Port determines and notifies STAC in writing that the Consortium Manager or any STAC Vendor is not performing under its respective agreement or the performance of the Consortium Manager or any STAC Vendor is detrimental to the Aeronautical Equipment, the Airport, the passengers, public safety or security, then STAC shall terminate and replace such non-performing party with a qualified and satisfactory replacement within thirty (30) days of receiving the Port's notice. Notwithstanding the foregoing, if:

(i) the event(s) of non-performance is (are) of a substantially similar nature as non-performance that has been noticed by the Port on at least two (2) previous occasions; or

(ii) the event(s) of non-performance is (are) of a nature that cannot be cured,

including acts of criminal misfeasance,

then the Port may request immediate termination and replacement of such non-performing Consortium Manager or STAC Vendor and, if upon such request, STAC shall immediately proceed with such termination and replacement.

2.08. Title to the Aeronautical Equipment. Port shall have full title to the Aeronautical Equipment.

2.09 Airport Security Program.

(a) TSA Program. In accordance with regulations issued by the FAA, the U.S. Department of Transportation and the U.S. Department of Homeland Security, Transportation Security Administration (“TSA”) and found at 49 Code of Federal Regulations (“CFR”) Part 1542, airports are required to have TSA-approved security programs. These programs are designed to control access to certain areas of airports and to control the movement of people and vehicles within those areas.

(b) STAC Compliance. Port has a TSA-approved security program for the Airport. STAC must have a security program for its operations at the Airport at all times during the Term of this Agreement. At all times during the Term of this Agreement, STAC’s security program must be in compliance with all applicable laws and regulations from time to time enacted or promulgated, must be consistent and compatible in all respect with Port’s overall security program for the Airport, and must be acceptable to Port and the TSA.

(c) Indemnification. STAC shall be responsible for any breach of security which occurs as a result of the negligence and/or willful misconduct of STAC, its agents, employees, contractors, subtenants, Affiliates, or invitees, not including passengers, and STAC further agrees to indemnify and hold harmless Port from and against any and all damages, penalties, fines, claims and costs resulting directly or indirectly from the breach of STAC’s responsibilities, covenants and agreements as set forth in this Section 2.09.(c). Port shall provide STAC notice of and consult with STAC regarding any claims that Port has knowledge of and are related to STAC. The indemnification contained in this Section 2.09.(c) applies to this Section 2.09.(c) only.

(d) Confidentiality and Indemnity. In connection with its operations, STAC may receive, gain access to or otherwise obtain certain knowledge and information related to Port’s overall Airport security program. STAC acknowledges that all such knowledge and information is of a highly confidential nature. STAC covenants and agrees that no person, whether an employee of STAC or a third party, shall be permitted or gain access to such knowledge and information, unless such person has been approved by Port in advance in writing, which approval may be granted or withheld by Port in its sole discretion. Notwithstanding the foregoing, STAC is permitted to direct such security knowledge and information to its employees who require same to conduct STAC’s

operations or to comply with any law, regulation or Airport rule. STAC further agrees to defend, indemnify and hold harmless Port and other users of the Airport from and against any and all fines, claims, costs, expenses, damages and liabilities, including but not limited to all reasonable attorneys' fees and costs, resulting directly or indirectly from the breach of STAC's covenants and agreements as set forth in this Section 2.09.(d). Port shall provide STAC notice of any claims that Port has knowledge that relate to STAC. The indemnification contained in this Section 2.09.(d) applies to this Section 2.09.(d) only.

(e) Material Breach. Violation of any of the provisions of this Section 2.09 shall be a material breach. In order to cure a breach under this Section 2.09, STAC shall cooperate with Port in all respects reasonably necessary to correct such violation to the Port's reasonable satisfaction.

2.10. Annual Meeting. The Port and STAC shall meet at annually on or about September 1 to review matter of interest to the parties and to review STAC's performance over the last Fiscal Year.

ARTICLE 3 **FEES**

3.01. Aeronautical Equipment Use Fee. The Port shall establish an "Aeronautical Equipment Use Fee" based on an annually budgeted amount, including an annual reconciliation to actual, that recovers the Port's actual cost, debt service, depreciation, maintenance, operation, or other costs associated with the Aeronautical Equipment: provided that such costs are not also assessed to the Signatory Airlines under the terms of a Signatory Lease and Operating Agreement, successor agreement or other Airport rate setting mechanism in effect at the time. Attached Exhibit G sets forth the Aeronautical Equipment Fee.

(a) Annual Adjustments. Within sixty (60) days after completion of an audit of the Use Fees for the preceding Term, the Port shall recalculate the Use Fee on the basis of actual cost, debt service, depreciation, maintenance, operation or other costs associated with the Aeronautical Equipment and shall determine the amount of any overpayment (credit) or underpayment (debit) due to or from STAC. Any resulting credit will be issued as a credit to STAC's account. Any resulting debit will be invoiced to and payable by STAC.

(b) Port shall give reasonable advance notice to STAC of any such adjustments.

3.02. Other Fees. STAC's payment of the Aeronautical Equipment Use Fee hereunder shall not limit STAC's obligation to pay all other charges or fees occasioned by STAC's use of the Aeronautical Equipment, provided that such costs are not also assessed to the Signatory Airlines under a Signatory Lease and Operating Agreement, including the following:

(a) Utilities. STAC shall be solely liable for the cost of all utilities, including fuel, required

to use the Aeronautical Equipment.

(b) Space Rental. To the extent STAC, Consortium Manager or any STAC Vendor requires the exclusive use of Airport space, other than the Licensed Premises, STAC shall, or shall cause its Consortium Manager or STAC Vendor to, seek and secure from Port an appropriate lease or permit for such space, and pay for the use of such space the rental rates and/or use fees prescribed for such space or use for the applicable fiscal year.

3.03. Payment of Fees.

(a) STAC shall pay to Port the Aeronautical Equipment Use Fee, all taxes, assessments and charges of a like nature due and all other applicable Fees in advance on or before the first (1st) day of each calendar month during the Term of this Agreement. The Aeronautical Equipment Use Fee and any other such fee for any fraction of a calendar month shall be prorated.

(b) Unless and until Port notifies STAC in writing designating an alternative payment method, all payments due hereunder shall be made by:

(i) Separate wire or automated clearing house (ACH) transfer as follows:

Name of Bank
Phone Number
Port of Seattle, Aviation Division
Aviation Operating Account
Account #
ABA #
ACH#

Or

(ii) STAC acknowledges and understands that use of E-Bill Express, the Port's current online electronic billing and payment services, or other Port electronic billing and payment service includes an additional charge representing the service fee for processing the debit/credit card payment, as required by Washington State law.

(c) Late Payment. All payments under this Agreement shall include identifying information, including but not limited to the invoice number. STAC agrees to pay on demand by Port any costs, including reasonable attorney fees and costs incurred by Port for collection. If STAC fails to timely remit to Port all or any part of the payments which it is obligated to make to Port within ten (10) days of when due, STAC shall pay to the Port a late payment charge equal to five percent (5%) of the amount of such delinquent payment of Fees in addition to the Fees then owing. Notwithstanding anything to the contrary in this Section, late payment and interest charges

shall be subject to a minimum, monthly charge of five dollars (\$5.00). In addition, if such delinquent payment of Fees and late charge are not received within fifteen (15) days of when such delinquent payment of Fees was originally due, STAC shall further pay interest on such delinquent payment of Fees and late charge thereafter at eighteen percent (18%) per annum or the maximum interest rate permitted by law for this transaction in the State of Washington, whichever is less. The Port and STAC recognize that the damages which the Port will suffer as a result of STAC's failure to timely pay the Fees are difficult or impracticable to ascertain, and agree that said interest and late charge are a reasonable approximation of the damages that the Port will suffer in the event of STAC's late payment. This provision shall not relieve STAC from payment of Fees at the time and in the manner herein specified. Acceptance by the Port of any such interest and late charge shall not constitute a waiver of STAC's default with respect to said overdue amount, nor shall it prevent the Port from exercising any other rights or remedies available to the Port.

3.04. Accounting and Reports. STAC shall maintain separate and accurate daily records of STAC's operations hereunder for a period of five (5) years after such operation. All such books and records shall be kept in accordance with generally accepted accounting principles, consistently applied, showing in detail all business done or transacted in, on, about or from or pertaining to the Airport. At the Port's written request, STAC shall make available to the Port and/or its auditors, at a location no greater than twenty (20) miles from the Airport, any and all books and records pertaining to STAC's operations under this Agreement.

3.05. Member Agreement. STAC has entered into the Seattle-Tacoma Airline Consortium, LLC Member Agreement, with the Member Air Carriers (Exhibit H). The form of the Member Agreement and all amendments thereto shall be subject to the prior approval of the Port.

3.06. Operating Reserve Account and Payment Obligations. STAC agrees that, to secure the prompt payment by STAC of the amounts due from it each month to the Port pursuant to this Agreement, the Member Agreement shall require each "Member" (as defined in the Member Agreement) to contribute to an Operating Reserve Account. STAC covenants and agrees to maintain such Operating Reserve Account.

ARTICLE 4 TERM

4.01. Term of Agreement.

(a) Term. The term of this Agreement ("Term") shall commence on the Effective Date and shall terminate on December 31, 2026 unless extended as provided in Section 4.01.(b) or terminated earlier in accordance with the terms hereof.

(b) Extension of Term. The Port may, by giving written notice no later than January 1,

2026 offer STAC a one (1) year extension of the Term. Acceptance of the extension requires assent by a majority vote of the STAC Members. If STAC assent is not given to the Port in writing by March 31, 2026 the offer will be deemed rejected. If the offer is accepted, the Port may propose another one (1) year extension of the Term using the same procedure as for the initial extension except that the offer deadline will be January 1st of the expiring term year, and the acceptance deadline of March 31st, of that same year. For either extension, the parties may negotiate an extension of the Term for longer than one (1) year. In such event, the parties shall amend the Agreement as provided in Section 13.13 to document the extension of the Term.

4.02. Surrender of Possession. STAC shall yield and deliver peaceably to the Port possession of the Aeronautical Equipment and cease using the Aeronautical Equipment on the date of the expiration or termination of this Agreement. The Aeronautical Equipment shall be in a condition similar to that which existed at the commencement of this Agreement or at the time STAC takes possession of the specific Aeronautical Equipment, if later, except for reasonable wear and tear, that (i) the Port has, in its sole discretion, determined not to repair or (ii) is damaged within five (5) days before STAC surrenders possession. All paper and electronic documents and records related to the operation, use, and maintenance of the Aeronautical Equipment, including but not limited to all original equipment manufacturer's manuals, bulletins, and other documents and all records, reports and other documentation produced by STAC and/or its STAC Vendors shall be delivered to Port at the time the Aeronautical Equipment is surrendered.

4.03. Reversion. Upon termination or expiration of this Agreement, STAC shall cease to have any rights with respect to the use of the Aeronautical Equipment under this Agreement, which shall remain property of the Port.

4.04. Effect of Holding Over. STAC has no right to retain possession or use of the Aeronautical Equipment beyond the expiration or termination of this Agreement. Should STAC hold over the use of the Aeronautical Equipment or any part thereof after the termination of this Agreement, such holding over shall be deemed merely an agreement whose term is from month to month for the Aeronautical Equipment Use Fee applicable during the month preceding the expiration or termination, in addition to any Aeronautical Equipment Use Fee then due hereunder. In the event STAC holds over with the consent of Port, STAC shall comply with all terms, conditions and obligations contained in this Agreement.

**ARTICLE 5
AERONAUTICAL EQUIPMENT MAINTENANCE; COBUS OPERATOR
REQUIREMENTS**

5.01. Maintenance Responsibilities. Subject to the provisions of Section 2.07.(b) and to Port's rights pursuant Section 9.02 Port's Remedies, Port shall maintain, repair, refurbish, and replace, as needed, the Aeronautical Equipment, in accordance with the Maintenance Standards set forth in Exhibit B attached hereto.

5.02. Inspection and Notification. At the time STAC takes possession of any Aeronautical Equipment, STAC shall, or shall cause its STAC Vendor(s) to inspect and test the Aeronautical Equipment as listed in Exhibit A. STAC shall immediately notify the Port of any operational issues related to the Aeronautical Equipment before STAC allows it to be used by a Member Air Carrier or Non-Member Air Carrier. An inspection form as set forth in Exhibit I attached hereto, will be used to document the condition of the Aeronautical Equipment as received from the Port.

5.03. Inspections by Port.

(a) Inspection. Port shall have the right, without any obligation to do so, at any reasonable time after reasonable notice, and as often as it considers necessary, to inspect the Aeronautical Equipment so long as such inspection does not unreasonably interfere with the STAC's permitted use of the same.

(b) Urgent Situations. In the event Port reasonably believes that there is an Aeronautical Equipment problem that interferes with essential facilities or endangers the safety of operations at the Airport, Port may, by written or verbal notice (followed up in writing) to STAC, direct STAC to immediately surrender the Aeronautical Equipment described in Exhibit A to the Port. If STAC cannot or is unable to do so immediately, then the Port may immediately take possession of the Aeronautical Equipment.

(c) Alterations to Equipment by STAC. As provided in Section 4 to Exhibit B, STAC shall not make any alterations to the Aeronautical Equipment. Any such alteration shall constitute a default under Section 9.01 (d).

5.04. "As-Is" Condition. STAC accepts the right to operate and use the Aeronautical Equipment in its "as-is" condition with no representation or warranty by the Port with respect to the physical condition of the Aeronautical Equipment. THE PORT MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE AERONAUTICAL EQUIPMENT, OR WARRANTY WITH RESPECT THERETO. STAC ACKNOWLEDGES THAT THE PORT IS NOT A CONTRACTOR OR A MANUFACTURER OF THE AERONAUTICAL EQUIPMENT (OR ANY COMPONENT THEREOF) OR A DEALER THEREIN. STAC ACCEPTS THE AERONAUTICAL EQUIPMENT AS IS.

5.05. Port Property. If and to the extent STAC is entitled to use any property owned by Port, other than the Aeronautical Equipment and Licensed Premises, including fixtures, furnishings, or equipment, and such usage results in any damage to such fixtures, furnishings, or equipment (other than reasonable wear and tear), then STAC shall maintain, repair, and as necessary, replace, such fixtures, furnishings, and equipment at its own expense.

5.06. Liaisons. Without limiting the rights and obligations of the parties hereunder, including those relating to reporting, approvals, and maintenance or repair, each party will designate a technical representative to liaise with the other party on technical, operational, and lease issues, as appropriate. Each party shall cooperate and permit the other party's representative to participate in technical and operational activities, including, for example, periodic inspections and Aeronautical Equipment problem-solving.

5.07. CoBus Equipment Operator Requirements and Training. STAC shall ensure that all Co-Bus operators, meet and are trained in accordance with, the requirements set forth in Exhibit J. STAC shall further ensure that the requirements set forth in Exhibit J are incorporated in the Consortium Manager Agreement and Vendor Agreements, as applicable. STAC shall maintain all records of Co-Bus driver qualifications, training and licenses for a period of 2 years. Said records shall be made available to the Port upon request.

ARTICLE 6

STAC MEMBERSHIP, RATES AND CHARGES, OTHER EQUIPMENT USAGE

6.01. STAC Membership. Status as a Signatory Airline under the terms and conditions of the Signatory Lease and Operating Agreement is a prerequisite that must be achieved before an Air Carrier may become a STAC Member. All STAC Members will join STAC pursuant to the terms and conditions of the Seattle-Tacoma Airline Consortium, LLC Member Agreement.

6.02. Rates and Charges. STAC will operate the Aeronautical Equipment and will, in compliance with this Agreement and all applicable laws, including local and federal regulations and federal grant assurances, fix, charge and collect such rates, fees and charges, including those payable pursuant to the Member Agreement, for the use of and services provided for the use of the Aeronautical Equipment, which will, together with any other available funds, be sufficient to pay the cost of operating, maintaining, repairing, refurbishing, and replacing the Aeronautical Equipment and to make all payments herein provided for and to pay all other obligations of STAC. STAC may fix, charge and collect rates, fees and charges for the use of the Aeronautical Equipment and services provided by STAC to Non-Member Air Carriers at an effective rate not to exceed One Hundred Twenty-Five Percent (125%) of the highest effective rate charged to any Member Air Carrier prior to any adjustments made pursuant to the Member Agreement; provided, however, that no Non-Member Air Carrier shall be charged at an effective rate less than the rate charged to any Member Air Carrier; provided further, that STAC shall not set rates in a manner that unjustly discriminates between Air Carriers and that all STAC rates and charges shall be subject to the prior written approval of the Port.

6.03. Access by Users. Except as permitted with respect to Airport Rules and fees pursuant to Section 6.02 hereof or as otherwise provided herein and in the Member Agreement, STAC

covenants and agrees that access to the Aeronautical Equipment by all Users shall be allocated in accordance with the assignment methodology adopted by STAC and approved by the Port prior to the Effective Date.

**ARTICLE 7
REPRESENTATIONS AND WARRANTIES**

7.01. Representations of STAC. STAC hereby represents and warrants to the Port that:

(a) This Agreement is duly authorized, valid, binding and enforceable on STAC.

(b) All consents, approvals and authorizations of governmental or regulatory authorities or by or on behalf of any creditors or any other third party for the valid execution and delivery of this Agreement by STAC, and STAC's performance of its obligations under and compliance with the terms thereof, have been obtained and are in full force and effect.

(c) No other approvals of STAC's Members or governing body, the Member Committee (as defined in the Member Agreement), or any governmental body are required in order for STAC to enter into this Agreement and to perform its obligations and comply with the conditions imposed hereunder.

7.02. Representations of Port. Port hereby represents and warrants to the STAC that:

(a) This Agreement has been approved by the Port Commission of the Port of Seattle and is duly authorized, valid, binding and enforceable on Port.

(b) No other approvals of the Port's governing body or any governmental body are required in order for the Port to enter into this Agreement and to perform its obligations and comply with the conditions imposed hereunder.

**ARTICLE 8
INSURANCE AND INDEMNIFICATION**

8.01. Indemnification of Port by STAC. Except where, and to the extent, caused by the negligence or intentional wrongdoing of Port, its agents, employees, contractors, officers, directors or predecessors in interest, the Port and its officers, employees and agents, shall not be liable for any injury (including death) to any persons or for damage to any property regardless of how such injury or damage may be caused, sustained or alleged to have been sustained by STAC or by others, including but not limited to all persons directly or indirectly employed by STAC, or any agents, contractors, subcontractors, licensees and invitees of STAC, as a result of any condition or occurrence whatsoever related in any way to STAC's performance under this Agreement, including STAC's use of the Aeronautical Equipment, and STAC's use and/or occupancy of the

Licensed Premises or the areas adjacent thereto. STAC agrees to defend (with counsel reasonably acceptable to the Port) and hold and save the Port harmless from all liability and expenses (including attorney's fees, costs, and all expenses of litigation) in connection with any such actual or alleged injury or damage, except where, and to the extent, caused by the negligence or intentional wrongdoing of the Port, its agents, employees, contractors, officers, directors or predecessors in interest. All indemnities provided in this Agreement shall survive the expiration or any earlier termination of this Agreement. Any final judgment rendered against the Port for any cause for which STAC is liable hereunder shall be conclusive against STAC as to liability and amount upon the expiration of the time for appeal therefrom.

8.02. Industrial Insurance Laws. STAC shall comply with the statutory requirements of Chapter 51 of the Revised Code of Washington ("RCW") regarding workers compensation coverage for its employees. In any and all claims against the Port by an employee of STAC, the indemnification obligation of Section 8.01 of this Agreement shall not be limited in any way by any limitation on the amount or type of damages or compensation benefits payable by or for STAC under applicable worker's or workmen's compensation, benefit, or disability laws (including but not limited to RCW 51 Industrial Insurance). STAC expressly waives any immunity STAC might have under such laws and, by agreeing to enter into the Agreement, acknowledges that the foregoing waiver has been mutually negotiated by the parties.

8.03. Insurance - Required Policies and Coverage Details. STAC, the Consortium Manager, STAC Vendors, CoBus Operator and Handlers shall each obtain and keep in force, at each's sole cost and expense the following types of insurance, in the amounts specified and in the form hereinafter provided for throughout the Term. STAC shall include the requirements of this Section 8.03 in the Consortium Manager Agreement, Equipment Access Agreement and Equipment Use Agreement, as applicable.

(a) The insurance requirements, for coverage, limits, and terms, shall in addition apply separately, to the Consortium Manager, STAC, CoBus Operator, and Handlers.

(b) The insurance required shall be provided by STAC, CoBus Operator, Consortium Manager, and all Handlers using or operating any of the Aeronautical Equipment.

(c) The insurance limits required can be met through a combination of a self-insured retention, admitted primary insurance, insurance obtained on a surplus lines basis, umbrella insurance, and/or excess insurance.

(d) Insurance required hereunder shall be in companies duly licensed to transact business in the State of Washington, and maintaining during the policy term a General Policyholders Rating of 'A-' or better and a financial rating of 'IX' or better, as set forth in the most current issue of "Best's Insurance Guide." Exceptions to these requirements shall be made in writing to the Port, and the Port will review to determine if an exception can be made.

(e) Deductibles and Self Insured Retentions. No insurance required herein shall contain a deductible or self-insured retention in excess of One Hundred Thousand Dollars (\$100,000) without the prior written consent of the Port. The request must include specific details of funding and solvency with the respect to pay claims, provide defense, and pick up all costs within the deductible and/or retention to include those that would apply to the Port as an insured under any of the required policies.

(f) Insurance Type and Limits for STAC, Consortium Manager, STAC Vendors and Handlers:

(i) Airport Operator's General Liability Insurance. STAC, Consortium Manager, STAC Vendors and Handlers each shall obtain and keep in force a commercial liability policy of insurance that protects STAC and the Port, as an additional insured, or equivalent, against claims for bodily injury, personal injury and property damage based upon, involving or arising out of the work and operations to be performed as defined in this Agreement to include, but not limited to, the use, maintenance and operation of the Aeronautical Equipment, and the use of the Licensed Premises. Such insurance shall be on occurrence basis providing single limit coverage in an amount not less than Ten Million Dollars (\$10,000,000) per occurrence. The policy shall contain no annual aggregate. The policy shall be endorsed to make the insurance of each, STAC, the Consortium Manager, the STAC Vendors and the Handlers, primary and non-contributory to any insurance the Port may carry, and the Port shall be provided a suitable endorsement evidencing this. The policy shall be endorsed with a waiver of subrogation or waiver of the transfer of the rights of recovery in favor of the Port and the Port shall be provided a suitable endorsement evidencing this. The Port shall be listed by endorsement as an additional insured, and the Port shall be given annually an endorsement to validate this.

(ii) Automobile Liability Insurance. STAC, the Consortium Manager, STAC Vendors and Handlers shall each obtain and keep in force a commercial automobile liability policy of insurance, written on ISO Form CA 00 01 07 97 (or equivalent), that protects STAC and the Port against claims for bodily injury and property damage based upon, involving or arising out of motor vehicle and automobile operations on the Airfield Operations Area. STAC shall provide a waiver of subrogation on this policy in favor of the Port. Such insurance shall cover any "Auto" (i.e. owned, hired and non-owned) and shall be on an occurrence basis providing single limit coverage in an amount not less than Five Million Dollars (\$5,000,000) per occurrence in the Airport Non-Movement Area and Ten Million Dollars (\$10,000,000) per occurrence in the AMA. The coverage shall be on a combined single limit basis. The required limits are reduced to One Million (\$1,000,000) per occurrence, combined single limit for any use of automobiles outside and off the Air Operations Area.

(g) Insurance Type and Limits for CoBus Operator:

(i) Airport Operator's General Liability Insurance (or equivalent). The CoBus operator shall obtain and keep in force a commercial liability policy of insurance that protects STAC and the Port, as an additional insured, or equivalent, against claims for bodily injury, personal injury and property damage based upon, involving or arising out of the work and operations to be performed as defined in this Agreement to include but not limited to the use, maintenance, and operation of Aeronautical Equipment, specifically including the operation of CoBus units, and the use of the Licensed Premises. Such insurance shall be on occurrence basis providing single limit coverage in an amount not less than Fifty Million Dollars (\$50,000,000) per occurrence. The policy shall contain no annual aggregate. The policy shall be endorsed to make CoBus Operator's insurance primary and non-contributory to any insurance the Port may carry, and the Port shall be provided a suitable endorsement evidencing this. The policy shall be endorsed with a waiver of subrogation or waiver of the transfer of the rights of recovery in favor of the Port and the Port shall be provided a suitable endorsement evidencing this. The Port shall be listed by endorsement as an additional insured and the Port shall be given annually an endorsement to validate this.

(ii) Automobile Liability Insurance. The CoBus Operator shall obtain and keep in force a commercial automobile liability policy of insurance, written on ISO Form CA 00 01 07 97 (or equivalent), that protects CoBus Operator and the Port against claims for bodily injury and property damage based upon, involving or arising out of motor vehicle and automobile operations on the Airfield Operations Area. CoBus Operator shall provide a waiver of subrogation on this policy in favor of the Port. Such insurance shall cover any "Auto" (i.e. owned, hired and non-owned) and shall be on an occurrence basis providing single limit coverage in an amount not less than Five Million Dollars (\$5,000,000) per occurrence in the Airport Non-Movement Area and Ten Million Dollars (\$10,000,000) per occurrence in the AMA. The coverage shall be on a combined single limit basis. The required limits are reduced to One Million (\$1,000,000) per occurrence, combined single limit for any use of automobiles outside and off the Air Operations Area.

(h) Insurance is to remain current throughout the Term. The Port shall receive documentation as of the Effective Date of this Agreement and annually, from STAC, the CoBus Operator, the Consortium Manager, and Handlers, including certificates of insurance, additional insured endorsements, waivers of subrogation, endorsements of primary and non-contributory coverage and any other documentation or endorsement that provides evidence of the existence and amounts of such insurance to validate the insurance required herein has been purchased and is compliant with the Agreement requirements within ten (10) days of each insurance renewal. Should any insurance required herein be terminated, cancelled, or not renewed, STAC will have five (5) days from the date STAC receives notice from its insurer(s) of the termination, cancellation or non-renewal notice to obtain replacement insurance.

(i) At the Port's request, STAC, the CoBus Operator, the Consortium Manager and the Handlers shall provide the Port with certified copies of the policies of insurance that have been purchased in order for the Port to verify insurance coverage, limits and endorsements or view any exclusions to required insurance policies.

(j) No Limitation of Liability. The limits of insurance required by this Agreement or as carried by STAC, CoBus Operator, Consortium Manager and Handlers shall not limit the liability of any of these parties.

8.04 Waiver of Subrogation. Without affecting any other rights or remedies, STAC (for itself and on behalf of anyone claiming through or under it by way of subrogation or otherwise) hereby waives any rights it may have against the Port, its officers, agents and employees (whether in contract or in tort) on account of any loss or damage occasioned to STAC arising out of or incident to the perils required to be insured against under this Agreement. Accordingly, STAC shall cause each insurance policy required by this Section to further contain a waiver of subrogation clause. The effect of such release and waiver of the right to recover damages shall not be limited by the amount of insurance carried or required or by any deductibles applicable thereto.

8.05 Increase in Port's Cost of Insurance. STAC shall not use the Aeronautical Equipment or the Licensed Premises in such a manner as to increase the existing rates of insurance applicable to the Airport. If it nevertheless does so, then, at the option of the Port, the full amount of any resulting increase in premiums paid by the Port may be added to the Fees and shall be paid by STAC to the Port upon the payment of the monthly Fees next thereafter occurring.

8.06 Other Insurance. STAC shall further obtain and keep in force such other and further insurance as the Port may from time to time reasonably request for the protection by insurance of its interest in the Aeronautical Equipment and Licensed Premises. The limits of insurance specified in this Section shall be subject to periodic adjustment to reflect changes in insuring practices in the same geographic area and changes in insurance products.

**ARTICLE 9
DEFAULT AND RIGHTS AND REMEDIES UPON DEFAULT**

9.01. Events of Default. The occurrence of any of the following shall constitute a material breach of the Agreement by STAC and an Event of Default:

(a) STAC voluntarily abandons, deserts or vacates the Airport and ceases operation of the Aeronautical Equipment for a period of more than five (5) consecutive days without the consent of the Port; provided, however, that if such cessation or failure to use the Aeronautical Equipment is caused by reason of war, strike, embargo, riot, civil commotion, acts of public enemies,

earthquake, other natural disasters, governmental order, action of the elements, or any other similar cause beyond STAC's control, and STAC so notifies the Port within two (2) days from the date that the abandonment or cessation of operation of the Aeronautical Equipment began, such period of nonuse shall be excluded in computing the five (5) day period set forth herein;

(b) STAC's failure to pay any fees or any other payment due hereunder, if such failure continues for ten (10) days after receipt of notice to STAC.

(c) STAC's failure to observe and comply with the requirements of Section 2.09, Article 8, and Sections 11.02 and 11.03 where such failure continues for thirty (30) days, after notice thereof to STAC provided, however, that if the nature of the default is such that the same cannot reasonably be cured within such thirty (30) day period, STAC shall not be deemed to be in default if STAC shall within such period commence such cure and thereafter diligently prosecutes the same to completion, and advises Port of same, but in no event for longer than sixty (60) days after notice to STAC without the consent of Port.

(d) STAC's failure to observe and perform any other provision or covenant of this Agreement to be observed or performed by STAC, where such failure continues for thirty (30) days after notice thereof to STAC provided, however, that if the nature of the default is such that the same cannot reasonably be cured within such thirty (30) day period, STAC shall not be deemed to be in default if STAC shall within such period commence such cure and thereafter diligently prosecute the same to completion, and advise Port of same, but in no event for longer than sixty (60) days after notice to STAC without the consent of Port.

(e) The filing of a petition by or against STAC for relief in bankruptcy or insolvency or for its reorganization or for the appointment pursuant to any local, state or federal bankruptcy or insolvency law of a receiver or trustee of any part of STAC's property; or, an assignment by STAC for the benefit of creditors; or the taking possession of the property of STAC by any local, state or federal governmental officer or agency or court-appointed official for the dissolution or liquidation of STAC or for the operating, either temporarily or permanently, of STAC's business, provided, however, that if any such action is commenced against STAC the same shall not constitute a default if STAC files a motion to dismiss such action within thirty (30) days after its filing and such action is dismissed or discharged within ninety (90) days after the action against STAC was commenced.

(f) Notwithstanding anything set forth in Sections 9.01. (a), (b) and (c) above to the contrary, in no event shall Port be obligated to send more than two (2) notices for any single default under an article of this Agreement in any twelve (12) month period for any of the failures described in those subsections. The same default occurring after Port has sent two (2) notices for such default within a twelve (12) month period shall be an automatic Event of Default hereunder and Port shall be entitled to exercise its rights and remedies hereunder. In any event, more than six (6) Events of Default in any twelve (12) month period will render the next default an automatic Event of Default

hereunder and Port shall be entitled to exercise its rights and remedies hereunder.

(g) A default by STAC, which is not cured within the applicable cure period in any other agreement entered into with Port relating to the Airport.

9.02. Remedies of Port. Upon the occurrence and during the continuance of an Event of Default, Port shall have the following rights and remedies in addition to all other rights and remedies available to Port at law or in equity.

(a) Port may terminate this Agreement and STAC's rights hereunder at any time by written notice to STAC. STAC expressly acknowledges that in the absence of such written notice from the Port, no other act of Port, including, but not limited to, its use of the Aeronautical Equipment, and its leasing of the Aeronautical Equipment, its exercise of any other rights and remedies under this Section 9.02, shall constitute an acceptance of STAC's surrender, or constitute a termination, of this Agreement. Upon such written notice, this Agreement shall terminate and Port shall be entitled to recover any and all actual damages from STAC for such breach, including but not limited to the following:

- (i) the reasonable cost of recovering the use of the Aeronautical Equipment; plus
- (ii) the reasonable cost of removing any alterations to the Aeronautical Equipment, , regardless of any claim or allegation by STAC that the Port authorized such alteration contrary to Section 4 of Exhibit B; plus
- (iii) any other amount not otherwise covered by the foregoing provisions necessary to compensate the Port for all the detriment proximately caused by STAC's failure to perform its obligations under this Agreement.

(b) Port may continue this Agreement in full force and effect and may enforce all of its rights and remedies under this Agreement, including, but not limited to, the right to recover fees as they become due. During the continuance of an Event of Default, Port may use, lease or license all or any part of the Aeronautical Equipment or Licensed Premises to any person, for such term (which may be a period beyond the remaining Term of this Agreement), at such fees and on such other terms and conditions as Port deems advisable without terminating this Agreement. In the event of any use, lease or license, monies and rents received by the Port from such use, lease or license shall be applied (1) first, to the payment of fees then due and payable hereunder; (2) second, to the payment of future fees as the same may become due and payable hereunder; (3) third, to the payment of the costs of maintaining, preserving, altering and preparing the Aeronautical Equipment for use, lease or license, the other costs of use, lease or license, including but not limited to brokers' commissions, attorneys' fees and expenses of removal of STAC's personal property, trade fixtures and alterations to the Aeronautical Equipment regardless of any claim or allegation by STAC that the Port authorized such alteration contrary to Section 4 of Exhibit B; (4) fourth, the

balance, if any, shall be paid to STAC upon (but not before) expiration of the Agreement.

(c) During the continuance of an Event of Default, Port may, without terminating this Agreement, remove and store all of STAC's personal property, alterations to the Aeronautical Equipment and trade fixtures from the Airport. If Port removes and stores such property, and if STAC fails to pay the cost of such removal and storage after written demand therefor and/or to pay any rent then due, then after the property has been stored for a period of thirty (30) days or more, Port may sell such property at public or private sale, in the manner and at such times and places as Port deems commercially reasonable following reasonable notice to STAC of the time and place of such sale. The proceeds of any such sale shall be applied first to the payment of the expenses for removal and storage of the property, the preparation for and the conducting of such sale, reasonable attorneys' fees and other legal expenses incurred by STAC in connection therewith, and the balance shall be applied as provided in Section 9.02(b) above. STAC hereby waives all claims for damages that may be caused by Port's taking possession of the Aeronautical Equipment or removing or storing STAC's personal property pursuant to this Section 9.02, and STAC shall hold Port harmless from and against any loss, cost or damage resulting from any such act, except to the extent caused by the Port's gross negligence or willful misconduct. No reentry by Port shall constitute or be construed as a forcible entry by Port.

(d) Port may require STAC to remove any and all alterations from the Aeronautical Equipment or, if STAC fails to do so within thirty (30) days after Port's request, Port may do so at STAC's expense.

(e) Port may cure the Event of Default at STAC's expense. If Port pays any sum or incurs any expense in curing the Event of Default, STAC shall reimburse Port upon demand for the amount of such payment or expense with interest at the rate of the lower of one and one half percent (1.5%) per month and the highest rate permitted by law from the date the sum is paid or the expense is incurred until Port is reimbursed by STAC.

(f) Any amounts collected with respect to unpaid fees pursuant to action taken under this Article 9 shall be paid to the Port.

(g) STAC acknowledges and agrees that the Port may recover any and all unpaid amounts under this Agreement through the Airport rates and charges mechanism under a Signatory and Lease Operating Agreement or other rates and charges mechanism in place at the time of the Event of Default.

9.03. Remedies; No Waiver. No remedy herein conferred upon or reserved to the Port is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power occurring upon any default shall impair any right or power or be

construed to be a waiver, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Port to exercise any remedy reserved to it in this Article 9, it shall not be necessary to give any notice other than such notice as may be herein expressly required.

9.04. Rights and Duties Upon Termination or Expiration. Upon expiration or earlier termination of this Agreement, STAC shall deliver in the manner, at the times, and to the extent, if any, directed by Port, all Aeronautical Equipment in STAC's control, and all reports and other materials produced as a part of, or acquired in connection with the performance of this Agreement. This section shall survive termination of this Agreement.

9.05. Disputed Obligations. Notwithstanding anything to the contrary in this Agreement, if a dispute arises between Port and STAC with respect to any obligation or alleged obligation of STAC to pay money, the payment under protest by STAC of the amount claimed by Port to be due shall not waive any of STAC's rights, and if any court or other body having jurisdiction including Port determines that all or any part of the protested payment was not due, then Port shall as promptly as reasonably practicable reimburse STAC any amount determined as not due.

ARTICLE 10 TAXES AND LIENS

10.01. Taxes, Assessments, Licenses, Permit Fees and Liens.

(a) Payment of all taxes, assessments and charges of a like nature, if any, including personal property taxes, possessory interest taxes, including state leasehold excise tax and sales and use taxes, levied upon or as a result of this Agreement, or the services delivered pursuant hereto, shall be the obligation of STAC.

(b) STAC agrees to pay taxes of any kind that may be lawfully assessed on the interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on STAC's usage of the Aeronautical Equipment and Licensed Premises that may be imposed upon STAC by law, all of which shall be paid when the same become due and payable and before delinquency.

(c) STAC agrees not to allow or suffer a lien for any taxes that are due and payable during the time period attributable to the Term of this Agreement to be imposed upon the Aeronautical Equipment without promptly discharging the same; provided, that STAC, if so desiring, may have reasonable opportunity to contest the validity of the same.

(d) Tax Payment Verification. STAC shall provide to Port, upon ten (10) days prior notice and at no cost, any information deemed necessary by Port to verify taxes paid on the Aeronautical

Equipment or Licensed Premises with respect to Port or to the municipality or authority with taxing jurisdiction of the Aeronautical Equipment or Licensed Premises.

(e) **Tax Proration.** Upon termination of this Agreement, all lawful taxes then levied as a lien upon any of such property or taxable interest therein, as appropriately prorated if applicable, shall be paid in full by STAC immediately, or as soon as a statement of taxation has been issued by the appropriate taxing authority if termination occurs during the interval between the attachment of the lien and the issuance of a statement.

10.02. Other Liens. STAC agrees not to permit or suffer any vendors', mechanics', laborers', materialmen's, statutory or other liens to be imposed upon the Aeronautical Equipment, Licensed Premises or any part thereof, or on STAC's interest therein as a result of its activities without promptly discharging the same; provided, however, that STAC may, if it so desires, contest such liens in good faith. STAC shall in no event permit any lien to be imposed on the Port's interest as licensor and fee owner of the Aeronautical Equipment and Licensed Premises as a consequence of any act or omission of STAC or as a consequence of the existence of STAC's interest under this Agreement without promptly discharging the same; provided, however, that STAC shall have no obligation with respect to any lien arising by, through or under the Port. In the event of a contest, STAC shall provide a bond in an amount and form acceptable to Port in order to clear the record of any such liens. STAC shall assume the defense of and indemnify and hold harmless the Port against any and all liens and charges of any and every nature and kind which may at any time be established against said Aeronautical Equipment and/or Licensed Premises and improvements thereto and thereon owned by the Port, subject to this Agreement, or any part thereof, as a consequence of any act or omission of STAC or as a consequence of the existence of STAC's interest under this Agreement.

ARTICLE 11 **ENVIRONMENTAL STANDARDS**

11.01. Environmental Definitions. For purposes of this Article 11, the following terms shall have the following meanings:

(a) "Environmental Law" means any environmentally related state or federal law, regulation, ordinance, permit or order (including without limitation any final order of any court of competent jurisdiction), now or hereafter in effect.

(b) "Hazardous Substances" means any substance or material defined or designated as a hazardous waste, toxic substance, or other pollutant or contaminant by any Environmental Law.

(c) “Release” means any spilling, leaking, pumping, pouring, emitting, discharging, leaching, dumping or disposing into or on any property or the environment. Petroleum spills of less than five (5) gallons are excluded unless water or soil are impacted.

11.02. Restriction on Hazardous Substances. STAC shall not allow the presence or Release on the Airport of any Hazardous Substance that is in violation of any Environmental Law. STAC shall not allow any Hazardous Substances first Released during the Term to migrate off the Airport or allow the Release of any Hazardous Substances into adjacent surface waters, soils, underground waters or air in violation of any Environmental Law. At the Port’s written request, STAC shall provide the Port with STAC’s USEPA Waste Generator Number. STAC shall immediately notify the Port in writing should STAC become aware of: (1) any Release of any Hazardous Substances or the occurrence of any other environmental problem or liability with respect to the Airport or any real property adjoining or in the vicinity of the Airport; (2) any notice given to Airline from any third party with respect to any Release or threat of Release of any Hazardous Substances; or (3) the commencement of any litigation or any information relating to any threat of litigation relating to any alleged unauthorized Release of any Hazardous Substances or other environmental contamination, liability or problem with respect to the Airport. In addition to any remedy provided in this Agreement, the Port shall be entitled to full reimbursement from STAC whenever the Port incurs any reasonable costs directly attributable to STAC’s use or management of Hazardous Substances at the Airport, including but not limited to, costs of clean-up or other remedial activities, fines or penalties assessed directly against the Port, and injuries to third persons or other properties.

11.03. Compliance and Remediation. STAC shall at all times conduct its business at the Airport in compliance with all applicable Environmental Laws and if STAC or the Licensed Premises is in violation of any Environmental Law concerning the presence, use, Release or threat of Release of Hazardous Substances or any other Environmental Law (whether or not pertaining to Hazardous Substances), STAC shall promptly take such action as is reasonably necessary to remedy and cure the violation.

11.04. Port Remedies. If STAC, or the Airport because of actions that occur during the Term, is in violation of any Environmental Law concerning Hazardous Substances and STAC does not act promptly to take such action as is reasonably necessary to remedy and cure the violation, the Port has the right, but not the obligation, to act in place of the STAC (STAC hereby appoints the Port as its agent for such purposes) and to take such action reasonably necessary to cure the violation. If the Port has a reasonable belief that STAC’s actions or inactions present a threat of violation or a threat of damage to the Airport, the Port reserves the right to take such corrective or mitigating action as the Port deems reasonably necessary. All reasonable costs and expenses incurred by the Port in connection with any such actions shall become due and payable by STAC thirty (30) days after presentation of an invoice to the extent caused by STAC’s violation of Environmental Law.

11.05. Environmental Indemnity. Without limiting any indemnities provided in this Agreement for other than environmental matters, and except for Excluded Environmental Claims, as hereinafter defined, STAC agrees to defend, indemnify and hold the Port free and harmless from any and all claims, causes of action, regulatory demands, liabilities, fines, penalties, losses, and expenses, including without limitation clean-up or other remedial costs (and including actually incurred reasonable attorneys' fees, costs and all other reasonable litigation expenses when incurred and whether incurred in defense of actual litigation or in reasonable anticipation of litigation), arising from the existence or discovery of any Hazardous Substance on the Licensed Premises or at the Airport, or the Release of any Hazardous Substance from the Licensed Premises to other properties or into the surrounding environment or from any other violation of Environmental Law, whether made, commenced or incurred during the Term, or made, commenced or incurred after the expiration or termination of this Agreement, directly attributable to STAC's actions during the Term or any holdover period. For purposes of this Section 11.05, "Excluded Environmental Claims" shall mean, any claims, causes of action, demands, liabilities, fines, penalties, costs, expenses or any other liabilities, to the extent caused by or arising from (A) the migration of Hazardous Substances not first Released during the Term; and (B) the movement of Hazardous Substances first Released outside the Licensed Premises onto or under the Licensed Premises due to leaching or the flow of groundwater, provided that STAC is not otherwise responsible for the off-Licensed Premises Release that introduced the migrating Hazardous Substances into the environment.

**ARTICLE 12
NON-DISCRIMINATION**

12.01. Federal Nondiscrimination Regulations.

(a) STAC does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which a United States Department of Transportation/Federal Aviation Administration program or activity is extended or for another purpose involving the provision of similar services or benefits, STAC shall maintain and operate such facilities and services in compliance with all requirements imposed by the "Acts and Regulations" (as may be amended) such that no person on the grounds of race, color or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities. The "Acts and Regulations" referenced in this Section mean Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the secretary, part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964 and as said Regulations and Acts may be amended.

(b) STAC for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that: (i) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or

be otherwise subjected to discrimination in the use of said facilities, (ii) in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied benefits of, or otherwise be subjected to discrimination, and (iii) STAC shall use the property in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.

(c) STAC assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates STAC or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the provision obligates STAC or any transferee for the longer of the following periods: (i) the period during which the property is used for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (ii) the period during which the Port or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract.

(d) STAC will, at the timely request of the Port, (a) provide access to records, facilities and staff as necessary to comply with DOT/FAA compliance reviews and/or complaint investigations conducted by the DOT/FAA; and (b) provide information needed for preparation of necessary reports or to meet evaluation requirements of the DOT/FAA.

(e) STAC hereby assures that it will include the above clauses in any subcontract(s) approved by the Port and cause subcontractor(s) to similarly include clauses in further subcontracts.

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

**ARTICLE 13
MISCELLANEOUS PROVISIONS**

13.01. No Personal Liability. No director, officer, agent or employee of either party shall be charged personally or contractually liable by or to the other party under any term or provision of this Agreement or because of any breach of this Agreement or because of their execution or attempted execution of this Agreement.

13.02. Governing Law. This Agreement shall be deemed to have been made in, and be construed in accordance with the laws of, the State of Washington.

13.03. No Waiver. No waiver of default of any of the terms, covenants and conditions of this Agreement to be performed, kept and observed by the other party shall be construed as, or operate as, a waiver of any subsequent default of any of the terms, covenants or conditions of this Agreement to be performed, kept and observed by the other party.

13.04. No Exclusive Remedy. No remedy provided by this Agreement shall be deemed to be exclusive.

13.05. Subordination to Sponsor's Assurance Agreement. This Agreement shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or like agreement that has been or may be furnished to the FAA by the Port or required by law.

13.06. SEC Rule 15c2-12. Airline, upon request by the Port, shall provide the Port with such information as the Port may reasonably request in writing to comply with the Port's continuing disclosure requirements under SEC Rule 15c2-12 as it may be amended from time to time, *provided*, however, that Airline may in lieu of providing the requested information direct the Port to an Airline or SEC website where the requested information is then currently available.

13.07. Force Majeure. Neither the Port nor STAC shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations under this Agreement by reason of strikes, boycotts, labor disputes subject to the provisions of Section 13.18, embargoes, shortages of material, acts of terrorism, riots, rebellion, sabotage or any other casualty which is not within its control; *provided*, however, that these provisions shall not excuse STAC from payment of any Fees, rents and other charges specified in Article 3.

13.08. Severability. In the event any covenant, condition or provision in this Agreement is held to be invalid by a court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenant, condition or provision in this Agreement, provided the invalidity of any such covenant, condition or provision does not materially prejudice either the Port or STAC in their respective rights and obligations contained in the valid covenants, conditions and provisions of this Agreement.

13.09. Headings. The headings of the several sections of this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provisions of this Agreement, and shall not be construed to affect in any manner the

terms and provisions, of or the interpretation or construction, of this Agreement.

13.10. Exclusiveness of STAC's Rights. Nothing contained in this Agreement shall be deemed to grant to STAC any exclusive right or privilege within the meaning of 49 U.S.C. § 40103(e) with respect to activity on the Airport. Notwithstanding the foregoing, to the extent that the Port is permitted to do so under applicable state or federal laws, grant assurances and regulations, and except as otherwise provided in this Section 13.10, the Port agrees that STAC shall conduct all Services at the Airport pursuant to this Agreement. In the event that the Federal Aviation Administration, any other state or federal agency having jurisdiction over the Airport or the Port or any court determines (in a written decision or determination) that the Port's agreement under this Section 13.10 violates any applicable state or federal law, grant assurances or regulation, then, except as otherwise provided in this Section 13.10, the Port agrees that it will not authorize or permit Services at the Airport except to the extent permitted under such laws, grant assurances and regulations.

13.11. Withholding Required Approvals. Whenever the approval or consent of the Port or STAC is required by this Agreement, no such approval or consent shall be unreasonably refused, withheld or delayed.

13.12. Successors and Assigns. All of the terms, provisions, covenants, stipulations, conditions and considerations in this Agreement shall extend to and bind the legal representatives, successors, and assigns of each party to this Agreement.

13.13. Amendments. The provisions of this Agreement may not be amended or the scope of the Agreement revised or expanded, except by a written instrument signed by the Port and STAC.

13.14. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

13.15. No Joint Venture. It is expressly agreed that the Parties are not, in any way or for any purpose, partners and therefore do not assume any responsibilities for one another.

13.16. Attorneys' Fees. In the event that either party shall be required to bring any action to enforce any of the provisions of this Agreement, or shall be required to defend any action brought by the other party with respect to this Agreement, and in the further event that one party shall substantially prevail in such action, the losing party shall pay all of the prevailing party's reasonable costs and reasonable attorneys' fees as determined by the court. In the event the Port or STAC is represented by in-house attorneys in such action, such attorneys' fees shall be computed at hourly rates charged by attorneys of comparable experience in private practice in Seattle; *provided*, however, that STAC shall only be required to pay to the Port the difference between the total attorneys' fees owed by STAC and the amount direct billed to the Port by its in-house counsel.

13.17. Notices. All notices and payments under this Agreement may be delivered or mailed. If delivered by messenger or courier (including overnight air courier), they shall be deemed delivered when received at the street addresses provided in this Section 13.17. If mailed, they shall be sent to the Port's Address and STAC's Address as provided in this Section 13.17, respectively, or to such other respective addresses as either party may from time to time designate in writing. All notices and payments mailed by regular post (including first class) shall be deemed to have been given on the second business day following the date of mailing, if properly mailed and addressed. Notices and payments sent by certified or registered mail shall be deemed to have been given on the third business day following the date of mailing, if properly mailed and addressed. For all types of mail, the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing.

Unless otherwise provided in this Agreement, any notice shall be effective upon its actual receipt, but, in any event, shall be presumed to have been received by the addressee no later than forty-eight (48) hours after deposit of same in mail, or on the first working day after said forty-eight (48) hour period, whichever occurs later. Either party shall have the right, by giving notice to the other, to change the address at which its notices are to be received. Until any such change is made, notices shall be addressed and delivered as follows:

(a) If intended for Port:

Name of Office
Street Address
Attention:

With a copy to:

Name of Office
Street Address
Attention:

(b) Notices to STAC shall be mailed to:

Seattle-Tacoma Airlines Consortium, LLC
Address to be determined
Attention: Chairperson

13.18. Labor Disputes. STAC agrees to use reasonable efforts to avoid disruption to the Port, its tenants or members of the public, arising from labor disputes involving STAC, and in the

event of a strike, picketing, demonstration or other labor difficulty involving STAC, to use its good offices, including the utilization of available legal remedies, to minimize or eliminate any disruption to the Port, its tenants or members of the public, arising from such strike, picketing, demonstration or other labor difficulty.

IN WITNESS, WHEREOF, the parties hereto have caused this Equipment Lease and Use Agreement between STAC and Port to be executed as of the dates provided on the following page.

PORT OF SEATTLE

_____ Signature

By:
It's:

_____ Date

Seattle-Tacoma Airlines Consortium, LLC

_____ Signature

Chairperson

_____ Date

Approved as to form:

EXHIBIT A

Aeronautical Equipment List

Existing Equipment:

UNITS	EQUIPMENT	ANTICIPATED DELIVERY	Equipment Numbers
3	COBUS 3000 Buses	Existing	1628, 1629, 1630

Equipment Being Procured

UNITS	EQUIPMENT	ANTICIPATED DELIVERY	Unit IDs
4	400 Hz Mobile Units	Q2 - 2017	TBD
8	PC Air Mobile Units	Q2 - 2017	TBD
2	Widebody ADA Mobile Ramp	Q2 - 2017	TBD
4	Narrowbody ADA Mobile Ramp	Q2 - 2017	TBD
4	COBUS 3000 Buses	Q2 - 2017	TBD

EXHIBIT B

MAINTENANCE STANDARDS

I. Definitions:

1. Provider: Port of Seattle Aviation Maintenance Fleet Management Services Section
2. Customer: Seattle Tacoma Airline Consortium
3. Aeronautical Equipment or Equipment includes all Port owned equipment, including Cobus units, identified in Exhibit A, as may be amended, to the Lease and Operating Agreement between the Port of Seattle and Seattle-Tacoma Airline Consortium (“Agreement”).
4. All other defined terms shall have the same meaning as in the Agreement.

II. Responsibilities of Provider:

1. Maintenance Responsibilities:

- 1.1. Provide a life-cycle management service in coordination with the customer.
- 1.2. Propose all fleet policy and procedures.
- 1.3. Coordinate Aeronautical Equipment replacement in consultation with Customer.
- 1.4. Ensure all authorized acquisitions are delivered on schedule.
- 1.5. Dispose of surplus Aeronautical Equipment as needed and in accordance with Provider policies.
- 1.6. Upon request, provides consultation on any service provided by Provider.
- 1.7. Sets custom service levels as needed for specific units of the Aeronautical Equipment.
- 1.8. In coordination with Customer, sets preventive maintenance schedules for the Aeronautical Equipment and notifies Customer when Preventive Maintenance is due and service has been completed.
- 1.9. Responds to service calls or contacts outside service providers, such as towing, for response.
- 1.10. Arranges for collision repair as soon as authorized by the Provider, assuming a repair vs. replacement analysis supports it.
- 1.11. Delivers Aeronautical Equipment unit to the appropriate shop for diagnosis and corrective action and informs Customer of job time and provides cost estimates.
- 1.12. Maintains a small inventory of parts and supplies that may be needed for emergency or after-hours repairs.
- 1.13. Schedules and completes warranty and recall tasks upon notification and need.
- 1.14. Arranges for all authorized up-fitting activities to meet set schedules.
- 1.15. Completes all in-service prep in accordance with set standards and schedules.
- 1.16. Completes all disposal prep and delivery to disposal site in accordance with set standards and schedules.

- 1.17. Responds to Customer's report and request for reactive repairs and develops action plan to correct reported issues.
- 1.18. Adequately maintains all safety related equipment as provided or installed on Aeronautical Equipment units.
2. Data, Records and Reports:
 - 2.1. Manages and maintains all Aeronautical Equipment maintenance and repair records and makes copies of records available to Customer upon request.
 - 2.2. Captures utilization information from service tickets, work orders, fuel reports, and other utilization reports from Customer.
 - 2.3. Maintenance expenses – Provider will capture all ownership costs for each unit in the fleet and provide monthly expense summaries to the Customer.
3. Registrations and Titles:
 - 3.1. Obtains and maintains titles and registrations for all Aeronautical Equipment units.
 - 3.2. Provides necessary documents to include with each Aeronautical Equipment unit, where applicable, including accident forms.
4. Inventory Tracking
 - 4.1. Provider responsible for tracking Aeronautical Equipment while in its possession.

III. Responsibilities of Customer:

1. Ensures that all Aeronautical Equipment units are operated safely and within unit design standards.
2. Informs Provider if documents included with each Aeronautical Equipment unit, such as proof of insurance and accident forms, are no longer found in a specific unit.
3. Preventive Service:
 - 3.1. Reports maintenance needs of Aeronautical Equipment to Provider, including accurate and reasonable timelines for required return to service.
 - 3.2. Completes Vehicle Inspection Report driver/operator checklist per shift.
 - 3.3. Maintains the interior cleanliness of each aeronautical equipment unit as applicable.
 - 3.4. Minimize engine idle time whenever possible, pursuant to Administrative Regulation.
 - 3.5. Schedules Preventive Maintenance with Provider when due or reasonably thereafter.
4. Repairs: Customer agrees to report unplanned repairs requirements immediately upon occurrence or discovery.
5. Collision Repair:
 - 5.1. Reports collisions within 24 hours of event. Collisions and damage are reported to Provider and Port Risk Management in accordance with Attachment A.
 - 5.1.1. Collisions include incidents in which another party or other property is involved, including collisions in which there is no apparent physical damage to the Aeronautical Equipment.

- 5.2. Damaged Aeronautical Equipment must be left near collision site but out of interference with other users of the airfield, or left at approved parking area if Equipment is in drivable condition. Equipment not in drivable condition will be towed or hauled by Provider.
- 5.3. Customer remains with the damaged Equipment until Provider arrives and takes responsibility [or possession].
6. Insurance:
 - 6.1. Provides necessary proof of insurance documents to include with each Aeronautical Equipment unit, where applicable.
7. Inventory Tracking:
 - 7.1. Customer responsible for tracking Aeronautical Equipment while in its possession.

IV. PROVIDER CONTACTS

1. Provider: (206) 787-6884
2. Automotive Shop for Ground Support Equipment: (206) 787-5297; 2307 South 161st Street, SeaTac, WA 98158
3. Bus Maintenance Shop: (206) 787-7944; 2585 S 194th Street, SeaTac, WA 98188
4. Email address:
5. Emergency Contacts: To be determined.

V. PROVIDER HOURS OF SERVICE

1. Regular Service Hours:

- 1.1. Management Office: 7:00 AM to 4:00 PM Monday through Friday except holidays.
- 1.2. Maintenance Office and Shop: 6:00 AM to 10:00 PM Monday thru Friday, except holidays.

2. After Hours and Emergencies:

- 2.1. Provider will provide service 24/7 during natural disasters or as requested by Customer to support them during an emergency service. Please contact one of the individuals listed in Provider Contacts.

3. Repair vs. Replacement Analysis

- 3.1 Provider will perform a cost analysis for each incident to determine if repairing or replacing a damaged unit is the best method overall
- 3.2 Customer will help this process by determining the need and urgency of the damaged unit.

4. Modifications, Fabrications, and Improvements

- 4.1. Customer will make no modifications, alterations or improvements to the Aeronautical Equipment, without first obtaining written permission from the Provider.

ATTACHMENT A

Risk Management Customer Collision Reporting Requirements

1. All incidents on AOA to be reported:
 - a. Physical damage only to bus resulting from collisions;
 - b. Physical damage to bus and to other property (i.e. bus and plane)
 - c. Physical damage to bus (and/or other property) and injury to third party (non-passenger)
 - d. Any incident involving a third party for injury (even if no physical bus damage)
 - e. Any incident involving an on board passenger (even if no physical damage)
2. Customer will need to report incidents/collisions to a Port ADM or other Port person who will enter the incidents into the Port's on-line risk reporting system Origami.
3. Provider Risk Management would have a system to review each incident and conduct a driver review
4. A threshold will be established by Customer for progressive incidents involving the same drivers to include termination.

EXHIBIT D

DESCRIPTION OF SERVICES

Hardstand Services

The management and operation of transporting passengers and crew between the airport terminal and remote hardstand locations.

EXHIBIT E

EQUIPMENT USE AGREEMENT

This Equipment Use Agreement is made and entered into as of _____, by and between Seattle-Tacoma Airline Consortium, LLC., a Washington limited liability company (“STAC”) and airline name (“Non-Member Air Carrier”).

WHEREAS, the Port (as defined below) owns and operates the Seattle-Tacoma International Airport (the “Airport”), located in Seattle, Washington and has the power to grant rights and privileges with respect thereto; and

WHEREAS, the Port owns certain equipment and systems serving the Airport; and

WHEREAS, pursuant to the Equipment Lease and Use Agreement (as defined below), the Port has granted to STAC the right and obligation, to operate, and use the Aeronautical Equipment, on the terms and conditions set forth in the Equipment Lease and Use Agreement; and

WHEREAS, pursuant to the terms of the Equipment Lease and Use Agreement, STAC may require, that parties desiring to use of the Aeronautical Equipment execute an Equipment Use Agreement with STAC as a condition precedent to the use of any of the Aeronautical Equipment; and

WHEREAS, STAC has chosen a STAC Vendor for the purpose of operating and using the Aeronautical Equipment, all pursuant to the Equipment Lease and Use Agreement; and

WHEREAS, STAC has chosen a Consortium Manager for the purpose of managing the STAC Vendor and administering this Equipment Use Agreement on behalf of STAC; and

WHEREAS, Non-Member Air Carrier desires to use the Aeronautical Equipment for providing passenger and flight services (the “Services”, as defined below) to itself or other Air Carriers (as defined below) at Licensed Premises, (as defined below) requiring Non-Member Air Carrier to use certain equipment operated by STAC pursuant to the Equipment Lease and Use Agreement; and

WHEREAS, STAC desires to grant Non-Member Air Carrier access to and use of the Aeronautical Equipment for the purpose of providing the Services to itself or other Air Carriers at Licensed Premises;

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements contained herein, STAC and Non-Member Air Carrier hereby agree as follows:

[Intentionally Left Blank]

ARTICLE I
DEFINITIONS

SECTION 1.01 - Definitions

A. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Equipment Lease and Use Agreement.

B. The following terms and phrases shall have the following meanings for purposes of this Equipment Use Agreement:

“Aeronautical Equipment” means collectively, the Aeronautical Equipment operated by STAC under the terms of the Equipment Lease and Use Agreement, whether owned by Port or STAC and used by Non-Member Air Carrier in performing the Services, including all additions, modifications, repairs and replacements of such equipment.

“Air Carrier” means an “air carrier” or “foreign air carrier” as such terms are defined in 49 U.S.C. § 41102 or a Cargo Carrier under 49 U.S.C. § 41103, as amended, or any successor provision thereto, and which is operating at the Airport.

“Airport” means Seattle-Tacoma International Airport, located in the Port of Seattle, State of Washington, United States of America.

“Consortium Manager” means a qualified independent contractor selected by STAC to manage the STAC Vendor and STAC Vendor Agreements, and who is delegated authority to act on behalf of STAC in exercising certain specified rights and obligations of STAC, including those arising under this Equipment Use Agreement.

“Effective Date” means the date stated in the first paragraph of this Equipment Use Agreement.

“Equipment Use Fees” means those fees calculated pursuant to Article VI of this Equipment Use Agreement.

“Event of Default” shall have the meaning given to it in Article 9 of this Equipment Use Agreement.

“Equipment Lease and Use Agreement” means that certain Equipment Lease and Use Agreement dated as of _____, by and between the Port and STAC.

“Licensed Premises” means the Airfield at the Airport and areas licensed by the Port to STAC for parking and use of the Aeronautical Equipment.

"Non-Member Air Carrier" means an Air Carrier that has entered into this Equipment Use Agreement with STAC.

"Port" means the Port of Seattle, a municipal corporation that owns, and operates the Seattle-Tacoma International Airport.

"Schedule of Rules and Regulations" means the rules and regulations adopted by Port for the operation of the Airport, as the same may be amended from time to time.

"Services" means those certain services that are designated as the responsibility of STAC, as described in Exhibit D of the Equipment Lease and Use Agreement, and as may be modified from time to time upon mutual written agreement between STAC and the Port.

"STAC Vendor" means one or more qualified independent vendors or service providers, engaged by: (i) to provide the Services; or (ii) to provide any other such Services specified by STAC.

SECTION 1.02 - Interpretation

In this Equipment Use Agreement, unless otherwise expressly indicated:

(a) the terms "hereby", "herein", "hereof", "hereto", "hereunder" and any similar terms used in this Equipment Use Agreement refer to this Equipment Use Agreement;

(b) all Article and Section references, unless otherwise expressly indicated, are to Sections of this Equipment Use Agreement;

(c) words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(a) any headings preceding the text of the Articles and Sections of this Equipment Use Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Equipment Use Agreement, nor shall they affect its meaning, construction or effect;

(e) words importing the singular shall include the plural and vice versa;

(f) this Equipment Use Agreement shall be governed and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed in the State of Washington;

(g) all the agreements or instruments herein defined shall mean such agreements or instruments as the same may from time to time be supplemented or amended or the terms thereof

waived or modified to the extent permitted by, and in accordance with, the terms thereof;

(h) references to statutes, sections or regulations are to be construed as including all statutory or regulatory provisions consolidating, amending, replacing, succeeding or supplementing the statute, section or regulation referred to; and

(i) the words “including,” “includes” and “include” shall be deemed to be followed by words “without limitation” or “but not limited to” or words of similar import.

ARTICLE II

RIGHTS OF STAC

SECTION 2.01 - Access

STAC shall, subject to all other terms and provisions of this Equipment Use Agreement, provide Non-Member Air Carrier such access to the Aeronautical Equipment as may be reasonably necessary to Non-Member Air Carrier's performance of the Services at Licensed Premises.

SECTION 2.02 - Right To Limit Use of Aeronautical Equipment

A. It shall be within the sole and absolute discretion of STAC to determine the specific Equipment that Non-Member Air Carrier may access and use under this Equipment Use Agreement.

B. It shall be within the sole and absolute discretion of STAC to specify the permitted uses for each component of the Aeronautical Equipment and to limit actual use to such specifications.

C. In the event of disputes between two or more parties related to access and use of the Aeronautical Equipment, STAC shall, in its sole discretion, be the arbiter of such disputes.

D. It shall be within the sole and absolute discretion of STAC to limit Non-Member Air Carrier's access to and use of the Aeronautical Equipment; provided, however, that the limitation of Non-Member Air Carrier's access to and use of the Aeronautical Equipment shall not alone serve to terminate this Equipment Use Agreement. Non-Member Air Carrier's obligations hereto shall continue unless and until this Equipment Use Agreement is terminated in accordance with Article V hereof.

SECTION 2.03 - Right To Inspect

A. STAC shall have the right to inspect the Aeronautical Equipment used by Non-Member Air Carrier to determine that the Aeronautical Equipment is being used for the purposes specified by STAC and that, ordinary wear and tear excepted, the Aeronautical Equipment is in good

condition.

B. STAC shall have the right, from time to time, in its sole discretion, to inspect vehicles, other equipment, and the operations of Non-Member Air Carrier at Licensed Premises, for compliance with the standards established by the rules and regulations of STAC and the Port. Upon request of STAC, Non-Member Air Carrier shall operate or demonstrate any vehicles or equipment owned by or in the possession of Non-Member Air Carrier on the Airport for use with the Aeronautical Equipment, or to be placed on or brought to Licensed Premises, and shall demonstrate any procedure or other activity being performed or to be performed by Non-Member Air Carrier.

C. Upon notification by STAC, or its agents, of any deficiency in any vehicle, piece of equipment or procedure that would (i) constitute a safety hazard or (ii) cause an increased insurance cost to STAC, Non-Member Air Carrier shall immediately make good the deficiency, withdraw the vehicle or piece of equipment from service or modify the procedure. The failure of STAC to so notify Non-Member Air Carrier shall not obviate the obligations of Non-Member Air Carrier hereunder.

SECTION 2.04 - Limitation of Liability

A. STAC shall not be liable for any damage to Non-Member Air Carrier's property or for any loss of revenue or for any neglect of Non-Member Air Carrier with respect to the maintenance or operation of the Aeronautical Equipment.

B. STAC shall not be liable for any damage to Non-Member Air Carrier's property or for any loss of revenue or for any neglect of Non-Member Air Carrier with respect to the use of the Aeronautical Equipment.

C. STAC shall not be liable for any damage to Airport property or for any loss of revenue or for any neglect of Non-Member Air Carrier with respect to Airport property.

D. STAC shall not be responsible for the repair or replacement of any Aeronautical Equipment damaged by Non-Member Air Carrier, its employees, agents, invitees or others doing business with it.

E. STAC shall not be responsible for any accidents or injuries of whatever nature to persons or property caused by the Non-Member Air Carrier's use or operation of the Aeronautical Equipment, and shall remain harmless from any penalties for violations of its operation, or from any and all claims, suits, losses, damages or injuries to persons or property of whatever kind or nature arising directly or indirectly out of the Non-Member Air Carrier's use or operation of the Aeronautical Equipment, or resulting from any acts, omissions, willfully tortious conduct or neglect of Non-Member Air Carrier, its agents, or employees.

ARTICLE III

OBLIGATIONS OF NON-MEMBER AIR CARRIER

SECTION 3.01 - Access

A. In connection with this Equipment Use Agreement, STAC agrees to permit Non-Member Air Carrier access to and use the Aeronautical Equipment for Non-Member Air Carrier's use as necessary to provide the Services. Subject to all other terms and conditions of this Equipment Use Agreement, Non-Member Air Carrier shall have such non-exclusive easements and non-exclusive rights of way as are reasonably necessary for Non-Member Air Carrier's use and operation of the Aeronautical Equipment. Nothing in this Equipment Use Agreement, however, shall convey to Non-Member Air Carrier any greater rights than those rights conveyed by Port to STAC under the terms of the Equipment Lease and Use Agreement.

B. Non-Member Air Carrier understands and agrees that STAC's grant of rights with respect to the Aeronautical Equipment as set forth in this Equipment Use Agreement is "as-is", without any representation or warranty, either express or implied, by STAC with respect to (i) the fitness for any particular purpose or merchantability of any item or items of Aeronautical Equipment, (ii) STAC's title, (iii) Non-Member Air Carrier's right to the quiet enjoyment of Aeronautical Equipment, except as otherwise provided herein, or (iv) the design or condition of or as to the quality of the material, equipment or workmanship in the Aeronautical Equipment.

C. Non-Member Air Carrier shall use, and shall cause each of its officers, employees, agents and contractors to use, the highest degree of care when entering the Airport. In the case of property owned by Port, or property owned by and leased from Port, Non-Member Air Carrier shall comply and shall cause each of its officers, employees, agents, and contractors to comply with any and all instructions and requirements for the use of such property, any licenses for which being hereby incorporated by reference. Any and all claims, suits, judgments, costs, or expenses, including attorneys' reasonable fees, arising from, by reason of, or in connection with any such entry shall be treated in accordance with the applicable terms and conditions of this Equipment Use Agreement, including, without limitation, the indemnification provisions contained in this Equipment Use Agreement.

SECTION 3.02 - Use

A. While any Aeronautical Equipment is in Non-Member Air Carrier's possession and/or control, Non-Member Air Carrier shall use the Aeronautical Equipment in a safe and appropriate manner. Non-Member Air Carrier shall use the Aeronautical Equipment for no other purposes than those specified by STAC, or in any manufacturer's warranty.

B. Any right to use Aeronautical Equipment under the terms of this Equipment Use

Agreement is granted solely to the Non-Member Air Carrier, and is neither transferable nor assignable without the express written consent of STAC. It shall be within STAC's sole discretion to grant such consent.

C. Non-Member Air Carrier shall, at its own cost, promptly repair, replace or, at STAC's option, reimburse STAC for the repair or replacement of the Aeronautical Equipment or any property owned, leased or controlled by STAC and damaged by Non-Member Air Carrier, its employees, agents, invitees or others doing business with it.

D. Non-Member Air Carrier shall conform, and shall require its employees, agents, invitees and others doing business with it to conform to the general rules and regulations as promulgated by STAC or the Port which are now in effect or which may hereinafter be adopted, regarding the use of all areas of the Airport, including, but not limited to, portions of the Airport to which the general public is not admitted.

SECTION 3.03 - Licenses, Permits and Qualifications

A. Non-Member Air Carrier represents and warrants that it currently possesses all necessary licenses, permits and such other qualifications as may be necessary, pursuant to local, state and/or federal law, to operate at the Airport, and will continue to possess all such necessary licenses, permits and qualifications for the term of this Equipment Use Agreement.

B. It shall be the sole responsibility of Non-Member Air Carrier to identify and secure all licenses, permits and such other qualifications as may be necessary pursuant to local, state and/or federal law, to operate at the Airport. It shall be the responsibility of Non-Member Air Carrier to immediately notify STAC of the termination, for any reason, of any such license, permit or qualification to operate at the Airport. Such termination shall result in the automatic loss of right for access to and use of the Aeronautical Equipment without need for any further notice by STAC.

C. Non-Member Air Carrier expressly acknowledges its responsibility to provide security at the Airport in accordance with 14 CFR Part 107, "Airport Security", as such may be amended from time to time, and with all Airport Schedule of Rules and Regulations concerning security procedures, including the Airport's approved security program. Non-Member Air Carrier expressly acknowledges its responsibility to provide security with respect to airplane operations in accordance with 14 CFR Part 108, "Airplane Operation Security", as such may be amended from time to time and with the Airport Schedule of Rules and Regulations concerning security procedures, including the Airport's approved security program.

D. In the event that Non-Member Air Carrier, or any individual employed by Non-Member Air Carrier, in the use of the Aeronautical Equipment of the performance of the Services to which this Equipment Use Agreement pertains, has (i) unescorted access to or use aircraft located on or at the Airport (ii) unescorted access to or use secured areas or (iii) capability to allow others to have unescorted access to or use such aircraft or secured area, Non-Member Air Carrier

shall be subject to, and further shall conduct with respect to its contractors and their respective employees, such employment investigations, including criminal history record checks, as the Department of Homeland Security, the Federal Aviation Administration, the Transportation Security Administration and Port may deem necessary.

SECTION 3.04 - Standards of Care

A. Non-Member Air Carrier shall act, and cause its officials, agents, employees and contractors to act, in accordance with that degree of skill, care and diligence normally exercised by a company performing similar Services at an airport comparable in size and magnitude to the Airport. In furtherance thereof, Non-Member Air Carrier shall comply with all Airport Schedule of Rules and Regulations, Federal Aviation Administration standards and general codes of conduct including, but not limited to, those set forth in this Equipment Use Agreement. In the event of a conflict between the foregoing standards, the more restrictive standards shall control.

B. The Services and operations of Non-Member Air Carrier, its employees, agents, invitees and those doing business with it shall be conducted in an orderly, professional and proper manner so as not to annoy, disturb or be offensive to others at the Airport. Employees shall also wear appropriate uniforms that identify them as employees of Non-Member Air Carrier.

C. Employees of Non-Member Air Carrier shall wear security badges as required by Airport regulations. Employees who are required to drive vehicles of any kind on the airfield must be properly licensed and thoroughly instructed in airfield driving procedures and regulations.

D. Non-Member Air Carrier shall, at its own expense and on a daily basis, remove from the Airport all garbage, debris and other waste materials arising out of or in connection with its operation hereunder.

E. Non-Member Air Carrier shall not install any fixtures or make any alterations or improvements in, or additions to, any property of STAC or the Aeronautical Equipment, except as may be approved, in writing by the Port, with the concurrence of STAC.

F. Any property of Non-Member Air Carrier placed on or kept at Licensed Premises by virtue of this Equipment Use Agreement shall be removed by Non-Member Air Carrier on or before the revocation or termination of any permission hereby granted, whichever shall be earlier. If Non-Member Air Carrier shall fail to remove such property upon the expiration, termination, or revocation of this Equipment Use Agreement, STAC may, at its option, as agent for Non-Member Air Carrier and at the sole risk and expense of Non-Member Air Carrier, remove such property to a public warehouse, or retain the same in its own possession. In either event, after the expiration of thirty (30) days, STAC may sell the same at public auction. The proceeds of any such sale shall be applied first to the expense of removal, sale and storage and secondly, to any sums owed by Non-Member Air Carrier to STAC. Any excess of the total cost of removal, storage, sale and related STAC administration over the proceeds of sale shall be paid to STAC by Non-Member Air

Carrier upon demand.

G. No signs, posters, logos on equipment or similar devices shall be erected, displayed or maintained by Non-Member Air Carrier at Licensed Premises without the prior approval of STAC and the Port. Any signs, posters or similar devices must be in compliance with any pertinent standards that may be promulgated by STAC or the Port. Any signs, posters or similar devices not approved by STAC and the Port or not in compliance with pertinent standards may be removed by STAC at the sole expense of Non-Member Air Carrier.

H. Non-Member Air Carrier shall take every precaution at all times for the protection of persons and property at the Airport. Non-Member Air Carrier shall be responsible for maintaining and supervising all safety precautions and programs in connection with the use of the Aeronautical Equipment and the provision of the Services.

I. If Non-Member Air Carrier fails to maintain the safety programs required by law or directed by STAC or the Port, STAC may take such steps as necessary and charge Non-Member Air Carrier for the costs of implementing such a program. However, the failure of STAC to take any such action shall not relieve Non-Member Air Carrier of any of its obligations hereunder.

J. Non-Member Air Carrier shall be solely responsible for all accidents, damages or injuries of whatever nature or kind to persons or property caused by it and shall indemnify, defend and save harmless STAC and the Port from any penalties for violation of its operations or maintenance, and from any and all claims, suits, losses, damages or injuries to persons or property of whatever nature or kind arising directly or indirectly out of the Non-Member Air Carrier's use or operation the Aeronautical Equipment, or resulting from the carelessness, negligence or improper conduct of Non-Member Air Carrier, or any of its agents or employees. Non-Member Air Carrier agrees to immediately notify the Consortium Manager and the Port of all accidents, damages or injuries that have occurred to persons or property during its use of the Aeronautical Equipment or its provision of the Services at Licensed Premises, and provide to STAC a written accident report within twenty-four (24) hours of such occurrence.

ARTICLE IV

TERM

SECTION 4.01 - Term of Agreement

A. This Equipment Use Agreement shall commence on _____ ("Effective Date") and will continue for one year thereafter, unless terminated earlier by STAC pursuant to Article V.

B. This Equipment Use Agreement shall be automatically renewed for subsequent one

year terms if STAC does not provide notice of termination of this Equipment Use Agreement, pursuant to Article V, or notice of non-renewal of this Equipment Use Agreement no less than sixty (60) days prior to the last date of any one year term, pursuant to this Section 4. 01.

ARTICLE V

TERMINATION

SECTION 5.01 - Termination

A. STAC shall have the right to terminate this Equipment Use Agreement upon written notice if:

1. Non-Member Air Carrier discontinues Services at the Licensed Premises, or
2. Non-Member Air Carrier has not paid its Equipment Use Fees in accordance with Article VI herein, or
3. An event of default has occurred in accordance with Article X herein.

B. The termination of this Equipment Use Agreement shall not relieve Non-Member Air Carrier of any of its obligations arising out of its acts or omissions during the term of this Equipment Use Agreement.

ARTICLE VI

EQUIPMENT USE FEES

SECTION 6.01 – STAC Equipment Use Fee Rates

A. STAC will, in its sole discretion, establish a rate structure for the use of the Aeronautical Equipment by Non-Member Air Carriers on or about each July 1 and each January 1. Such rates will be effective until replacement rates are made effective by STAC.

B. The rates established by STAC will be based on the cost of use of the Aeronautical Equipment by the STAC Members, plus a surcharge that is not to exceed 25%.

C. The Non-Member Air Carrier agrees that it will not contest any rate structure established by STAC.

SECTION 6.02 – Invoicing and Payment

A. STAC will maintain records related to amounts due from the Non-Member Air Carrier as a result of its access to and use of the Aeronautical Equipment.

B. Non-Member Air Carrier will be responsible for all costs associated with:

1. Use of the Aeronautical Equipment
2. Damage, repairs and losses
3. Amount unpaid to STAC for other Air Carriers that have been provided Services at Licensed Premises by Non-Member Air Carrier
4. Any other amounts payable under this Equipment Use Agreement

C. STAC will submit an invoice to the Non-Member Air Carrier for the Equipment Use Fees and any other amounts due under this Equipment Use Agreement by the 10th working day of each month.

D. Non-Member Air Carrier shall remit payment of amounts due to STAC by the last working day of the month. Non-Member Air Carrier has no right to withhold payments, in whole or in part, or assert a set-off against any amounts charged by STAC.

E. Any amounts due STAC that are not paid in full when due, shall bear interest at 18% per annum until full payment is received by STAC.

ARTICLE VII

CONFIDENTIALITY

SECTION 7.01 - Confidentiality

A. All of the reports, information, or data, prepared or assembled by or provided to Non-Member Air Carrier under this Equipment Use Agreement are confidential and Non-Member Air Carrier agrees that, except as specifically authorized herein or as may be required by law, it will treat all information, reports or data received from or prepared for STAC as confidential and proprietary. Non-Member Air Carrier agrees not to disclose any such information, reports or data except as specifically authorized herein or as may be necessary for the use of the Aeronautical Equipment of the performance of the Services by Non-Member Air Carrier, or as may be required by law, to any individual or organization, except Port, without first obtaining the prior written approval of STAC and the Port.

B. Non-Member Air Carrier will not issue publicity news releases or grant press interviews and, except as may be required by law during or after the term of this Equipment Use Agreement, disseminate any information regarding this Equipment Use Agreement or the Aeronautical Equipment without the prior written consent of STAC and the Port. In the event Non-Member Air Carrier is presented with a request for documents by any administrative agency or with a subpoena

document regarding any records, data, or documents which may be in the possession of Non-Member Air Carrier, Non-Member Air Carrier will, immediately upon receipt, give notice to STAC and the Port, with the understanding that STAC or the Port will have the opportunity to contest such process by any means available to them before such records or documents are submitted to a court or other third party, provided, however, that Non-Member Air Carrier will not be obligated to withhold such delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

C. Non-Member Air Carrier acknowledges the responsibility delegated to STAC by Port under the terms of the Equipment Lease and Use Agreement, and as such acknowledges that STAC may be required to release a portion or all of the information it receives from Non-Member Air Carrier to Port, or to other parties at Port's direction. Non-Member Air Carrier understands and hereby consents to the release to Port, or to any other party at Port's direction, of any information, propriety or otherwise, with or without prior notice. Non-Member Air Carrier hereby waives as to STAC and Port, any rights, claims, or actions of any nature that may arise directly or indirectly out of STAC's release of any information as described above.

ARTICLE VIII

INDEMNITY AND INSURANCE

SECTION 8.01 - Indemnity

A. Non-Member Air Carrier covenants and agrees to pay and shall protect, defend, indemnify, keep, save fully and hold harmless STAC, its Members, Board of Directors, its Consortium Manager, officers, agents and employees, and Port, its agents, officials and employees from and against any and all claims, causes of action or suits of all kinds, judgments, losses, obligations, including loss of use, costs and expenses, including legal fees and expenses, arising out of or in connection with the Non-Member Air Carrier's access to or use of the Aeronautical Equipment or performance of Services, and not arising from the negligent act or omission of STAC, its respective Members, Board of Directors, its Consortium Manager, officers, agents, and employees or Port, its agents, officials, and employees. Such obligations shall not be construed to negate, abridge, or otherwise reduce or limit any other right or obligation of indemnity against anyone for whose acts Non-Member Air Carrier may be liable. In any and all claims against STAC, its Members, Board of Directors, its Consortium Manager, officers, agents and employees, or Port, its agents, officials and employees by any employee of Non-Member Air Carrier or anyone for whose acts Non-Member Air Carrier may be liable, the indemnification obligation of Non-Member Air Carrier pursuant to this Section 8.01 or Section 3.04(J) shall not be limited in any way by the amount or type of damage compensation, or benefits payable by or for Non-Member Air Carrier under worker's compensation acts, disability benefit acts, or other employee benefit acts. Non-Member Air Carrier's obligations hereunder shall not be limited by any obligation regarding

insurance coverage and shall not be limited to the amount of any proceeds available.

B. STAC and Non-Member Air Carrier shall promptly and in a timely manner provide or cause to be provided to each other copies of any notices and documents they may receive related to any legal process, claims, actions, or suits as may be given or filed in connection with the performance of Non-Member Air Carrier for which STAC, or Port is claiming indemnification hereunder.

C. Non-Member Air Carrier shall incorporate into all contracts or subcontracts of any tier related to the Non-Member Air Carrier's operations under this Equipment Use Agreement a comparable provision to Section 8.01(A), pursuant to which its contractors or subcontractors of any tier shall indemnify STAC, its Members, Board of Directors, its Consortium Manager, officers, agents, and employees, and Port, its agents, officials and employees.

D. THE PROVISIONS OF THIS ARTICLE SHALL APPLY REGARDLESS OF FORM OR LEGAL THEORY OF ANY CLAIM WHETHER IN TORT (INCLUDING BUT NOT LIMITED TO ANY CLAIM FOR BREACH OF IMPLIED WARRANTY OF FITNESS OR MERCHANTABILITY), OR OTHERWISE, FOR DIRECT, OR INCIDENTAL DAMAGES OR FOR DAMAGES RESULTING FROM LOSS OF USE, LOSS OF PROFIT, OR LOSS DUE TO BUSINESS INTERRUPTION. THIS ARTICLE SHALL SURVIVE TERMINATION OF THIS EQUIPMENT USE AGREEMENT.

SECTION 8.02 - Insurance

A. Non-Member Air Carrier shall procure and maintain in full force and effect or cause to be procured and maintained at all times hereunder, at its own expense insurance as may be required by STAC or the Port from time to time, with insurance companies acceptable to STAC and Port covering all Services or operations under this Equipment Use Agreement, whether performed by Non-Member Air Carrier or by its contractors or subcontractors of any tier. The obligation to maintain insurance is a material term of this Equipment Use Agreement. Failure to carry or keep such insurance in force will constitute a default under the terms of this Equipment Use Agreement, and an automatic loss of the right to use the Aeronautical Equipment without need of any notice.

B. Non-Member Air Carrier will provide STAC certificates evidencing that such insurance is in force and will include STAC, its Consortium Manager and Port as additional insurers on each such certificate. STAC and Port will be entitled to examine any insurance policies evidenced by such certificates of insurance and Non-Member Air Carrier will submit accurate and complete copies thereof upon request.

C. In the event Non-Member Air Carrier fails to perform any obligation required by this Section 8.02, STAC may do all things necessary to perform such obligation. Any costs, including, without limitation, premiums and deductibles incurred by STAC, will be at Non-Member Air

Carriers expense.

D. Non-Member Air Carrier will require in its agreements with its contractors or subcontractors of any tier that all policies of insurance that are in any way related to the Services being performed and that are secured and maintained by the contractors or subcontractors of any tier include clauses providing that each insurance carrier will waive all of its rights of recovery, under subrogation or otherwise, against STAC, its Consortium Manager and Port.

E. Non-Member Air Carrier agrees that any insurance protection furnished hereunder shall in no way limit Non-Member Air Carrier's responsibility to indemnify and save harmless STAC or Port under this Equipment Use Agreement.

ARTICLE IX

COMPLIANCE WITH ALL LAWS

SECTION 9.01 - Compliance with Laws

Non-Member Air Carrier will at all times observe and comply, and cause its employees, agents, contractors, subcontractors of any tier, or suppliers to observe and comply, with all applicable federal, state and local laws, ordinances, rules, regulations and executive orders now existing or hereinafter in effect, whenever Non-Member Air Carrier utilizes the Aeronautical Equipment during the term of this Equipment Use Agreement. Provision(s) required by law, ordinance, rules, regulations or executive orders to be inserted in this Equipment Use Agreement will be deemed inserted whether or not they appear in this Equipment Use Agreement or upon application by either party, this Equipment Use Agreement will forthwith be physically amended to make such insertion; however, in no event will the failure to insert such provision(s) prevent the enforcement of such provision or this Equipment Use Agreement.

SECTION 9.02 - Environmental Laws

A. It will be the responsibility of Non-Member Air Carrier to be aware of and to conduct all Services or operations in conformance with all applicable Environmental Laws, including, but not limited to, environmental requirements regarding the storage, use and disposal of Hazardous Materials, pollution control, Releases or threatened Releases of Hazardous Materials to the environment, as promulgated by any federal, state, county, Port, or other governmental agency having jurisdiction, as may be amended, and will be fully responsible for enforcing compliance with these safety regulations and procedures on the part of all its employees, agents, contractors, and subcontractors of any tier.

B. Non-Member Air Carrier, at the request of Port or STAC, shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents

and materials Non-Member Air Carrier has prepared pursuant to any Environmental Law or submitted to any governmental regulatory agency. If an Environmental Law requires filing of any notice or report of a Release or threatened Release of Hazardous Materials on, under or about Licensed Premises, Non-Member Air Carrier shall provide a copy of such report or notice to STAC, and to the extent practicable, shall receive the approval of STAC prior to submitting such notice or report to the appropriate governmental agency.

C. STAC shall have the right to inspect the Aeronautical Equipment and the parts of Licensed Premises used by Non-Member Air Carrier to confirm that Non-Member Air Carrier is using the Aeronautical Equipment and Licensed Premises in accordance with Environmental Laws. Non-Member Air Carrier, at the request of STAC and at Non-Member Air Carrier's expense, shall conduct such testing and analysis as is necessary to ascertain whether Non-Member Air Carrier is using the Aeronautical Equipment and Licensed Premises in compliance with all Environmental Laws. Any such tests shall be conducted by qualified independent experts chosen by Non-Member Air Carrier and subject to STAC's reasonable approval. Copies of reports from any such testing shall be provided by Non-Member Air Carrier to STAC.

D. If Non-Member Air Carrier fails to comply with any applicable Environmental Laws, STAC may take necessary measures to insure compliance with Environmental Laws at Non-Member Air Carrier's expense.

E. In the event of a Release or threatened Release of Hazardous Materials to the environment relating to or arising out of Non-Member Air Carrier's use of the Aeronautical Equipment or occupancy of Licensed Premises, or in the event any claim, demand, action or notice is made against Non-Member Air Carrier regarding Non-Member Air Carrier's failure or alleged failure to comply with any Environmental Laws, Non-Member Air Carrier immediately shall notify STAC in writing and shall provide STAC with copies of any written claims, demands, notices, or actions so made.

SECTION 9.03 - Airport Schedule of Rules and Regulations

A. Non-Member Air Carrier shall comply, and shall cause its agents, employees, guests, invitees and contractors to comply with all rules and regulations governing the conduct at and operations of the Airport, promulgated or adopted from time to time by Port.

B. Nothing herein shall be construed to prevent Non-Member Air Carrier from contesting in good faith any rule or regulation of the Airport, without being considered in default of this Equipment Use Agreement so long as such contest is diligently commenced and prosecuted by Non-Member Air Carrier.

ARTICLE X

DEFAULT

SECTION 10.01 - Events of Default

The following will constitute events of default:

- A. The failure by Non-Member Air Carrier to pay any charges required to be paid hereunder at the times specified herein;
- B. Any material misrepresentation made by Non-Member Air Carrier to STAC;
- C. The failure of Non-Member Air Carrier to observe and perform any covenant, condition, agreement or other obligation under this Equipment Use Agreement for a period of thirty (30) days after notice specifying such failure; provided, however, that any such failure which can be cured, but which cannot, with due diligence, be cured within such thirty (30)-day period, shall not constitute an event of default if corrective action is instituted by Non-Member Air Carrier within the applicable period and diligently pursued until the failure is corrected;
- D. The admission by Non-Member Air Carrier of insolvency, bankruptcy or the inability of Non-Member Air Carrier to pay its debts as they mature, or the making of an assignment for the benefit of creditors, or any other act of insolvency, bankruptcy or assignment which renders Non-Member Air Carrier incapable of performing the Services in accordance with the terms and conditions of the Agreement to the extent as may be permitted by law;
- E. The termination, for whatever reason, of Non-Member Air Carrier's agreement for Services with Air Carrier(s) operating at Licensed Premises;
- F. Pursuant to Section 3.03 of this Equipment Use Agreement, the termination, for whatever reason, of any license, permit or other qualification required of Non-Member Air Carrier to perform Services at Airport.
- G. Failure to keep or carry insurance in force as required by this Equipment Use Agreement.

SECTION 10.02 - Consequences of Default

A. Upon the occurrence and continuation of any event of default, STAC, to the extent permitted by law, may declare Non-Member Air Carrier in default of this Equipment Use Agreement. STAC will notify Non-Member Air Carrier in writing of the default and its intention to invoke any or all of the remedies available hereunder unless such default is cured to STAC's sole satisfaction within five (5) business days from the receipt of such notice by Non-Member Air Carrier. Any such decision by STAC will be final and effective after the cure period as defined herein has expired. Upon the giving of such notice as provided herein, STAC may invoke any or

all of the following remedies:

- (i) The right to terminate this Equipment Use Agreement and exclude Non-Member Air Carrier from the access to and use of any or all of the Aeronautical Equipment;
- (ii) The right of specific performance, an injunction, or any other appropriate equitable remedy; or
- (iii) The right to money damages.

B. Non-Member Air Carrier shall be liable for any outstanding obligations, and all costs associated with the collection of any delinquent payments including but not limited to attorney's fees.

SECTION 10.03 - Non-Exclusivity; Waivers; Remedies Cumulative

The remedies under the terms of this Equipment Use Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy will be cumulative and will be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. The failure of either party to demand strict performance of the terms of this Equipment Use Agreement shall not constitute a waiver thereof or on the right to insist on such performance.

ARTICLE XII

GENERAL CONDITIONS

SECTION 11.01 - Incorporation of Recitals

The recitals referenced herein and attached hereto are hereby made a part of this Equipment Use Agreement.

SECTION 11.02 - Representatives

Non-Member Air Carrier shall designate and identify at the time of execution of this Equipment Use Agreement its named representative who shall constitute the point of receipt for all communications relating to this Equipment Use Agreement unless otherwise provided for herein. For purposes of this Equipment Use Agreement, the Consortium Manager or its successor shall represent STAC in all matters relating to this Equipment Use Agreement and shall constitute the point of receipt of all communications, unless expressly specified otherwise by STAC. In all provisions of this Equipment Use Agreement in which STAC's written approval or consent is required such approval or consent shall be that of the Consortium Manager unless notified in writing by STAC otherwise.

SECTION 11.03 - Notices

Except as otherwise provided in this Equipment Use Agreement, any notice, demand, or other correspondence given under this Equipment Use Agreement shall be in writing and given by delivering the notice in person or by commercial courier, or by sending it by first-class mail, certified mail, return receipt requested with postage prepaid, or by overnight commercial express mail, or by facsimile to:

STAC:
Seattle-Tacoma Airline Consortium, LLC.

Seattle, WA _____
Facsimile No. _____

NON-MEMBER AIR CARRIER:
Company Name
Address
City, State Zip
Facsimile No.

or to such other address as either STAC or Non-Member Air Carrier may designate as its new address for such purpose by notice given to the other in accordance with this Section. Any notice hereunder shall be deemed to have been given and received two (2) days after the date when it is mailed, if sent by first-class, certified mail, one day after the date when it is mailed if sent by overnight express mail, upon the date personal delivery is made, or upon the date on which the facsimile copy is transmitted, provided, that such transmission is received on a business day between the hours of 8:00 a.m. and 5:00 p.m., and if not so received, then as of 8:00 a.m. on the next business day.

SECTION 11.04 - Successors and Assigns

Each and all of the conditions and covenants of this Equipment Use Agreement shall extend to and bind and inure to the benefit of STAC and Non-Member Air Carrier, and the legal representatives, successors and assigns of either or both of them.

SECTION 11.05 - Sublicensing and Assignment by STAC

Non-Member Air Carrier shall not assign, transfer or encumber its interest in this Equipment Use Agreement, either in whole or in part (any of the foregoing actions referred to herein as a "Transfer"), without obtaining in advance the written consent of STAC, which consent shall not be unreasonably withheld or delayed. No consent to any Transfer shall constitute a further waiver of the provisions of this paragraph.

SECTION 11.06 - Force Majeure

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lockouts, labor disputes, riots, war, acts of public enemies, earthquakes, actions of the elements or civil commotion, 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. The provisions of this Section shall not operate to excuse Non-Member Air Carrier from the timely payment of all sums due under this Equipment Use Agreement, including without limitation all Equipment Use Fees.

SECTION 11.07 - Suspension

If Port's operation of Airport or STAC's or Non-Member Air Carrier's operations at the Airport should be substantially restricted by action of any competent governmental authority with sovereignty over Port, either party hereto shall have the right, upon written notice to the other, to a suspension of this Equipment Use Agreement. The provisions of this Section shall not operate to excuse Non-Member Air Carrier from the timely payment of all sums due under this Equipment Use Agreement, including without limitation all Equipment Use Fees.

SECTION 11.08 - Utilities; Waiver of Damages

Non-Member Air Carrier hereby expressly waives any and all claims for damages arising or resulting from failures or interruptions of utility Services furnished by STAC or Port hereunder including but not limited to electricity, gas, water, plumbing, sewage, telephone, communications, or for the failure or interruption of any public or passenger conveniences.

SECTION 11.09 - Third Party Rights

Nothing contained herein will be deemed to create any contractual relationship between the Consortium Manager, the Maintenance Operator and the Non-Member Air Carrier or any of its employees, agents, contractors and subcontractors of any tier, nor will anything contained in this Equipment Use Agreement be deemed to give any third party any claim or right of action against Port, STAC, the Consortium Manager, or the Maintenance Operator which does not otherwise exist without regard to this Equipment Use Agreement. Nothing contained herein shall be construed as creating an agency relationship between STAC and Non-Member Air Carrier. Non-Member Air Carrier shall at all times be a licensee.

SECTION 11.10 - No Joint Venture

It is expressly agreed that STAC is not, in any way or for any purpose, a partner of Non-Member Air Carrier in the conduct of Non-Member Air Carrier's business or a member of a joint enterprise with Non-Member Air Carrier, and does not assume any responsibility for Non-Member Air Carrier's conduct or performance of this Equipment Use Agreement.

SECTION 11.11 - Attorneys' Fees

In the event that Non-Member Air Carrier or STAC fails to perform any of its obligations under this Equipment Use Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Equipment Use Agreement, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees.

SECTION 11.12 - Survival of Indemnities

Expiration or termination of this Equipment Use Agreement shall not affect the right of either party to enforce any and all indemnities given or made to the other party under this Equipment Use Agreement, nor shall it effect any provision of this Equipment Use Agreement that expressly states it shall survive termination hereof. Each party hereto specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Equipment Use Agreement, the indemnitor has an immediate and independent obligation to defend the indemnitees from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the indemnitor by the indemnitee.

SECTION 11.13 - No Additional Waiver Implied by One Waiver

In the event any agreement contained in this Equipment Use Agreement is breached by any party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder.

SECTION 11.14 - Severability

In the event any covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, then any invalidity of such covenant, phrase, clause, paragraph, Article, Section, condition or provision shall in no way affect any other covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained, and such determination shall not invalidate or render this Equipment Use Agreement unenforceable.

SECTION 11.15 - Amendments

This Equipment Use Agreement contains all the agreements of the parties and, except as expressly provided herein, cannot be further amended or modified except by written agreement signed by STAC and Non-Member Air Carrier.

SECTION 11.16 - Execution in Counterparts

This Equipment Use Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

THEREFORE, the parties by their authorized representatives have executed this Equipment Use Agreement on the dates provided below.

Seattle-Tacoma Airline Consortium, LLC.

Non-Member Air Carrier

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**EXHIBIT F
EQUIPMENT ACCESS AGREEMENT**

This Equipment Access Agreement is made and entered into as of _____, by and between Seattle-Tacoma Airline Consortium, LLC., a Washington limited liability company (“STAC”) and Handler Name, a corporation, (“Handler”).

WHEREAS, the Port (as defined below) owns and operates the Seattle-Tacoma International Airport (the “Airport”), located in Seattle, Washington and has the power to grant rights and privileges with respect thereto; and

WHEREAS, the Port owns certain equipment and systems serving the Airport; and

WHEREAS, pursuant to the Equipment Lease and Use Agreement (as defined below), the Port has granted to STAC the right and obligation, to operate, and use the Aeronautical Equipment, on the terms and conditions set forth in the Equipment Lease and Use Agreement; and

WHEREAS, pursuant to the terms of the Equipment Lease and Use Agreement, STAC may require, that parties desiring to access and use of the Aeronautical Equipment execute an Equipment Access Agreement with STAC as a condition precedent to the access and use of any of the Aeronautical Equipment; and

WHEREAS, STAC has chosen a STAC Vendor for the purpose of operating and using the Aeronautical Equipment, all pursuant to the Equipment Lease and Use Agreement; and

WHEREAS, STAC has chosen a Consortium Manager for the purpose of managing the STAC Vendor and administering this Equipment Access Agreement on behalf of STAC; and

WHEREAS, Handler desires to use the Aeronautical Equipment for providing passenger and flight services (the “Handling Services”, as defined below) to Air Carriers (as defined below) at Licensed Premises, (as defined below) requiring Handler to access certain equipment operated by STAC pursuant to the Equipment Lease and Use Agreement; and

WHEREAS, STAC desires to grant Handler access to and use of the Aeronautical Equipment for the purpose of providing the Handling Services to itself or other Air Carriers at Licensed Premises;

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements contained herein, STAC and Handler hereby agree as follows:

[Intentionally Left Blank]

ARTICLE I

DEFINITIONS

SECTION 1.01 - Definitions

A. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Equipment Lease and Use Agreement.

B. The following terms and phrases shall have the following meanings for purposes of this Equipment Access Agreement:

“Aeronautical Equipment” means collectively, the Aeronautical Equipment operated by STAC under the terms of the Equipment Lease and Use Agreement, whether owned by Port or STAC and used by Handler in performing the Handling Services, including all additions, modifications, repairs and replacements of such equipment.

“Air Carrier” means an “air carrier” or “foreign air carrier” as such terms are defined in 49 U.S.C. § 41102 or a Cargo Carrier under 49 U.S.C. § 41103, as amended, or any successor provision thereto, and which is operating at the Airport.

“Airport” means Seattle-Tacoma International Airport, located in the Port of Seattle, State of Washington, United States of America.

“Consortium Manager” means a qualified independent contractor selected by STAC to manage the STAC Vendor and STAC Vendor Agreements, and who is delegated authority to act on behalf of STAC in exercising certain specified rights and obligations of STAC, including those arising under this Equipment Access Agreement.

“Effective Date” means the date stated in the first paragraph of this Equipment Access Agreement.

“Event of Default” shall have the meaning given to it in Article X of this Equipment Access Agreement.

“Handler” means a person or entity, that (i) has been licensed or otherwise authorized by Port for the delivery of Handling Services at the Airport, (ii) has entered into an agreement with

Air Carrier(s) to provide Handling Services at the Airport and (iii) has entered into this Equipment Access Agreement with STAC.

"Handling Services" means those tasks to be performed by Handler in relation to the use of the Aeronautical Equipment including, but not limited to, aircraft cleaning, aircraft maintenance, aircraft catering, baggage handling and passenger handling.

"Equipment Lease and Use Agreement" means that certain Equipment Lease and Use Agreement dated as of _____, by and between the Port and STAC.

"Licensed Premises" means the Airfield at the Airport and areas licensed by the Port to STAC for parking and use of the Aeronautical Equipment.

"Port" means the Port of Seattle, a municipal corporation that owns, and operates the Seattle-Tacoma International Airport.

"Schedule of Rules and Regulations" means the rules and regulations adopted by Port for the operation of the Airport, as the same may be amended from time to time.

"STAC Vendor" means one or more qualified independent vendors or service providers, engaged by: (i) to provide the Services; or (ii) to provide any other such Services specified by STAC.

SECTION 1.02 - Interpretation

In this Equipment Access Agreement, unless otherwise expressly indicated:

(a) the terms "hereby", "herein", "hereof", "hereto", "hereunder" and any similar terms used in this Equipment Access Agreement refer to this Equipment Access Agreement;

(b) all Article and Section references, unless otherwise expressly indicated, are to Sections of this Equipment Access Agreement;

(c) words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) any headings preceding the text of the Articles and Sections of this Equipment Access Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Equipment Access Agreement, nor shall they affect its meaning, construction or effect;

(e) words importing the singular shall include the plural and vice versa;

(f) this Equipment Access Agreement shall be governed and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed in the State of Washington;

(g) all the agreements or instruments herein defined shall mean such agreements or instruments as the same may from time to time be supplemented or amended or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms thereof;

(h) references to statutes, sections or regulations are to be construed as including all statutory or regulatory provisions consolidating, amending, replacing, succeeding or supplementing the statute, section or regulation referred to; and

(i) the words “including,” “includes” and “include” shall be deemed to be followed by words “without limitation” or “but not limited to” or words of similar import.

ARTICLE II

RIGHTS OF STAC

SECTION 2.01 - Access

STAC shall, subject to all other terms and provisions of this Equipment Access Agreement, provide Handler such access to the Aeronautical Equipment as may be reasonably necessary to Handler's performance of the Handling Services at Licensed Premises.

SECTION 2.02 - Right To Limit Use of Aeronautical Equipment

A. It shall be within the sole and absolute discretion of STAC to determine the specific Equipment that Handler may access and use under this Equipment Access Agreement.

B. It shall be within the sole and absolute discretion of STAC to specify the permitted uses for each component of the Aeronautical Equipment and to limit actual use to such specifications.

C. In the event of disputes between two or more parties related to access and use of the Aeronautical Equipment, STAC shall, in its sole discretion, be the arbiter of such disputes.

D. It shall be within the sole and absolute discretion of STAC to limit Handler's access to and use of the Aeronautical Equipment; provided, however, that the limitation of Handler's access to and use of the Aeronautical Equipment shall not alone serve to terminate this Equipment Access Agreement. Handler's obligations hereto shall continue unless and until this Equipment Access Agreement is terminated in accordance with Article V hereof.

SECTION 2.03 - Right To Inspect

A. STAC shall have the right to inspect the Aeronautical Equipment used by Handler to determine that the Aeronautical Equipment is being used for the purposes specified by STAC and that, ordinary wear and tear excepted, the Aeronautical Equipment is in good condition.

SECTION 2.04 - Limitation of Liability

A. STAC shall not be liable for any damage to Handler's property or for any loss of revenue or for any neglect of Handler with respect to the maintenance or operation of the Aeronautical Equipment.

B. STAC shall not be liable for any damage to Handler's property or for any loss of revenue or for any neglect of Handler with respect to the use of the Aeronautical Equipment.

C. STAC shall not be liable for any damage to Airport property or for any loss of revenue or for any neglect of Handler with respect to Airport property.

D. STAC shall not be responsible for the repair or replacement of any Aeronautical Equipment damaged by Handler, its employees, agents, invitees or others doing business with it.

E. STAC shall not be responsible for any accidents or injuries of whatever nature to persons or property caused by the Handler's use or operation of the Aeronautical Equipment, and shall remain harmless from any penalties for violations of its operation, or from any and all claims, suits, losses, damages or injuries to persons or property of whatever kind or nature arising directly or indirectly out of the Handler's use or operation of the Aeronautical Equipment, or resulting from any acts, omissions, willfully tortious conduct or neglect of Handler, its agents, or employees.

ARTICLE III

OBLIGATIONS OF HANDLER

SECTION 3.01 - Access

A. In connection with this Equipment Access Agreement, STAC agrees to permit Handler access to the Aeronautical Equipment for Handler's use as necessary to provide the Handling Services. Subject to all other terms and conditions of this Equipment Access Agreement, Handler shall have such non-exclusive easements and non-exclusive rights of way as are reasonably necessary for Handler's use and operation of the Aeronautical Equipment. Nothing in this Equipment Access Agreement, however, shall convey to Handler any greater rights than those rights conveyed by Port to STAC under the terms of the Equipment Lease and Use Agreement.

B. Handler understands and agrees that STAC's grant of rights with respect to the

Aeronautical Equipment as set forth in this Equipment Access Agreement is "as-is", without any representation or warranty, either express or implied, by STAC with respect to (i) the fitness for any particular purpose or merchantability of any item or items of Aeronautical Equipment, (ii) STAC's title, (iii) Handler's right to the quiet enjoyment of Aeronautical Equipment, except as otherwise provided herein, or (iv) the design or condition of or as to the quality of the material, equipment or workmanship in the Aeronautical Equipment.

C. Handler shall use, and shall cause each of its officers, employees, agents and contractors to use, the highest degree of care when entering the Airport. In the case of property owned by Port, or property owned by and leased from Port, Handler shall comply and shall cause each of its officers, employees, agents, and contractors to comply with any and all instructions and requirements for the use of such property, any licenses for which being hereby incorporated by reference. Any and all claims, suits, judgments, costs, or expenses, including attorneys' reasonable fees, arising from, by reason of, or in connection with any such entry shall be treated in accordance with the applicable terms and conditions of this Equipment Access Agreement, including, without limitation, the indemnification provisions contained in this Equipment Access Agreement.

SECTION 3.02 - Use

A. While any Aeronautical Equipment is in Handler's possession and/or control, Handler shall use the Aeronautical Equipment in a safe and appropriate manner. Handler shall use the Aeronautical Equipment for no other purposes than those specified by STAC, or in any manufacturer's warranty.

B. Any right to use Aeronautical Equipment under the terms of this Equipment Access Agreement is granted solely to the Handler, and is neither transferable nor assignable without the express written consent of STAC. It shall be within STAC's sole discretion to grant such consent.

C. Handler shall, at its own cost, promptly repair, replace or, at STAC's option, reimburse STAC for the repair or replacement of the Aeronautical Equipment or any property owned, leased or controlled by STAC and damaged by Handler, its employees, agents, invitees or others doing business with it.

D. Handler shall conform, and shall require its employees, agents, invitees and others doing business with it to conform to the general rules and regulations as promulgated by STAC or the Port which are now in effect or which may hereinafter be adopted, regarding the use of all areas of the Airport, including, but not limited to, portions of the Airport to which the general public is not admitted.

SECTION 3.03 - Licenses, Permits and Qualifications

A. Handler represents and warrants that it currently possesses all necessary licenses, permits and such other qualifications as may be necessary, pursuant to local, state and/or federal

law, to operate at the Airport, and will continue to possess all such necessary licenses, permits and qualifications for the term of this Equipment Access Agreement.

B. It shall be the sole responsibility of Handler to identify and secure all licenses, permits and such other qualifications as may be necessary pursuant to local, state and/or federal law, to operate at the Airport. It shall be the responsibility of Handler to immediately notify STAC of the termination, for any reason, of any such license, permit or qualification to operate at the Airport. Such termination shall result in the automatic loss of right for access to and use of the Aeronautical Equipment without need for any further notice by STAC.

C. Handler expressly acknowledges its responsibility to provide security at the Airport in accordance with 14 CFR Part 107, "Airport Security", as such may be amended from time to time, and with all Airport Schedule of Rules and Regulations concerning security procedures, including the Airport's approved security program. Handler expressly acknowledges its responsibility to provide security with respect to airplane operations in accordance with 14 CFR Part 108, "Airplane Operation Security", as such may be amended from time to time and with the Airport Schedule of Rules and Regulations concerning security procedures, including the Airport's approved security program.

D. In the event that Handler, or any individual employed by Handler, in the use of the Aeronautical Equipment of the performance of the Handling Services to which this Equipment Access Agreement pertains, has (i) unescorted access to aircraft located on or at the Airport (ii) unescorted access to secured areas or (iii) capability to allow others to have unescorted access to such aircraft or secured area, Handler shall be subject to, and further shall conduct with respect to its contractors and their respective employees, such employment investigations, including criminal history record checks, as the Department of Homeland Security, the Federal Aviation Administration, the Transportation Security Administration and Port may deem necessary.

SECTION 3.04 - Standards of Care

A. Handler shall act, and cause its officials, agents, employees and contractors to act, in accordance with that degree of skill, care and diligence normally exercised by a company performing similar Handling Services at an airport comparable in size and magnitude to the Airport. In furtherance thereof, Handler shall comply with all Airport Schedule of Rules and Regulations, Federal Aviation Administration standards and general codes of conduct including, but not limited to, those set forth in this Equipment Access Agreement. In the event of a conflict between the foregoing standards, the more restrictive standards shall control.

B. The Handling Services and operations of Handler, its employees, agents, invitees and those doing business with it shall be conducted in an orderly, professional and proper manner so as not to annoy, disturb or be offensive to others at the Airport. Employees shall also wear appropriate uniforms that identify them as employees of Handler.

C. Employees of Handler shall wear security badges as required by Airport regulations. Employees who are required to drive vehicles of any kind on the airfield must be properly licensed and thoroughly instructed in airfield driving procedures and regulations.

D. Handler shall, at its own expense and on a daily basis, remove from the Airport all garbage, debris and other waste materials arising out of or in connection with its operation hereunder.

E. Handler shall not install any fixtures or make any alterations or improvements in, or additions to, any property of STAC or the Aeronautical Equipment, except as may be approved, in writing by the Port, with the concurrence of STAC.

F. Any property of Handler placed on or kept at Licensed Premises by virtue of this Equipment Access Agreement shall be removed by Handler on or before the revocation or termination of any permission hereby granted, whichever shall be earlier. If Handler shall fail to remove such property upon the expiration, termination, or revocation of this Equipment Access Agreement, STAC may, at its option, as agent for Handler and at the sole risk and expense of Handler, remove such property to a public warehouse, or retain the same in its own possession. In either event, after the expiration of thirty (30) days, STAC may sell the same at public auction. The proceeds of any such sale shall be applied first to the expense of removal, sale and storage and secondly, to any sums owed by Handler to STAC. Any excess of the total cost of removal, storage, sale and related STAC administration over the proceeds of sale shall be paid to STAC by Handler upon demand.

G. No signs, posters, logos on equipment or similar devices shall be erected, displayed or maintained by Handler at Licensed Premises without the prior approval of STAC and the Port. Any signs, posters or similar devices must be in compliance with any pertinent standards that may be promulgated by STAC or the Port. Any signs, posters or similar devices not approved by STAC and the Port or not in compliance with pertinent standards may be removed by STAC at the sole expense of Handler.

H. Handler shall take every precaution at all times for the protection of persons and property at the Airport. Handler shall be responsible for maintaining and supervising all safety precautions and programs in connection with the use of the Aeronautical Equipment and the provision of the Handling Services.

I. If Handler fails to maintain the safety programs required by law or directed by STAC or the Port, STAC may take such steps as necessary and charge Handler for the costs of implementing such a program. However, the failure of STAC to take any such action shall not relieve Handler of any of its obligations hereunder.

J. Handler shall be solely responsible for all accidents, damages or injuries of whatever nature or kind to persons or property caused by it and shall indemnify, defend and save harmless

STAC and the Port from any penalties for violation of its operations or maintenance, and from any and all claims, suits, losses, damages or injuries to persons or property of whatever nature or kind arising directly or indirectly out of the Handler's use or operation the Aeronautical Equipment, or resulting from the carelessness, negligence or improper conduct of Handler, or any of its agents or employees. Handler agrees to immediately notify the Consortium Manager and the Port of all accidents, damages or injuries that have occurred to persons or property during its use of the Aeronautical Equipment or its provision of the Handling Services at Licensed Premises, and provide to STAC a written accident report within twenty-four (24) hours of such occurrence.

ARTICLE IV

TERM

SECTION 4.01 - Term of Agreement

A. This Equipment Access Agreement shall commence on _____ ("Effective Date") and will continue for one year thereafter, unless terminated earlier by STAC pursuant to Article V.

B. This Equipment Access Agreement shall be automatically renewed for subsequent one year terms if STAC does not provide notice of termination of this Equipment Access Agreement, pursuant to Article V, or notice of non-renewal of this Equipment Access Agreement no less than sixty (60) days prior to the last date of any one year term, pursuant to this Section 4. 01.

ARTICLE V

TERMINATION

SECTION 5.01 - Termination

A. STAC shall have the right to terminate this Equipment Access Agreement upon written notice if:

1. Handler discontinues Handling Services at the Licensed Premises, or
2. An event of default has occurred in accordance with Article X herein.

B. The termination of this Equipment Access Agreement shall not relieve Handler of any of its obligations arising out of its acts or omissions during the term of this Equipment Access Agreement.

ARTICLE VI

EQUIPMENT ACCESS FEES

SECTION 6.01 - Invoicing and Payment

A. STAC will maintain records related to amounts due from the Handler as a result of its access to and use of the Aeronautical Equipment.

B. Handler will be responsible for all costs associated with:

1. Damage, repairs and losses
2. Any other amounts payable under this Equipment Access Agreement

C. STAC will submit an invoice to the Handler for amounts due under this Equipment Access Agreement by the 10th working day of each month.

D. Handler shall remit payment of amounts due to STAC by the last working day of the month. Handler has no right to withhold payments, in whole or in part, or assert a set-off against any amounts charged by STAC.

E. Any amounts due STAC that are not paid in full when due, shall bear interest at 18% per annum until full payment is received by STAC.

ARTICLE VII

CONFIDENTIALITY

SECTION 7.01 - Confidentiality

A. All of the reports, information, or data, prepared or assembled by or provided to Handler under this Equipment Access Agreement are confidential and Handler agrees that, except as specifically authorized herein or as may be required by law, it will treat all information, reports or data received from or prepared for STAC as confidential and proprietary. Handler agrees not to disclose any such information, reports or data except as specifically authorized herein or as may be necessary for the use of the Aeronautical Equipment of the performance of the Handling Services by Handler, or as may be required by law, to any individual or organization, except Port, without first obtaining the prior written approval of STAC and the Port.

B. Handler will not issue publicity news releases or grant press interviews and, except as may be required by law during or after the term of this Equipment Access Agreement, disseminate any information regarding this Equipment Access Agreement or the Aeronautical Equipment without the prior written consent of STAC and the Port. In the event Handler is presented with a request for documents by any administrative agency or with a subpoena duces tecum regarding any records, data, or documents which may be in the possession of Handler, Handler will,

immediately upon receipt, give notice to STAC and the Port, with the understanding that STAC or the Port will have the opportunity to contest such process by any means available to them before such records or documents are submitted to a court or other third party, provided, however, that Handler will not be obligated to withhold such delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

C. Handler acknowledges the responsibility delegated to STAC by Port under the terms of the Equipment Lease and Use Agreement, and as such acknowledges that STAC may be required to release a portion or all of the information it receives from Handler to Port, or to other parties at Port's direction. Handler understands and hereby consents to the release to Port, or to any other party at Port's direction, of any information, propriety or otherwise, with or without prior notice. Handler hereby waives as to STAC and Port, any rights, claims, or actions of any nature that may arise directly or indirectly out of STAC's release of any information as described above.

ARTICLE VIII

INDEMNITY AND INSURANCE

SECTION 8.01 - Indemnity

A. Handler covenants and agrees to pay and shall protect, defend, indemnify, keep, save fully and hold harmless STAC, its Members, Board of Directors, its Consortium Manager, officers, agents and employees, and Port, its agents, officials and employees from and against any and all claims, causes of action or suits of all kinds, judgments, losses, obligations, including loss of use, costs and expenses, including legal fees and expenses, arising out of or in connection with the Handler's access to or use of the Aeronautical Equipment or performance of Handling Services, and not arising from the negligent act or omission of STAC, its respective Members, Board of Directors, its Consortium Manager, officers, agents, and employees or Port, its agents, officials, and employees. Such obligations shall not be construed to negate, abridge, or otherwise reduce or limit any other right or obligation of indemnity against anyone for whose acts Handler may be liable. In any and all claims against STAC, its Members, Board of Directors, its Consortium Manager, officers, agents and employees, or Port, its agents, officials and employees by any employee of Handler or anyone for whose acts Handler may be liable, the indemnification obligation of Handler pursuant to this Section 8.01 or Section 3.04(J) shall not be limited in any way by the amount or type of damage compensation, or benefits payable by or for Handler under worker's compensation acts, disability benefit acts, or other employee benefit acts. Handler's obligations hereunder shall not be limited by any obligation regarding insurance coverage and shall not be limited to the amount of any proceeds available.

B. STAC and Handler shall promptly and in a timely manner provide or cause to be provided to each other copies of any notices and documents they may receive related to any legal

process, claims, actions, or suits as may be given or filed in connection with the performance of Handler for which STAC, or Port is claiming indemnification hereunder.

C. Handler shall incorporate into all contracts or subcontracts of any tier related to the Handler's operations under this Equipment Access Agreement a comparable provision to Section 8.01(A), pursuant to which its contractors or subcontractors of any tier shall indemnify STAC, its Members, Board of Directors, its Consortium Manager, officers, agents, and employees, and Port, its agents, officials and employees.

D. THE PROVISIONS OF THIS ARTICLE SHALL APPLY REGARDLESS OF FORM OR LEGAL THEORY OF ANY CLAIM WHETHER IN TORT (INCLUDING BUT NOT LIMITED TO ANY CLAIM FOR BREACH OF IMPLIED WARRANTY OF FITNESS OR MERCHANTABILITY), OR OTHERWISE, FOR DIRECT, OR INCIDENTAL DAMAGES OR FOR DAMAGES RESULTING FROM LOSS OF USE, LOSS OF PROFIT, OR LOSS DUE TO BUSINESS INTERRUPTION. THIS ARTICLE SHALL SURVIVE TERMINATION OF THIS EQUIPMENT ACCESS AGREEMENT.

SECTION 8.02 - Insurance

A. Handler shall procure and maintain in full force and effect or cause to be procured and maintained at all times hereunder, at its own expense insurance as may be required by STAC or the Port from time to time, with insurance companies acceptable to STAC and Port covering all Handling Services or operations under this Equipment Access Agreement, whether performed by Handler or by its contractors or subcontractors of any tier. The obligation to maintain insurance is a material term of this Equipment Access Agreement. Failure to carry or keep such insurance in force will constitute a default under the terms of this Equipment Access Agreement, and an automatic loss of the right to use the Aeronautical Equipment without need of any notice.

B. Handler will provide STAC certificates evidencing that such insurance is in force and will include STAC, its Consortium Manager and Port as additional insurers on each such certificate. STAC and Port will be entitled to examine any insurance policies evidenced by such certificates of insurance and Handler will submit accurate and complete copies thereof upon request.

C. In the event Handler fails to perform any obligation required by this Section 8.02, STAC may do all things necessary to perform such obligation. Any costs, including, without limitation, premiums and deductibles incurred by STAC, will be at Handlers expense.

D. Handler will require in its agreements with its contractors or subcontractors of any tier that all policies of insurance that are in any way related to the Handling Services being performed and that are secured and maintained by the contractors or subcontractors of any tier include clauses providing that each insurance carrier will waive all of its rights of recovery, under subrogation or otherwise, against STAC, its Consortium Manager and Port.

E. Handler agrees that any insurance protection furnished hereunder shall in no way limit Handler's responsibility to indemnify and save harmless STAC or Port under this Equipment Access Agreement.

ARTICLE IX

COMPLIANCE WITH ALL LAWS

SECTION 9.01 - Compliance with Laws

Handler will at all times observe and comply, and cause its employees, agents, contractors, subcontractors of any tier, or suppliers to observe and comply, with all applicable federal, state and local laws, ordinances, rules, regulations and executive orders now existing or hereinafter in effect, whenever Handler utilizes the Aeronautical Equipment during the term of this Equipment Access Agreement. Provision(s) required by law, ordinance, rules, regulations or executive orders to be inserted in this Equipment Access Agreement will be deemed inserted whether or not they appear in this Equipment Access Agreement or upon application by either party, this Equipment Access Agreement will forthwith be physically amended to make such insertion; however, in no event will the failure to insert such provision(s) prevent the enforcement of such provision or this Equipment Access Agreement.

SECTION 9.02 - Environmental Laws

A. It will be the responsibility of Handler to be aware of and to conduct all Handling Services or operations in conformance with all applicable Environmental Laws, including, but not limited to, environmental requirements regarding the storage, use and disposal of Hazardous Materials, pollution control, Releases or threatened Releases of Hazardous Materials to the environment, as promulgated by any federal, state, county, Port, or other governmental agency having jurisdiction, as may be amended, and will be fully responsible for enforcing compliance with these safety regulations and procedures on the part of all its employees, agents, contractors, and subcontractors of any tier.

B. Handler, at the request of Port or STAC, shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents and materials Handler has prepared pursuant to any Environmental Law or submitted to any governmental regulatory agency. If an Environmental Law requires filing of any notice or report of a Release or threatened Release of Hazardous Materials on, under or about Licensed Premises, Handler shall provide a copy of such report or notice to STAC, and to the extent practicable, shall receive the approval of STAC prior to submitting such notice or report to the appropriate governmental agency.

C. STAC shall have the right to inspect the Aeronautical Equipment and the parts of Licensed Premises used by Handler to confirm that Handler is using the Aeronautical Equipment and Licensed Premises in accordance with Environmental Laws. Handler, at the request of STAC and at Handler's expense, shall conduct such testing and analysis as is necessary to ascertain whether Handler is using the Aeronautical Equipment and Licensed Premises in compliance with all Environmental Laws. Any such tests shall be conducted by qualified independent experts chosen by Handler and subject to STAC's reasonable approval. Copies of reports from any such testing shall be provided by Handler to STAC.

D. If Handler fails to comply with any applicable Environmental Laws, STAC may take necessary measures to insure compliance with Environmental Laws at Handler's expense.

E. In the event of a Release or threatened Release of Hazardous Materials to the environment relating to or arising out of Handler's use of the Aeronautical Equipment or occupancy of Licensed Premises, or in the event any claim, demand, action or notice is made against Handler regarding Handler's failure or alleged failure to comply with any Environmental Laws, Handler immediately shall notify STAC in writing and shall provide STAC with copies of any written claims, demands, notices, or actions so made.

SECTION 9.03 - Airport Schedule of Rules and Regulations

A. Handler shall comply, and shall cause its agents, employees, guests, invitees and contractors to comply with all rules and regulations governing the conduct at and operations of the Airport, promulgated or adopted from time to time by Port.

B. Nothing herein shall be construed to prevent Handler from contesting in good faith any rule or regulation of the Airport, without being considered in default of this Equipment Access Agreement so long as such contest is diligently commenced and prosecuted by Handler.

ARTICLE X

DEFAULT

SECTION 10.01 - Events of Default

The following will constitute events of default:

A. The failure by Handler to pay any charges required to be paid hereunder at the times specified herein;

B. Any material misrepresentation made by Handler to STAC;

C. The failure of Handler to observe and perform any covenant, condition, agreement or other obligation under this Equipment Access Agreement for a period of thirty (30) days after notice specifying such failure; provided, however, that any such failure which can be cured, but which cannot, with due diligence, be cured within such thirty (30)-day period, shall not constitute an event of default if corrective action is instituted by Handler within the applicable period and diligently pursued until the failure is corrected;

D. The admission by Handler of insolvency, bankruptcy or the inability of Handler to pay its debts as they mature, or the making of an assignment for the benefit of creditors, or any other act of insolvency, bankruptcy or assignment which renders Handler incapable of performing the Handling Services in accordance with the terms and conditions of the Agreement to the extent as may be permitted by law;

E. The termination, for whatever reason, of Handler's agreement for Handling Services with Air Carrier(s) operating at Licensed Premises;

F. Pursuant to Section 3.03 of this Equipment Access Agreement, the termination, for whatever reason, of any license, permit or other qualification required of Handler to perform Handling Services at Airport.

G. Failure to keep or carry insurance in force as required by this Equipment Access Agreement.

SECTION 10.02 - Consequences of Default

A. Upon the occurrence and continuation of any event of default, STAC, to the extent permitted by law, may declare Handler in default of this Equipment Access Agreement. STAC will notify Handler in writing of the default and its intention to invoke any or all of the remedies available hereunder unless such default is cured to STAC's sole satisfaction within five (5) business days from the receipt of such notice by Handler. Any such decision by STAC will be final and effective after the cure period as defined herein has expired. Upon the giving of such notice as provided herein, STAC may invoke any or all of the following remedies:

- (i) The right to terminate this Equipment Access Agreement and exclude Handler from the access to and use of any or all of the Aeronautical Equipment;
- (ii) The right of specific performance, an injunction, or any other appropriate equitable remedy; or
- (iii) The right to money damages.

B. Handler shall be liable for any outstanding obligations, and all costs associated with the

collection of any delinquent payments including but not limited to attorney's fees.

SECTION 10.03 - Non-Exclusivity; Waivers; Remedies Cumulative

The remedies under the terms of this Equipment Access Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy will be cumulative and will be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. The failure of either party to demand strict performance of the terms of this Equipment Access Agreement shall not constitute a waiver thereof or on the right to insist on such performance.

ARTICLE XII

GENERAL CONDITIONS

SECTION 11.01 - Incorporation of Recitals

The recitals referenced herein and attached hereto are hereby made a part of this Equipment Access Agreement.

SECTION 11.02 - Representatives

Handler shall designate and identify at the time of execution of this Equipment Access Agreement its named representative who shall constitute the point of receipt for all communications relating to this Equipment Access Agreement unless otherwise provided for herein. For purposes of this Equipment Access Agreement, the Consortium Manager or its successor shall represent STAC in all matters relating to this Equipment Access Agreement and shall constitute the point of receipt of all communications, unless expressly specified otherwise by STAC. In all provisions of this Equipment Access Agreement in which STAC's written approval or consent is required such approval or consent shall be that of the Consortium Manager unless notified in writing by STAC otherwise.

SECTION 11.03 - Notices

Except as otherwise provided in this Equipment Access Agreement, any notice, demand, or other correspondence given under this Equipment Access Agreement shall be in writing and given by delivering the notice in person or by commercial courier, or by sending it by first-class mail, certified mail, return receipt requested with postage prepaid, or by overnight commercial express mail, or by facsimile to:

STAC:
Seattle-Tacoma Airline Consortium, LLC.

Seattle, WA _____
Facsimile No. _____

HANDLER:
Company Name
Address
City, State Zip
Facsimile No.

or to such other address as either STAC or Handler may designate as its new address for such purpose by notice given to the other in accordance with this Section. Any notice hereunder shall be deemed to have been given and received two (2) days after the date when it is mailed, if sent by first-class, certified mail, one day after the date when it is mailed if sent by overnight express mail, upon the date personal delivery is made, or upon the date on which the facsimile copy is transmitted, provided, that such transmission is received on a business day between the hours of 8:00 a.m. and 5:00 p.m., and if not so received, then as of 8:00 a.m. on the next business day.

SECTION 11.04 - Successors and Assigns

Each and all of the conditions and covenants of this Equipment Access Agreement shall extend to and bind and inure to the benefit of STAC and Handler, and the legal representatives, successors and assigns of either or both of them.

SECTION 11.05 - Sublicensing and Assignment by STAC

Handler shall not assign, transfer or encumber its interest in this Equipment Access Agreement, either in whole or in part (any of the foregoing actions referred to herein as a "Transfer"), without obtaining in advance the written consent of STAC, which consent shall not be unreasonably withheld or delayed. No consent to any Transfer shall constitute a further waiver of the provisions of this paragraph.

SECTION 11.06 - Force Majeure

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lockouts, labor disputes, riots, war, acts of public enemies, earthquakes, actions of the elements or civil commotion, 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. The provisions of this Section shall not operate to excuse Handler from the timely payment of all sums due under this Equipment Access Agreement.

SECTION 11.07 - Suspension

If Port's operation of Airport or STAC's or Handler's operations at the Airport should be substantially restricted by action of any competent governmental authority with sovereignty over Port, either party hereto shall have the right, upon written notice to the other, to a suspension of this Equipment Access Agreement. The provisions of this Section shall not operate to excuse Handler from the timely payment of all sums due under this Equipment Access Agreement.

SECTION 11.08 - Utilities; Waiver of Damages

Handler hereby expressly waives any and all claims for damages arising or resulting from failures or interruptions of utility Handling Services furnished by STAC or Port hereunder including but not limited to electricity, gas, water, plumbing, sewage, telephone, communications, or for the failure or interruption of any public or passenger conveniences.

SECTION 11.09 - Third Party Rights

Nothing contained herein will be deemed to create any contractual relationship between the Consortium Manager, the Maintenance Operator and the Handler or any of its employees, agents, contractors and subcontractors of any tier, nor will anything contained in this Equipment Access Agreement be deemed to give any third party any claim or right of action against Port, STAC, the Consortium Manager, or the Maintenance Operator which does not otherwise exist without regard to this Equipment Access Agreement. Nothing contained herein shall be construed as creating an agency relationship between STAC and Handler. Handler shall at all times be a licensee.

SECTION 11.10 - No Joint Venture

It is expressly agreed that STAC is not, in any way or for any purpose, a partner of Handler in the conduct of Handler's business or a member of a joint enterprise with Handler, and does not assume any responsibility for Handler's conduct or performance of this Equipment Access Agreement.

SECTION 11.11 - Attorneys' Fees

In the event that Handler or STAC fails to perform any of its obligations under this Equipment Access Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Equipment Access Agreement, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees.

SECTION 11.12 - Survival of Indemnities

Expiration or termination of this Equipment Access Agreement shall not affect the right of either party to enforce any and all indemnities given or made to the other party under this Equipment Access Agreement, nor shall it effect any provision of this Equipment Access Agreement that expressly states it shall survive termination hereof. Each party hereto specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Equipment Access Agreement, the indemnitor has an immediate and independent obligation to defend the indemnitees from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the indemnitor by the indemnitee.

SECTION 11.13 - No Additional Waiver Implied by One Waiver

In the event any agreement contained in this Equipment Access Agreement is breached by any party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder.

SECTION 11.14 - Severability

In the event any covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, then any invalidity of such covenant, phrase, clause, paragraph, Article, Section, condition or provision shall in no way affect any other covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained, and such determination shall not invalidate or render this Equipment Access Agreement unenforceable.

SECTION 11.15 - Amendments

This Equipment Access Agreement contains all the agreements of the parties and, except as expressly provided herein, cannot be further amended or modified except by written agreement signed by STAC and Handler.

SECTION 11.16 - Execution in Counterparts

This Equipment Access Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

THEREFORE, the parties by their authorized representatives have executed this Equipment Access Agreement on the dates provided below.

Seattle-Tacoma Airline Consortium, LLC.

Handler

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT G
FEE SCHEDULE

	2017	2018+	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Capital Costs														
Equipment Amortization	# of Unit	# of Unit												
COBUS 3000 (112 pax ramp bus)	7	13	\$352,780	\$780,690	\$1,443,376	\$1,443,376	\$1,443,376	\$1,090,596	\$1,090,596	\$662,686	-	-	-	-
Resource Management Module for Inform	1	1	-	\$159,899	\$159,899	\$159,899	\$159,899	\$159,899	-	-	-	-	-	-
Mobile bus washing equipment	2	2	-	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700
400 Hz Mobile Units	4	4	-	\$25,400	\$25,400	\$25,400	\$25,400	\$25,400	\$25,400	\$25,400	\$25,400	\$25,400	\$25,400	\$25,400
PC Air Mobile Units	8	12	-	\$193,041	\$294,353	\$294,353	\$294,353	\$294,353	\$294,353	\$294,353	\$294,353	\$294,353	\$294,353	\$101,312
Widebody ADA Mobile Ramp	2	3	-	\$50,800	\$77,461	\$77,461	\$77,461	\$77,461	\$77,461	\$77,461	\$77,461	\$77,461	\$77,461	\$26,661
Narrowbody ADA Mobile Ramp	4	8	-	\$50,800	\$104,122	\$104,122	\$104,122	\$104,122	\$104,122	\$104,122	\$104,122	\$104,122	\$104,122	\$53,322
Total Equipment Amortization			\$352,780	\$1,273,331	\$2,117,312	\$2,117,312	\$2,117,312	\$1,764,531	\$1,604,633	\$1,176,723	\$514,037	\$514,037	\$514,037	\$181,295
Wages and Salaries ⁽¹⁾														
Cobus Operators/Drivers ⁽²⁾			-	-	-	-	-	-	-	-	-	-	-	-
Landside Supervisors			-	-	-	-	-	-	-	-	-	-	-	-
Hardstand Scheduling Services			\$124,588	\$124,588	\$124,588	\$124,588	\$124,588	\$124,588	\$124,588	\$124,588	\$124,588	\$124,588	\$124,588	\$124,588
Maintenance Staff			\$108,175	\$179,220	\$179,220	\$179,220	\$179,220	\$179,220	\$179,220	\$179,220	\$179,220	\$179,220	\$179,220	\$179,220
Total Wages and Salaries			\$232,763	\$303,808	\$303,808	\$303,808	\$303,808	\$303,808	\$303,808	\$303,808	\$303,808	\$303,808	\$303,808	\$303,808
Equipment Maintenance and Repairs ⁽¹⁾														
COBUS 3000 (112 pax ramp bus)	7	13	\$21,980	\$40,820	\$40,820	\$40,820	\$40,820	\$40,820	\$40,820	\$40,820	\$40,820	\$40,820	\$40,820	\$40,820
Mobile 400Hz Generators	4	4	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020
Mobile PC Air Systems	8	12	\$2,880	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320
Mobile ADA Ramp, Wide body	2	3	\$370	\$555	\$555	\$555	\$555	\$555	\$555	\$555	\$555	\$555	\$555	\$555
Mobile ADA Ramp, Narrow body	4	8	\$740	\$1,480	\$1,480	\$1,480	\$1,480	\$1,480	\$1,480	\$1,480	\$1,480	\$1,480	\$1,480	\$1,480
Total Equipment Maintenance and Repairs			\$27,990	\$49,195	\$49,195	\$49,195	\$49,195	\$49,195	\$49,195	\$49,195	\$49,195	\$49,195	\$49,195	\$49,195
Fuel Consumption for Ramp Support Equipment ⁽²⁾														
Bus, Cobus 3000			-	-	-	-	-	-	-	-	-	-	-	-
Mobile 400Hz Generators			-	-	-	-	-	-	-	-	-	-	-	-
Mobile PC Air Systems			-	-	-	-	-	-	-	-	-	-	-	-
Mobile ADA Ramp, Wide body			-	-	-	-	-	-	-	-	-	-	-	-
Mobile ADA Ramp, Narrow body			-	-	-	-	-	-	-	-	-	-	-	-
Total Fuel Consumption			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Space Rental ⁽³⁾														
			-	-	-	-	-	-	-	-	-	-	-	-
Total Annual Aeronautical Equipment Use Fee ⁽⁴⁾			\$613,533	\$1,626,334	\$2,470,315	\$2,470,315	\$2,470,315	\$2,117,535	\$1,957,636	\$1,529,726	\$867,040	\$867,040	\$867,040	\$534,298
Notes:														
<i>(1) Assumed annual O&M growth rate of 3%</i>														
<i>(2) Effective 2017, Seattle-Tacoma Airline Consortium will be responsible for fueling equipments, section 3.012 (a) and Cobus Operators.</i>														
<i>(3) See section 3.02 (b) of the Equipment Lease and Use Agreement.</i>														
<i>(4) The Port shall establish an "Aeronautical Equipment Use Fee" during the annual budget cycle.</i>														
<i>Annual Equipment Use Fee will be invoiced to the Seattle-Tacoma Airline Consortium, LLC. on a monthly basis.</i>														
<i>Capital costs of the equipments and operating expenses will be captured in the Airfield Apron Cost Center.</i>														
<i>Annual adjustment - see section 3.01 (a) of the Equipment Lease and Use Agreement.</i>														
<i>Aeronautical Equipment Use Fee revenues will be subtracted from the Airfield Apron Revenue Requirement.</i>														

**EXHIBIT H
MEMBER AGREEMENT**

EXECUTION COPY

**SEATTLE TACOMA AIRLINE CONSORTIUM, LLC,
A WASHINGTON LIMITED LIABILITY COMPANY**

MEMBER AGREEMENT

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APPENDICES

Appendix A: Air Carriers Invited To Become Members

SEATTLE TACOMA AIRLINES CONSORTIUM, LLC

MEMBER AGREEMENT

THIS MEMBER AGREEMENT ("Member Agreement") is made and entered into and effective as of the 1st day of January, 2017 (the "Effective Date") by and among the Members of the Seattle Tacoma Airline Consortium, LLC, a Washington limited liability company (the "Company", or "STAC").

WHEREAS, the Members have formed the Company to conduct certain operational, maintenance and management activities at the Seattle-Tacoma International Airport ("Airport") related to their respective airline operations as determined by the Members; and

WHEREAS, the Company and the Port of Seattle (the "Port") intend to enter into an Operating Agreement pursuant to which the Port grants to the Company the right to engage in such activities; and

WHEREAS, the Company and the Port may establish reasonable and equitable policies, standards, and practices related to such activities; and

WHEREAS, the Company intends to engage a Consortium Manager and one or more STAC Vendors as necessary to conduct the business of the Company; and

WHEREAS, the Members desire to execute this Member Agreement among themselves to provide for the rights and duties of the Members as among themselves relating to: (i) the Company; (ii) the use, operation and maintenance of the Aeronautical Equipment, Company Property and Services; (iii) the allocation of costs and revenues thereof; and (iv) other matters related to the foregoing.

NOW, THEREFORE, in consideration of these premises and of the mutual covenants and agreements herein contained, the Members of the Company agree as follows:

ARTICLE 1. DEFINITIONS

1.1 Definitions.

All capitalized terms used but not otherwise defined in this Member Agreement shall have the respective meanings set forth below:

"Acceptance Date" means the date on which an Air Carrier becomes an Additional Member pursuant to Article 5 herein.

"Additional Member" means an Air Carrier that becomes a party to this Member Agreement after March 31, 2017 pursuant to Article 5.

“Aeronautical Equipment” means, collectively, any Port-owned equipment and systems licensed to be operated and maintained by the Company in accordance with the terms and conditions of this Agreement, and any Operating Agreement entered into between the Port and the Company.

“Affiliate” means any airline that has executed an Affiliate Operating Permit with the Port and Member. While designated an Affiliate, such Affiliate (a) shall have the same rights under this Agreement as Member; (b) shall be charged in the same manner and on the same basis as Member without payment of any Non-Member premiums; and (c) shall not be counted as a separate air transportation company from Member for purposes of allocating the *per capita* portion (if applicable) of any cost allocation formula, but such Affiliate’s activity shall be counted as activity of Member for purposes of any activity-based cost allocation formulas.

“Air Carrier” means an “air carrier” or “foreign air carrier” as such terms are defined in 49 U.S.C. § 40102, as amended, or any successor provision thereto, and which is operating at the Airport.

“Airport” means the realty and improvements generally known and designated as the "Seattle-Tacoma International Airport." The improvements on the realty consist of the runways, aircraft taxiways and parking aprons, the passenger and freight terminal buildings, hangars, vehicle roadways and parking facilities, and all other improvements on such realty. The term "Airport" shall also include any adjacent or nearby realty hereafter acquired for purposes of the Airport by the Port and all improvements hereafter constructed on such realty.

“Associated Airline” means any Air Carrier designated as such by the Member Committee, as set forth in Section 7.7 of this Member Agreement.

“Auditor” means the accounting firm that may be selected by a Majority-In-Interest of the Member Committee to audit the financial records of the Company.

“Business Day” means any day other than Saturday, Sunday, or legal holidays in Seattle, Washington.

“Capital Contribution” means, with respect to any Member, the aggregate amount of money contributed to the Company pursuant to Section 6.1 hereof with respect to such Member's Interest.

“Certificate” means the Certificate of Organization of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the Washington Secretary of State.

“Chairperson” means the Chairperson of the Member Committee appointed by the Member Committee in accordance with Section 8.3 of this Member Agreement.

“Company” means Seattle Tacoma Airline Consortium, LLC, a Washington limited liability company.

“Company Property” means equipment and systems acquired subsequent to the Effective Date pursuant to the terms of this Member Agreement and owned or leased by the Company, other than the Aeronautical Equipment, and used by the Company or the Users in their operations at the Airport. Company Property specifically excludes the Aeronautical Equipment and any property owned or leased by an individual Air Carrier.

“Consortium Manager” means a qualified independent contractor selected by the Company, with the approval of Port, to manage the various STAC Vendors, and who is delegated authority to act on behalf of the Company in exercising certain specified rights and obligations of the Company, including those arising under this Member Agreement and the Operating Agreement, as more particularly described in the Consortium Manager Agreement.

“Consortium Manager Agreement” means the professional services agreement in effect from time to time between the Company and the Consortium Manager, which shall specify the Consortium Manager’s duties, responsibilities and compensation in accordance with Article 11 of this Member Agreement.

“Contracting Carrier” means a Signatory Airline who contracts with another Air Carrier that is an Affiliate.

“Covered Person” means a Member, any Affiliate of a Member, any Associated Airline of a Member, any officers, directors, managers, trustees, members, shareholders, partners, employees, representatives or agents of a Member, or their respective Affiliates or Associated Airlines, or any employee or agent or Consortium Manager of the Company or any of its affiliates, or any members of the Member Committee, the Executive Committee and the Operations Committee.

“Effective Date” means the initial effective date of this Member Agreement as set forth in the opening paragraph hereof.

“Equipment Access Agreement” means an agreement between a Handler and the Company, giving the Handler access to the Aeronautical Equipment, the Company Property and the Services on behalf of certain Users of the Airport.

“Equipment Use Agreement” means the agreement between the Company and any Non-Member User, desirous of using the Aeronautical Equipment, Company Property, and Services. Such Equipment Use Agreement shall contain the terms, obligations and restrictions upon such usage, and appropriate insurance and indemnification provisions.

“Executive Committee” means the subcommittee of the Member Committee, authorized by the Member Committee pursuant to Section 8.5 of this Member Agreement to manage the day-to-day operations of the Company.

“Extraordinary Cost” means a non-recurring expenditure or obligation of the Company: (a) that is not a part of the normal and regular ongoing expense of operating the Aeronautical Equipment or Company Property; and (b) the cost of which is recovered in a manner and over a period determined by the Company. Extraordinary Cost shall not include the obligation of non-defaulting Members to provide funds to the Company in the event of a default by a Member.

“Fiscal Year” means (i) the period commencing upon the formation of the Company and ending on December 31, and (ii) any subsequent twelve (12) month period.

“Handler” means any person that: (i) executes an Equipment Access Agreement; and (ii) obtains all necessary approvals and permits from the Port to perform flight and passenger handling services for Users at the Airport.

“Initial Member” means an Air Carrier who becomes a Member of the Company on or before the Effective Date pursuant to Section 4.1 hereof.

“Interest” means a Member's interest in the Company in accordance with the provisions of this Member Agreement.

“Majority-In-Interest” means, with respect to a vote for or against any matter arising under or related to this Member Agreement, the votes of those Member Representatives of Members entitled to vote and not then in default collectively representing: (a) more than fifty percent (50%) in number of the Members; and (b) more than fifty percent (50%) of the total Usage of the Members for the twelve months prior to the month in which the vote is taken. In the event that an action is to be taken and the vote required is not specified, a Majority-In-Interest shall be the vote required.

“Managing Director” means the Managing Director, Aviation Division, of the Port or his/her successor.

“Member” means each of the Initial Members and includes any Air Carrier admitted as an Additional Member pursuant to the provisions of this Member Agreement, in such Air Carrier's capacity as a member of the Company, and "Members" means two (2) or more of such Air Carriers when acting in their capacities as members of the Company.

“Member Agreement” means this Member Agreement, and all amendments or modifications thereto, among the Members of the Company.

“Member Committee” means the committee established to manage the Company pursuant to this Member Agreement.

“Member Representative” means the person appointed by a Member to be that Member's representative on the Member Committee, as that person may be changed from time to time by the Member.

“Monthly Usage” means the average monthly Usage of the Member during the preceding twelve (12) months.

“Net Consortium Charge” means the Total Consortium Charge minus any payments received from Non-Member Users and any other payments received from persons other than Members for use of the Aeronautical Equipment, Company Property, the Services or otherwise.

“Non-Member User” means an Air Carrier who is not a Member, who wishes to use the Aeronautical Equipment and the Company Property and who has executed an Equipment Use Agreement.

“Operating Agreement” means an agreement between the Company and the Port pursuant to which the Port grants to the Company the right to maintain, repair, or operate the Aeronautical Equipment and engage in defined activities at the Airport.

“Operating Reserve Account” means the account established by the Company pursuant to Section 12.6.

“Port” means the Port of Seattle, a Washington municipal corporation.

“Services” means those certain services that are designated as the responsibility of the Company as may be modified from time to time upon mutual written agreement between the Company and the Port.

“Signatory Airline” means any Air Carrier that has executed a Signatory Lease and Operating Agreement with the Port.

“Signatory Lease and Operating Agreement” means the Port of Seattle, Seattle-Tacoma International Airport, 2013-2017, Signatory Lease and Operating Agreement, entered into between individual Air Carriers and the Port, as hereafter amended, restated, or supplemented from time to time.

“STAC Vendor” means one or more vendors or service providers, engaged by the Company: (i) to maintain, repair, or operate the Aeronautical Equipment; (ii) to maintain, repair, or operate the Company Property; (iii) to provide the Services; (iv) to procure and/or install replacement Aeronautical Equipment; (v) to procure parts for the Aeronautical Equipment; or (vi) to provide any other such services specified by the Company.

“STAC Vendor Agreement” means an agreement in effect from time to time between the Company and a STAC Vendor, which shall specify the STAC Vendor’s duties, responsibilities and compensation in accordance with Article 11 of this Member Agreement.

“Start-Up Costs” means all operational and non-operational costs of organizing the Company and the other business arrangements related to this Member Agreement and the

Operating Agreement; making the Aeronautical Equipment operational; acquiring or leasing Company Property; arranging for funding of the Operating Reserve Account, and preparing this Member Agreement and all agreements related to the Aeronautical Equipment, Company Property and Services, including attorneys' fees and expenses, and costs and expenses of other consultants that were incurred by or on behalf of any Member or the Company or any agent or consultant of either of them prior to the Effective Date and are reimbursable pursuant to the terms of this Member Agreement.

“Subsidiary” means a company controlling or controlled by a Member. Control, for purposes of this Agreement, means owning 51% or more of the voting rights of the company in question.

“Super Majority-In-Interest” means, with respect to a vote for or against any matter arising under or related to this Member Agreement, the votes of those Member Representatives of Members entitled to vote and not then in default that collectively represent: (a) more than seventy-five percent (75%) in number of the Members; and (b) more than seventy-five percent (75%) of the total Usage of the Members for the twelve months prior to the month in which the vote is taken.

“Total Consortium Charge” shall mean the sum of all charges, fees, costs, rents, and expenses incurred by the Company in relation to the organization, management, administration and operation of the Company, the use, maintenance, operation and management of the Aeronautical Equipment and Company Property, the provision of the Services, and the lease or other acquisition costs related to Company Property.

“Usage” means the usage of any Member as determined in accordance with Schedule C to this Member Agreement, as Schedule C may be amended from time to time by a Super Majority-In-Interest.

“User” means any Member or Non-Member User that uses the Aeronautical Equipment, Company Property and Services in connection with air transportation.

“Vice Chairperson” means the Vice Chairperson of the Member Committee appointed by the Member Committee in accordance with Section 8.3 of this Member Agreement.

“Withdrawal Commitment” has the meaning ascribed to that term in Section 16.2 herein.

“Withdrawal Date” means the date when a Majority-In-Interest approves of the withdrawal of a Member from this Member Agreement, if such approval is necessary; and, if not, then the date specified when the Withdrawing Member gives written notice to the Company of its withdrawal (which date shall be the last day of a calendar month and may not be earlier than the date of such notice), subject to the satisfaction of all the conditions to withdrawal specified in Article 16 hereof.

“Withdrawal Deposits” has the meaning ascribed to that term in Section 16.2 herein.

“Withdrawing Member” means any Member that has withdrawn from this Member Agreement pursuant to Article 16 herein.

1.2 Article and Section Headings. Gender and References. Defined Terms.

The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. Unless otherwise indicated, all references herein to "Article", "Section" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words 'hereby', 'herein', 'hereof', 'hereto', 'herewith', 'hereunder' and other words of similar import refer to this Member Agreement as a whole and not to any particular article, section, subdivision or clause hereof. The terms defined herein shall include the plural as well as the singular and the singular as well as the plural. Except as otherwise indicated, all the agreements or instruments herein defined shall mean such agreements or instruments as the same may from time to time be supplemented or amended or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms thereof. References to statutes, sections or regulations are to be construed as including all statutory or regulatory provisions consolidating, amending, replacing, succeeding or supplementing the statute, section or regulation referred to. References herein to “day” or “days” shall mean calendar day or days, and if any event is scheduled or required to occur on a day which is not a Business Day in Seattle, Washington, then the event shall be scheduled or required to occur on the next following Business Day in Seattle, Washington. The words "including," "includes" and "include" shall be deemed to be followed by the words "without limitation" or "but not limited to" or words of similar import. References to a person include any individual, corporation, association, partnership, joint venture, trust, estate, limited liability company, or other legal entity or organization, and such person's successors and permitted assigns.

ARTICLE 2. FORMATION AND TERM

2.1 Formation.

(a) The Members hereby form the Company as a limited liability company under and pursuant to the laws of the State of Washington and agree that the rights, duties and liabilities of the Members shall be as provided herein.

(b) Upon the execution of this Member Agreement or a counterpart of this Member Agreement and the fulfillment of the requirements of Section 4.1, the Initial Members shall be deemed admitted as Members of the Company.

(c) The name and mailing address of each Member shall be listed on Schedule A attached hereto. The Members shall be required to update Schedule A from time to time as necessary to accurately reflect the information therein. Any amendment or revision to Schedule A made in accordance with this Member Agreement shall not be deemed an amendment to this Member Agreement. Any reference in this Member Agreement to Schedule A shall be deemed to be a reference to Schedule A as amended and in effect from time to time.

2.2 Name.

The name of the Company formed hereby is Seattle Tacoma Airline Consortium, LLC. The business of the Company may be conducted, upon compliance with all applicable laws, under any other name designated by the Members.

2.3 Registered Agent and Office.

At any time, the Members may designate a registered agent and/or registered office.

2.4 Principal Place of Business.

The principal place of business of the Company shall be at Seattle International Airport, Seattle, WA at the following address: 17801 International Blvd., Seattle, WA 98158. The Members may change the location of the Company's principal place of business at any time after providing the Members and Port prior written notice of same.

2.5 Qualification in Other Jurisdictions.

The Members shall cause the Company to be qualified, formed or registered under assumed or fictitious name statutes, foreign entity statutes, or similar laws in any jurisdiction in which the Company transacts business as required by such laws. The Chairperson or Vice Chairperson of the Member Committee, as an authorized person, shall execute, deliver and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.6 Term.

(a) The term of the Company shall commence on the date the Certificate is filed with the Washington Secretary of State. The Company shall have perpetual existence, unless the Company is dissolved in accordance with the provisions of this Member Agreement.

(b) This Member Agreement shall become legally binding upon the Company and each Member as of January 1, 2017 and shall continue in effect, and may not be terminated (i) during the term of the Operating Agreement, including any extension or renewal thereof; (ii) so long as any payment obligations of a Member to the Company or to another Member hereunder are outstanding; or (iii) so long as any debts or liabilities of the Company remain unsatisfied.

2.7 Termination of Operating Agreement.

If the Operating Agreement is terminated, this Member Agreement may be terminated at any time by the Members which constitute a Majority-In-Interest, subject, however to the limitations in Section 2.6 above and Section 2.8 below.

2.8 Survival of Certain Provisions.

Articles 10, 12, 13, 15, 16 and 17, and the responsibilities, liabilities and obligations of a Member under the provisions of Section 7.8, shall survive the termination of this Member Agreement as to any one or as to all Members for events occurring prior to the termination.

2.9 Liquidation.

Upon termination, the Company may be liquidated in accordance with this Member Agreement.

ARTICLE 3. PURPOSES AND POWERS OF THE COMPANY

3.1 Purposes.

(a) The Company is formed to engage in any lawful act or activity for which limited liability companies may be formed under Washington State Law.

(b) In fulfilling its functions, the Company shall not operate to derive a financial profit from providing services to Members or non-Members; provided that nothing herein stated, omitted or implied shall preclude or prohibit the Company from charging Non-Member Users fees that are in excess of the fees and charges payable by Members. To this end, monies received by the Company from its Members for ordinary operations shall be sufficient only to fulfill the Members' obligations resulting from the Company's ordinary operations. Any amounts received for ordinary operations that are in excess of the Members' annual obligations for ordinary operations shall be credited to the current Members not then in default pro rata in accordance with each Member's Usage for the previous twelve months. Monies received by the Company from its Members for extraordinary items, such as capital improvements shall be sufficient only to fund the cost of such extraordinary items, and any excess shall be refunded to the current Members not then in default, pro rata in accordance with each Member's contribution, either (at the sole discretion of the Member Committee) in cash or through a credit to the Members.

3.2 Powers of the Company.

Subject to Article 8, the Company shall have the power and authority, and is authorized, to take any and all actions necessary, appropriate, proper, advisable, incidental or convenient to or for the furtherance of the purposes set forth in Section 3.1, including the power, authority and authorization:

(a) To conduct its business, carry on its operations to have and exercise the powers granted to a limited liability company by the State of Washington in any state, territory, district or possession of the United States, or in any foreign country that may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(b) To acquire Company Property by purchase, lease, contribution of property or otherwise;

(c) To enter into, perform and carry out contracts of any kind, including contracts with any Member, any Affiliate thereof, or any agent of the Company necessary to, in connection with, convenient to, or incidental to the accomplishment of the purposes of the Company;

(d) To sue and be sued, complain and defend, and participate in administrative or other proceedings, in its name;

- (e) To appoint employees, officers and agents of the Company, establish their offices and titles, and define their power, authority and duties and fix their compensation;
- (f) To indemnify any person and to obtain any and all types of insurance;
- (g) To cease its activities and cancel its Certificate;
- (h) To negotiate, enter into, renegotiate, extend, renew, terminate, modify, amend, waive, execute, acknowledge or take any other action with respect to any lease, contract or security agreement in respect of any assets or obligations of the Company;
- (i) To borrow money and issue evidences of indebtedness and guaranties, and to secure the same by a mortgage, pledge or other lien on the assets of the Company;
- (j) To pay, collect, compromise, litigate, arbitrate or otherwise adjust or settle any and all other claims or demands of or against the Company or to hold such proceeds against the payment of contingent liabilities;
- (k) To perform any other action that the Member Committee determines is necessary, convenient or incidental to the accomplishment of the purposes of the Company; and
- (l) To make, execute, acknowledge and file any and all documents or instruments necessary, convenient or incidental to the accomplishment of the purposes of the Company.

3.3 Merger of the Company.

The Company may merge with, or consolidate or convert into, another company or other business entity, upon the approval of a Super Majority-In-Interest.

ARTICLE 4. ADMISSION OF INITIAL MEMBERS

4.1 Election of Air Carrier on Appendix A To Become Member.

Air Carriers on Appendix A have been invited to become Initial Members of the Company and given the opportunity to become Members of the Company on or before January 1, 2017 by executing a copy of this Member Agreement. In addition, each such Air Carrier shall pay a discounted membership fee of \$10,000, which represents the membership fee of \$20,000 discounted 50% in recognition of each such Air Carrier's assumption of the responsibilities for formation of the Company, arranging for debt related to Start-Up Costs and timely return of the signed Member Agreement. Any Air Carrier on Appendix A that elects to become a Member after March 31, 2017 shall pay the entire \$20,000 membership fee and execute a copy of this Member Agreement. Any Air Carrier, including those listed on Appendix A, that elects to become a Member after March 31, 2017 shall become an Additional Member in accordance with Section 4.2 below.

4.2 Election of Air Carrier To Become Additional Member.

Air Carriers who elect to become Members after March 31, 2017 shall have the opportunity to become Additional Members of the Company in accordance with Article 5 of this Member Agreement. Each such Air Carrier shall pay a membership fee of \$20,000. Such membership fee may be escalated annually, by the affirmative vote of a Majority-In-Interest, effective on each anniversary of the Effective Date, to equal an amount not to exceed the product of \$20,000 and a fraction, the numerator of which is the CPI (as defined below) published immediately prior to such anniversary, and the denominator of which is the CPI published immediately prior to the Effective Date. As used herein, the term "CPI" means the Consumer Price Index/All Urban Consumers – U.S. City Average (All Items – 1982-84 = 100) published by the U.S. Bureau of Labor Statistics, or if such index is not available or discontinued, such other index as is reasonably determined by the Member Committee.

4.3 Member Security Deposit

A security deposit may be required of Members if so determined by the affirmative vote of a Majority-In-Interest.

ARTICLE 5. ADDITIONAL MEMBERS

5.1 Admission of Additional Members.

Admission of an Air Carrier as an Additional Member of the Company shall be open to any Air Carrier with a reasonable history of creditworthiness, who is not already a Member, and has executed a Signatory Lease and Operating Agreement with the Port, subject to satisfaction of all requirements set forth in Section 5.2 below.

5.2 Requirements.

In order to become an Additional Member, an Air Carrier must submit to the Company:

- (a) A written notice stating the requested Acceptance Date;
- (b) A copy of the fully executed signature page of the Signatory Lease and Operating Agreement between the Port and Air Carrier;
- (c) A statement providing a schedule of operations, estimated enplanements and the square feet of any leaseholds at the Airport for the twelve month period following the requested Acceptance Date;
- (d) An executed counterpart copy of this Member Agreement;
- (e) The payment of amounts as specified by the Company pursuant to Section 5.3 below.

Further, the Air Carrier must have been determined by the Company as being creditworthy, and of such reputation and status in keeping with the nature or class of Members. For purposes of this paragraph, an Air Carrier may be determined to be not creditworthy if such Air Carrier:

- (i) has been in default under any agreement with Port in the past eighteen (18) months;
or
- (ii) failed to make payments in a timely fashion to Port or the Company; or
- (iii) has been in default under any agreement with other airports in the past eighteen (18) months; or
- (iv) is otherwise unable to demonstrate an ability to pay fees projected hereunder or cannot provide a security deposit, if required.

5.3 Procedure.

(a) If the material submitted pursuant to Section 5.2 is found by the Company to comply with Article 5, then the Company shall provide a notice of eligibility to the requesting Air Carrier along with:

- (i) an execution copy of the Member Agreement;
- (ii) a written statement of the requirements for membership;
- (iii) a written statement of the fees and other payments required for membership, consistent with Article 4 hereof;
- (iv) and such other documents for signature as may reasonably be required.

(b) The Air Carrier shall have thirty (30) calendar days from the date of the notice in which to return all required signed documents and payments.

(c) If all the requirements outlined in the notice from the Company are appropriately fulfilled within thirty (30) calendar days, the requesting Air Carrier shall become an Additional Member on the Acceptance Date and thereafter shall have the same rights and obligations under this Member Agreement as all other Members.

(d) The Company shall reissue Schedule A to all Members upon the admission of any Additional Member.

5.4 Acceptance Date.

The Acceptance Date for any Additional Member shall be the first day of the month (commencing at 12:01 a.m. Seattle time) following the date the Additional Member is notified by the Company that all required signed documents and payments have been received.

5.5 Usage.

For purposes of computing Majority-In-Interest and Super Majority-In-Interest for the first twelve (12) months following the Acceptance Date, the Usage of an Additional Member shall be the

greater of: (a) the Usage estimated by the Company for the Additional Member based on the information submitted pursuant to Section 5.2 above; or (b) the actual Usage, if available, pro-rated as necessary.

ARTICLE 6. CAPITAL CONTRIBUTIONS AND TAX MATTERS

6.1 Capital Contributions.

(a) Concurrently with becoming a Member, each Member must contribute to the capital of the Company the membership fee amount set forth in Articles 4 and 5.

(b) Initial Members must also contribute to the capital of the Company, in accordance with Section 12.6, amounts necessary to fund the Operating Reserve Account.

(c) In addition to the payment of a membership fee, an Additional Member must also contribute to the capital of the Company to fund its pro-rata share of the Operating Reserve Account based on the ratio of such Additional Member's estimated Usage, as determined by the Company, to the Usage of all other Members.

(d) The pro-rata share contribution to the capital of the Company by an Additional Member, made in accordance with Section 6.1(c), may be refunded on a pro-rata share basis to all other Members if such refund is approved by the affirmative vote of a Majority-In-Interest.

(e) No Member shall be required to make any additional capital contribution to the Company unless such additional capital contribution is on a pro-rata basis and approved by the affirmative vote of a Majority-In-Interest. No Member shall have any personal liability for the repayment of any Capital Contribution of any other Member. Notwithstanding the foregoing or any other provision of this Member Agreement, however, each Member shall be obligated to make all payments due and payable by such Member in connection with the Total Consortium Charge, repayment of debts or the funding of the Operating Reserve Account and to perform all obligations of such Member pursuant to the terms of this Member Agreement

(f) Capital Contributions shall be returned to Members, if at all, only in accordance with Section 6.1(d) or upon dissolution of the Company in accordance with Article 17 and only to Members who are Members not in default under this Member Agreement at the time of dissolution.

6.2 Status of Capital Contributions.

(a) Upon withdrawal or termination of a Member under this Member Agreement, the amount of a Member's Capital Contributions shall not be returned to it, except for withdrawal or termination in connection with the dissolution of the Company.

(b) No Member shall receive any interest, salary or drawing with respect to its Capital Contributions or for services rendered to or on behalf of the Company or otherwise in its capacity

as a Member, Member Representative, Chairperson or Vice Chairperson, or other officer, except as otherwise specifically provided in this Member Agreement.

6.3 Tax Election.

(a) The Company will elect to be taxed as a corporation by timely filing the properly completed forms with the Internal Revenue Service.

(b) The Company shall give written notice to the Members if such election is modified causing the Company to no longer be taxed as a corporation.

(c) When the Company files tax returns as a corporation: (i) all Federal, State and local taxes will be an expense of the Company; (ii) all such taxes will be included in the Total Consortium Charge; and (iii) each Member shall be liable for its share of any and all such tax expense incurred by the Company, as determined in Article 12.

(d) Company and Members will cooperate with one another in providing information which may be reasonably required to fulfil each party's tax filing requirements, including any information necessary to mitigate any such taxes or related tax withholdings.

ARTICLE 7. MEMBER INTERESTS

7.1 Member's Interest.

A Member's Interest in the Company shall be limited to the benefits such Member derives from the Company in accordance with this Member Agreement. An individual Member has no specific Interest in, or ownership of, Company Property.

7.2 Powers of Members.

The Member Representatives, on behalf of the Members, shall have the power to exercise any and all rights or powers granted to the Members pursuant to the express terms of this Member Agreement.

7.3 Reimbursements.

Subject to proper documentation and prior approval of a Majority-in-Interest, the Company shall reimburse the Members for all ordinary and necessary out-of-pocket expenses incurred by the Members on behalf of the Company. Such reimbursement shall be treated as an expense of the Company and shall not be deemed to constitute a distribution or return of capital to any Member.

7.4 Partition.

To the fullest extent permitted by applicable law, each Member waives any and all rights that it may have to maintain an action for partition of the Company's Property.

7.5 Transfer Void.

A Member shall not sell, assign, transfer, pledge or otherwise dispose of or encumber (collectively, for purposes of this Article 7, a "transfer") all or any part of its Interest in the Company to any Air Carrier or other person unless the Company shall give its prior written consent to such transfer, which consent shall not be unreasonably withheld, delayed or conditioned. The Company may only approve such a transfer to an Air Carrier who is concurrently becoming a Member and a party to this Member Agreement in accordance with the terms and conditions of this Member Agreement. In approving or disapproving any request for transfer, the Company shall not discriminate against any one or more Member(s).

7.6 Exception for Transfer to Subsidiary or in Connection with Merger.

Notwithstanding Section 7.5, a Member may transfer all or any part of its Interest in the Company, without first obtaining the Company's consent, to (i) a parent company of such Member, (ii) to a Subsidiary of such Member; or (iii) to another corporation with which such Member merges, or into which such Member consolidates, if the transferee is concurrently becoming a Member and a party to this Member Agreement; provided that such parent company, Subsidiary or other corporation is not a Member of the Company immediately prior to the time of transfer.

7.7 Associated Airlines.

Each Member shall have the right to request that the Members consider an Air Carrier in which it has at least a 95% financial interest as an Associated Airline. The Member shall provide the Member Committee with a written request to admit the Air Carrier in question as an Associated Airline, along with evidence that the Member has at least a 95% financial interest in the Air Carrier. The Member Committee shall review the evidence of financial interest of the Member in the Air Carrier proposed as an Associated Airline, and if the evidence is satisfactory, shall approve an Air Carrier as an Associated Airline. The Chairperson of the Member Committee shall advise the Consortium Manager and the Members of acceptance of any Air Carrier as an Associated Airline. Upon designation as an Associated Airline, the Air Carrier so designated shall have the same rights and obligations with respect to use of the Aeronautical Equipment, Company Property and Services as the Member with which it is associated. The Member with which it is associated shall be responsible for any liabilities incurred by the Associated Airline. Usage of the Associated Airline shall be included as Usage of the Member with which it is associated. Only the Member may vote.

7.8 Termination as Member Upon Default.

Upon the occurrence of an Event of Default by a Member under Section 13.1 of this Member Agreement, the Company has the right to terminate the Interest of such Member in the Company in accordance with Section 13.2(b), effective as of a date specified by the Company by written notice to such Member. From and after the occurrence of an Event of Default by a Member, such Member shall have no rights to vote as a Member, nor shall its Member Representative have any right to vote on the Member Committee. If its Member Representative is serving on the Executive Committee, its Member Representative shall be removed from the Executive Committee. Such Member's Usage shall not be counted, individually or as part of aggregate Usage, respecting a Majority-In-Interest, a Super Majority-In-Interest or otherwise in connection with any voting. Notwithstanding the foregoing, such Member shall not cease to be, and shall remain, a Member of the Company unless the Company elects to terminate such Member. Such

Member shall not be relieved of any of the responsibilities, liabilities or obligations of a Member hereunder because of the occurrence of an Event of Default. If the Company elected to terminate such Member, such Member shall remain liable for all of its obligations hereunder arising up to and including the effective date of its termination as a Member of the Company, and those obligations shall survive the termination of the Member under this Agreement.

7.9 Termination of Interest upon Mergers or Acquisitions.

In the event of any merger, consolidation, conversion, acquisition, or contractual arrangement as a result of which any Member becomes the beneficial owner of more than one Interest (whether directly or through control of one or more other Members), the Company has the right to terminate Interests such that no Member owns, directly or through control of other Members, more than one Interest. Such Member shall remain liable for all of its obligations hereunder arising up to and including the effective date of any termination of any Interests in the Company.

7.10 Company's Inability To Terminate.

In the event that the Company has a right to terminate a Member or a Member's Interest pursuant to this Article 7, but is prevented from doing so, the Company may deliver written notice to that effect to the Member whose status as a Member or Interest in the Company would otherwise terminate whereupon all of such Member's Interest shall become a non-voting Interest, and such Member shall not be entitled to vote as a Member or have its Member Representative sit on the Executive Committee, until such time as the Company is permitted to and does effect the termination. Such Member shall remain liable for all of its obligations hereunder arising up to and including the effective date of its termination as a Member of the Company.

ARTICLE 8. MANAGEMENT AND MEETINGS

8.1 Member Committee.

(a) Powers. The business and affairs of the Company shall be conducted and managed through a Member Committee composed of one Member Representative appointed by each Member. A meeting of the Member Committee shall be the same as a meeting of the Members for purposes of satisfying any requirements of the laws of the State of Washington for meetings of members of limited liability companies. The Member Committee shall have the power and authority, acting in accordance with the procedures of this Article 8, to do or cause to be done any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described in Section 3.1 of this Member Agreement, including all powers, statutory or otherwise, possessed by managers and/or members of a limited liability company under the laws of the State of Washington. The Member Committee shall act on all matters that are referred to in this Member Agreement to be done by (i) the Members; (ii) a Majority-In-Interest or Super Majority-In-Interest; (iii) a Majority-In-Interest or Super Majority-In-Interest of the Member Representatives; or (iv) a Majority-In-Interest or Super Majority-In-Interest of the Members.

(b) Appointment of Member Representatives. Each Member Representative shall be a regular salaried employee of the Member appointing him or her unless the Member Committee

approves, in its sole discretion, appointment of a Member Representative who is not a regular salaried employee of such Member. Each Member shall appoint its Member Representative in writing in a letter addressed to the Company and delivered to the Company at its address for notice in Section 2.4. Each Member may, in writing, designate one or more alternate Member Representatives who shall, if attending a Member Committee meeting in the absence of the designated representative, have the full authority to vote and speak for the designating Member; provided however, only one such alternate representative may exercise the Member's rights at any meeting. Member Representatives and alternates shall serve until the Company receives written notice of the appointment of a new Member Representative or alternates from a Member.

(c) Proxies. A Member Representative may give to any other Member Representative a proxy, in writing, provided that the Chairperson or Vice Chairperson, if presiding, of the Member Committee may refuse to recognize a proxy if there exist any indications of fraud or other material uncertainty about its terms. Any such proxy must be submitted to and approved or disapproved by the Chairperson or Vice Chairperson, if presiding, prior to the Member Committee meeting.

8.2 Meetings.

Meetings of the Member Committee shall be held at least annually at such time and place as determined by the Chairperson of the Member Committee or requested by Member Representatives representing at least twenty-five percent (25%) of the Usage of all Members for the twelve (12) months prior to the month in which the request is made. A complete list of Members entitled to vote at any meeting of the Member Committee, arranged in alphabetical order showing the address of each such Member and the name of its Member Representative, shall be made available to any Member upon request.

(a) Participation by Telephone. Member Representatives may participate in a meeting of the Member Committee through use of conference telephone or similar communication equipment so long as all representatives participating in such meeting can hear one another.

(b) Action Without Meeting. Any action of the Member Committee may be taken without a meeting if Member Representatives constituting a Majority-In-Interest, Super Majority-In-Interest or all of the Member Representatives, as applicable to the subject action, consent in writing to such action after solicitations of such written consents have been provided to all Member Representatives by e-mail, facsimile or letter. Unless otherwise specified in this Member Agreement, any action of the Member Committee may be taken if approved by a Majority-In-Interest. All written consent or consents shall be filed with the minutes of the proceedings of the Member Committee.

(c) Notice. All notices of meetings of the Member Committee must be received by the Member Representatives at least ten (10) business days prior to the meeting. Notices sent by certified mail shall be deemed received on the date of delivery as indicated on the return receipt; notices sent by e-mail, or facsimile shall be deemed received on the date transmitted, if transmitted prior to 4:00 p.m. time of recipient, otherwise on the next business day.

(d) Twenty-Day Notice Requirement. Notwithstanding Section 8.2(c), when any of the following items is to be the subject of a meeting of the Member Committee, at least twenty (20) business days prior notice is required:

(i) Selection of STAC Vendors for the Aeronautical Equipment, the Company Property or the Services by competitive proposal or other procedure approved by a Majority-In-Interest;

(ii) The approval of an agreement with a STAC Vendor, or amendments thereto or termination thereof;

(iii) The selection of a Consortium Manager;

(iv) The approval of an agreement with a Consortium Manager, amendments thereto or termination thereof;

(v) Approval of any non-budgeted single expenditure or obligation over One Hundred Thousand Dollars (\$100,000);

(vi) The determination if any non-budgeted single expenditure authorized by the Chairperson, the Executive Committee or the Member Committee should be deemed an Extraordinary Cost, and the allocation thereof among the Members;

(vii) Approval of the terms and conditions of any general plan of financing that may be required relating to the Aeronautical Equipment, Company Property or the Operating Reserve Account; or

(viii) Determination to dissolve the Company.

(e) Waiver of Notice in Emergency. In case of an emergency, the Chairperson of the Member Committee has the power to call a meeting of the Members without notice as required above; provided, that the Chairperson of the Member Committee uses his or her best efforts to give notice verbally or by e-mail or facsimile.

(f) Form of Notice. Best business practices will be used when transmitting notices of any meeting of the Member Committee and, therefore, such notices will include agendas, analyses, background material, ballots, etc. as appropriate for the subject matter of the meeting. The notice of any meeting of the Member Committee shall be directed to the place and in the manner set forth in Section 18.3 herein.

(g) Waiver of Notice. Any meeting of the Member Committee, however called and noticed and whenever held, and the transaction of business at such meeting, shall be valid as though duly called, noticed and held if a quorum is present and if either before or after the meeting each of the persons entitled to vote, but not present, signs: (i) a written waiver of notice; or (ii) a consent to

the holding of the meeting; or (iii) an approval of the minutes thereof. All such waivers, consents, or approvals shall be made a part of the minutes of the meetings.

(h) Quorum. A quorum consists of Member Representatives, or their alternates or assigned proxies, representing a Majority-In-Interest.

(i) Voting. Other than as provided in Section 8.2(b), any action of the Member Committee shall be effective only if made at a properly called meeting at which a quorum is present and upon the affirmative voice or hand vote of a Majority-In-Interest or such other percentage as may be specifically provided for in this Member Agreement for a particular action.

8.3 Chairperson.

A Majority-In-Interest of the Member Committee shall elect a Chairperson and may elect a Vice Chairperson from among its representatives. Election shall be held annually and the term of the Chairperson and Vice Chairperson shall be one year. Members may serve as Chairperson or Vice Chairperson for an unlimited number of consecutive terms. The Chairperson of the Member Committee shall preside at all meetings of the Member Committee and in his or her absence the Vice Chairperson shall preside. In the absence of both the Chairperson and the Vice Chairperson, a meeting chairperson may be elected by a Majority-In-Interest in attendance at the meeting. The Chairperson of the Member Committee shall have the power and authority to authorize non-budgeted single expenditures or obligations by and on behalf of the Company of Twenty-Five Thousand Dollars (\$25,000) or less without the approval of the Member Committee; provided, however, if for any reason it is not practical to call for a vote of the Executive Committee for approval of a non-budgeted single expenditure of Seventy-Five Thousand Dollars (\$75,000) or less, the Chairperson may authorize such expenditure if failure to take such immediate action would adversely impact the operational and/or financial well-being of the Company. Such authorized single expenditures shall be deemed Extraordinary Costs, if an affirmative Majority-In-Interest determines that such expenditures should not be included as a component of the Net Consortium Charge.

8.4 Chairperson to Execute Contracts.

Each Member and the Company hereby authorizes and empowers the Chairperson of the Member Committee to execute and deliver, for and on behalf of the Member Committee and the Company, all documents contemplated herein, including amendments and counterparts to this Member Agreement, accepting Additional Members, and/or any construction, service agreements, financing arrangements, guaranties and related agreements, or other contracts authorized by a Majority-In-interest in accordance with the terms of this Member Agreement.

8.5 Executive Committee.

(a) Committee. An Executive Committee may be established by a Majority-In-Interest of the Member Committee consisting of the Chairperson of the Member Committee, who shall also serve as Chairperson of the Executive Committee, and a maximum of four (4) other Member Representatives elected by the Member Committee. The term of the members of the Executive

Committee shall be the later of one year or until their successors are elected, unless removed by a Majority-In-Interest.

(b) Appointment of Executive Committee Members. Each Executive Committee member shall be the Member Representative appointed by the Member in Section 8.1(b). Member Representatives shall serve on the Executive Committee until the Company receives written notice of the appointment of a new Member Representative from a Member. Upon receipt of such notice, the Member Committee will convene to elect a new Member Representative to the vacant position on the Executive Committee.

(c) Authority. The Executive Committee, subject to control of the Member Committee, shall be delegated responsibility for the day-to-day management and operation of the Company, the Aeronautical Equipment, Company Property and Services. It shall perform such other duties as are delegated and assigned to the Executive Committee from time to time by the Member Committee. The Executive Committee shall have the power and authority to authorize non-budgeted single expenditures or obligations by and on behalf of the Company of One Hundred Thousand Dollars (\$100,000) or less without the approval of the Member Committee. The Executive Committee shall in no event have any authority greater than the Member Committee or be authorized to take any actions that the Member Committee could not take.

(d) Quorum and Voting. A quorum for the transaction of business at a regular or special meeting of the Executive Committee shall consist of a majority of the members of the Executive Committee. The act of at least a majority of the members of the Executive Committee shall constitute the act of the Executive Committee.

(e) Meetings. The Chairperson of the Executive Committee, or members of the Executive Committee constituting at least one-third of the members of such Executive Committee, may call meetings of the Executive Committee. Notice must be given in accordance with the procedures to be established by the Executive Committee.

(f) Participation by Telephone. Members of the Executive Committee may participate in a meeting of the Executive Committee through use of conference telephone or similar communication equipment, so long as all members participating in such meeting can hear one another.

(g) Waiver of Notice. Any meeting of the Executive Committee, however called and noticed and whenever held, and the transaction of business at such meeting, shall be as valid as though had at a meeting duly called, noticed, and held if a quorum is present and if either before or after the meeting each of the persons on the Executive Committee entitled to vote but not present signs: (i) a written waiver of notice; or (ii) a written consent to the holding of the meeting; or (iii) an approval of the minutes thereof. All such waivers, consents, or approvals must be made a part of the minutes of the meetings.

(h) Action Without a Meeting. Any action to be taken by the Executive Committee may be taken without a meeting if all members of the Executive Committee consent in writing to such

action. Such written consent(s) shall be filed with the minutes of proceedings of the Executive Committee.

8.6 Operations Committee.

(a) Committee. An Operations Committee shall be established by a Majority-In-Interest of the Member Committee. The Operations Committee shall consist of the Chairperson of the Member Committee, who shall also serve as Chairperson of the Operations Committee, and a local representative appointed by each Member. Each local Member representative on the Operations Committee shall serve until his or her successor is appointed.

(b) Authority. The Operations Committee, subject to control of the Member Committee and the Executive Committee, shall be delegated responsibility for resolving any day-to-day operational concerns at the Airport. It shall perform such other duties as may be delegated to it by the Executive Committee or the Member Committee. The Operations Committee may make recommendations to the Executive Committee or the Member Committee, but it shall have no authority to authorize expenditures or to commit any funds of the Company.

(c) Quorum and Voting. A quorum for the transaction of business at a regular or special meeting of the Operations Committee shall consist of representatives constituting at least a Majority-In-Interest of the Members. The act of at least a Majority-In-Interest of the Members, so long as a quorum is in attendance, shall constitute the act of the Operations Committee.

(d) Meetings. Meetings of the Operations Committee may be called by the Chairperson of the Operations Committee or representatives on the Operations Committee constituting at least one-third of the representatives. Notice must be given in accordance with the procedures to be established by the Operations Committee.

(e) Participation by Telephone. Representatives on the Operations Committee may participate in a meeting of the Operations Committee through use of conference telephone or similar communication equipment, so long as all representatives participating in such meeting can hear one another.

(f) Waiver of Notice. Any meeting of the Operations Committee, however called and noticed and whenever held, and the transaction of business at such meeting, shall be as valid as though had at a meeting duly called, noticed, and held if a quorum is present and if either before or after the meeting each of the representatives on the Operations Committee entitled to vote but not present signs: (i) a written waiver of notice; or (ii) a written consent to the holding of the meeting; or (iii) an approval of the minutes thereof. All such waivers, consents, or approvals must be made a part of the minutes of the meetings.

(g) Action Without a Meeting. Any action to be taken by the Operations Committee may be taken without a meeting if all representatives on the Operations Committee consent in writing to such action. Such written consent(s) shall be filed with the minutes of proceedings of the Operations Committee.

8.7 Members' Consent.

Each of the Members, by signing this Member Agreement, specifically consents to the authority given herein to the Member Committee, the Executive Committee, the Operations Committee and the Chairperson and Vice Chairperson and hereby certifies (and upon request of the Company shall promptly deliver further assurance of its certification) that the persons designated from time to time by such Member as a Member Representative and as a representative on the Operations Committee are duly authorized to act for and on behalf of such Member.

ARTICLE 9. BOOKS AND RECORDS

9.1 Books, Records and Financial Statements.

(a) At all times during the continuance of the Company, the Company shall maintain, at its principal place of business, separate books of account for the Company that shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received and all income derived in connection with the operation of the Company's business in accordance with generally accepted accounting principles consistently applied, and, to the extent inconsistent therewith, in accordance with this Member Agreement. Such books of account, together with a copy of this Member Agreement and of the Certificate, shall at all times be maintained at the principal place of business of the Company and shall be open to inspection and examination at reasonable times by each Member and its duly authorized representative for any purpose reasonably related to such Member's Interest.

(b) The Members shall prepare and maintain, or cause to be prepared and maintained, the books of account of the Company. The Company shall prepare and file, or cause to be prepared and filed, all applicable federal and state tax returns.

9.2 Accounting Method.

For both financial and tax reporting purposes, the books and records of the Company shall be kept on the accrual method of accounting applied in a consistent manner and shall reflect all Company transactions and be appropriate and adequate for the Company's business.

9.3 Annual Audit.

The financial statements of the Company may be audited annually by an independent certified public accountant, selected by the Company, with such audit to be accompanied by a report of such accountant containing its opinion. The cost of such audits will be an expense of the Company. A copy of any such audited financial statements and accountant's report will be made available for inspection by the Members.

ARTICLE 10. ACCESS TO AERONAUTICAL EQUIPMENT, COMPANY PROPERTY AND SERVICES

10.1 Use.

The Aeronautical Equipment, Company Property and Services shall be managed, maintained, and operated to provide for the handling of departing and arriving flights and passengers at such locations at the Airport as may be determined by the Company and the Port. The Members covenant and agree that the Company may establish standards and practices and, subject to the approval of the Managing Director, fees for access to and the operation and maintenance of the Aeronautical Equipment, the Company Property, the Services and any other costs associated with the operations of the Company and the use of the Airport. The covenant and agreement of each Member set forth in this Section 10.1 shall survive any withdrawal by such Member from this Member Agreement.

10.2 Non-Member Users.

The Company shall allow any Air Carrier who does not become a party to this Member Agreement as a Member to use the Aeronautical Equipment, the Company Property and Services for its flights and passengers upon execution by that Air Carrier of the then-current Equipment Use Agreement.

10.3 Equipment Use Agreement.

The Company shall, by the vote of a Majority-In-Interest of the Members, approve from time to time the form of an Equipment Use Agreement, which shall be consistent with this Member Agreement, and which shall contain, inter alia, the terms and conditions governing use of the Aeronautical Equipment, Company Property, Services, deposits, use fees and charges, and indemnification and insurance provisions. The Equipment Use Agreement shall provide that, so long as the Non-Member User abides by the terms of that agreement and pays the fees and charges provided therein, its access to and use of the Aeronautical Equipment, Company Property and Services otherwise shall be nondiscriminatory. The Company may approve separate forms of the Equipment Use Agreement for use of the Aeronautical Equipment, Company Property and Services. Notwithstanding anything to the contrary in this Member Agreement, the Company may charge fees to Non-Member Users which are greater than those charged to Members.

10.4 Handlers.

The Company may allow a Handler to access the Aeronautical Equipment, Company Property and Services to provide passenger and flight handling services, subject to the requirements of this Section 10.4. Each such Handler: (a) must have entered into an agreement with a Member or a Non-Member User to provide handling services at those Airport locations where the Aeronautical Equipment, Company Property or Services may be situated; (b) must execute an Equipment Access Agreement; and (c) must comply with all of the terms and conditions of the Equipment Access Agreement.

10.5 Equipment Access Agreement.

The Company shall, by the vote of a Majority-In-Interest of the Members, approve from time to time the form of an Equipment Access Agreement, which shall be consistent with this Member Agreement, and which shall contain, inter alia, the terms and conditions governing access to and use of the Aeronautical Equipment, Company Property, Services, Handler requirements, procedures and documentation, deposits, fees and charges, qualification and training, and indemnification and insurance provisions.

10.6 Access by Users.

(a) Except as provided for herein with respect to allocation of the Total Consortium Charge and otherwise as provided herein, access to the Aeronautical Equipment, Company Property and Services by all Members shall be on an equal and nondiscriminatory basis, with no Members being afforded priority or preferential treatment over another.

(b) In the event of a dispute regarding access to the Aeronautical Equipment, Company Property and Services, the Consortium Manager is authorized to review and resolve the dispute, and will document such resolution by providing written notice to all Members involved, with copies provided to the Executive Committee. In the event that the Members involved in the dispute do not accept or are otherwise unable to implement the resolution provided by the Consortium Manager within fifteen (15) calendar days of receiving written notice, the Executive Committee shall review and resolve the dispute within fifteen (15) calendar days of the dispute being submitted to the Executive Committee. A decision evidenced by written notice from the Executive Committee comprising 75% of the total Usage of the Members of the Executive Committee, which Usage shall be determined using the methodology set forth in Schedule C Section A, will be final.

ARTICLE 11. CONSORTIUM MANAGER & STAC VENDORS

11.1 Consortium Manager.

By the vote of a Majority-In-Interest of the Members the Company shall approve the selection of a Consortium Manager. The Company shall, by the vote of a Majority-In-Interest of the Members, approve the form of the Consortium Manager Agreement which shall be consistent with this Member Agreement. The Consortium Manager shall execute the Consortium Manager Agreement with the Company, which shall specify the Consortium Manager's duties, responsibilities and compensation, as well as the rights and obligations of the Company and the Members with respect to the Consortium Manager. Each Member hereby agrees to execute and/or deliver such documents, if any, as may be reasonably requested by the Company to confirm its individual obligation for payment of its share of the Consortium Manager's fees. Payment of the Consortium Manager's fees and expenses under the Consortium Manager Agreement shall be included as part of the Total Consortium Charge.

11.2 Consortium Manager Responsibilities.

The Consortium Manager Agreement shall require the Consortium Manager to, *inter alia*, manage the STAC Vendors, to establish standards and practices for the operation and maintenance of the Aeronautical Equipment, Company Property and Services; to monitor and require compliance with this Member Agreement, the Equipment Use Agreements and the Equipment Access Agreements; to invoice, collect and pay monies on behalf of the Company; to provide such bookkeeping, accounting, invoicing, filing of the Company's tax returns and other reports to governmental bodies; and to perform such other services as are necessary to accomplish the requirements of this Member Agreement, and to comply with all applicable laws and this Member Agreement.

11.3 STAC Vendors.

The Company shall procure STAC Vendors to operate and maintain the Aeronautical Equipment, to operate and maintain the Company Property, and to provide the Services. By the vote of a Majority-In-Interest of the Members, the Company shall approve the selection of STAC Vendors. The Company shall, by the vote of Majority-In-Interest of the Members, approve the form of the STAC Vendor Agreements. The selected STAC Vendors shall execute agreements with the Company, which shall specify their respective duties, responsibilities and compensation, as well as the rights and obligations of the Company and the Members with respect to each STAC Vendor. The selected STAC Vendors shall also secure all necessary approvals and permits from the Port, and failure to do so shall prohibit any such entity from entering into an agreement with the Company. Each Member hereby agrees to execute and/or deliver such documents, if any, as may be reasonably requested by the Company to confirm its individual obligation for payment of its share of the STAC Vendors' fees. Payment of the STAC Vendors' fees and expenses under the STAC Vendor Agreements shall be included as part of the Total Consortium Charge.

11.4 STAC Vendor Responsibilities.

The STAC Vendor Agreements shall require the STAC Vendors to, *inter alia*, maintain, operate and manage the Aeronautical Equipment, the Company Property and provide the Services. The Company shall require the STAC Vendors to comply with all applicable laws, rules, and regulations, this Member Agreement and any requirements, rules or procedures established by the Port.

11.5 Payments.

Each of the Members acknowledges that, in accordance with the Consortium Manager Agreement, (a) the Consortium Manager may act for and on behalf of the Company in accounting, billing, and collecting monies and (b) at the time they become due, the Consortium Manager shall remit payments as directed by the Company of all the items included in the Total Consortium Charge.

ARTICLE 12. CALCULATION OF FEES AND CHARGES

12.1 Total Consortium Charge and Net Consortium Charge.

(a) The "Total Consortium Charge" shall be determined as defined in Section 1.1 above.

(b) The following costs incurred by the Company, the Consortium Manager, or the STAC Vendors shall not be part of the Total Consortium Charge, but shall instead be charged directly to the applicable Member, Non-Member User, or other responsible Air Carrier:

(i) costs incurred for the sole benefit of the Air Carrier being charged;

(ii) costs incurred as a result of the negligence, intentional wrongdoing or breach of its contract obligations under this Member Agreement or Equipment Use Agreement, as applicable, by the Air Carrier being charged; and

(iii) costs incurred to repair damage to the Aeronautical Equipment or Company Property caused by the Air Carrier or its agents being charged.

(c) The “Net Consortium Charge” shall be determined as defined in Section 1.1 above.

(d) Each Member shall be liable for its share of the Net Consortium Charge as determined under this Article 12.

12.2 Liability for Net Consortium Charge and Extraordinary Costs.

(a) Allocation. The Net Consortium Charge shall be allocated among the Members in accordance with Schedule C, as Schedule C may be amended from time to time by a Super Majority-In-Interest of the Members. The Consortium Manager shall prepare a schedule of fees and charges for the next fiscal year, which shall be used by the Consortium Manager in calculating each Member’s projected monthly share of the Net Consortium Charge. The Consortium Manager shall provide the schedule to each Member no later than thirty (30) calendar days prior to the beginning of the fiscal year to which the schedule applies.

(b) Allocation of Extraordinary Costs. The Company shall allocate Extraordinary Costs among the Members on a reasonably equitable basis as it may determine through an affirmative vote of a Majority-In-Interest, and may instruct the Consortium Manager as to the allocation and collection thereof. In the absence of agreement on allocation, Extraordinary Costs shall be allocated on the basis of each Member’s Usage for the preceding six (6) months and collected over a twelve (12) month period.

12.3 Temporary Shutdown.

In the event that there have been no operations at the Airport for a period of thirty (30) consecutive calendar days, then the Net Consortium Charge shall be allocated among the Members on the basis of Monthly Usage for the twelve months ending immediately prior to the cessation of operations at the Airport (or, if shorter, the period that the Member has been a party to this Member Agreement).

12.4 Invoicing.

(a) Members shall report to the Consortium Manager no later than the 10th business day of the month all activity described on Schedule C for the preceding month. The Consortium Manager shall calculate each Member’s share of the Net Consortium Charge, based on the formulas described in Schedule C attached hereto. Beginning with the month that is estimated to be one month prior to the beginning of the Company’s operations, and for each subsequent month, on or about the 15th day of the month, the Consortium Manager will invoice each Member for the period one month in the future, based on the Company’s estimated operating expense budget and an allocation of this budget to the Members in accordance with Schedule C (the “Advance Billing”). Beginning with the month following the start of the Company’s operations, each Member will be invoiced for the preceding month, based on the Company’s actual operating expenses allocated in accordance with Schedule C. Concurrently, each Member’s account will be reconciled and

adjusted in accordance with the actual activity for the month to which the billing applies versus the estimates used for the Advance Billing. The Advance Billing methodology will end once the Members determine that the Operating Reserve Account has been sufficiently funded. Once the Advance Billing methodology has ended, each Member will be invoiced for the preceding month, based on actual operating expenses and actual activity for the month completed, based on the formulas described in Schedule C.

(b) All costs and fees relating to use of the Aeronautical Equipment, Company Property and Services by Non-Member Users shall be invoiced to such persons in accordance with the Equipment Use Agreements and Equipment Access Agreements. Costs incurred as described in clauses (i)-(iii) of Section 12.1(b) shall be charged to and paid only by the persons causing such costs to be incurred.

(c) Subject to the proviso at the end of this sentence, not more than three times during any fiscal year, if a current schedule based on the most recently available projections and other information indicates that payments of the Net Consortium Charge at the then-existing rates would result in an overpayment or underpayment by more than five percent of the amount required to be collected by the Company, then the Executive Committee may revise the schedule and adjust the rates for the remainder of such year to conform to its current projections; provided that, notwithstanding the foregoing, the Executive Committee may revise and adjust the rates at any time based upon an adjustment of rentals, fees and charges by the Port pursuant to the Operating Agreement. The Executive Committee shall notify the Members at least thirty (30) calendar days in advance of its intention to adjust the schedule, providing revised charges in sufficient detail to allow a Member to make informed comments thereon. A Member may submit written comments on such revised schedule to the Executive Committee within thirty (30) calendar days following delivery of the notice to the Member. The Executive Committee shall give due consideration to any comments submitted in a timely manner by a Member. If requested by a Majority-In-Interest, the Executive Committee shall convene a meeting with the Members to discuss the revision and adjustments.

(d) As soon as practicable after the end of each calendar year, the Company shall render an itemized accounting (which itemized accounting may be audited by the Company's Auditor) to each Member for the actual Net Consortium Charge incurred by and allocable to each Member during the preceding calendar year, based on each Member's actual Usage and reflecting any adjustments permitted hereunder.

12.5 Payments.

(a) Each Member shall make payments to the Company when due at the office of the Consortium Manager or at any alternate location specified in writing by the Consortium Manager and approved by the Executive Committee. Any invoice submitted to a Member by the Company shall have the due date stated thereon. The amount of any delinquent payment shall include a penalty equivalent to ten percent (10%) of the value of the invoice and shall bear interest at a rate equal to two percent (2%) per month (or the maximum rate permitted by law, whichever is lower), from the date such amount is due until paid in full.

(b) If a Member fails to pay its share of the Net Consortium Charge within thirty (30) calendar days of the date payment was due (including any amounts due after such Member has withdrawn from this Member Agreement pursuant to Article 17 hereof), and the amount of the Operating Reserve Account is not sufficient to make such payment, each non-defaulting Member must pay, within ten (10) calendar days of demand, its *pro rata* share of the amount in default, determined by the Company in accordance with the allocations set forth in Section 12.2(a) above, but calculated assuming that the defaulting Member was not a Member for the period in question. Such payments shall be deemed to be loans to the defaulting Member and the amounts due shall be calculated as set forth in Section 12.5(a) hereof. In the event of default in the payment of any of its share of the Net Consortium Charge by a Member or its *pro rata* share of an amount in default from another Member, which default shall continue for thirty (30) calendar days, the amount of such defaulted charges shall be payable as provided in Article 13 below.

(c) Each Member must make its respective pro-rata payments to the Company in accordance with the terms of this Member Agreement with no defense or right of set-off, reduction, counterclaim (other than a compulsory counterclaim or one that would be lost if not asserted) or recoupment for any reason, including the unenforceability or invalidity of this Member Agreement, the bankruptcy, insolvency, liquidation or reorganization of the Company, any Event of Default or withdrawal under this Member Agreement by any other Member, any breach by the Company or any other party of any obligation to the Member, whether under this Member Agreement, the Consortium Manager Agreement or otherwise, or any indebtedness or liability at any time owing to the Member by the Company, or any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, or the destruction by fire or other casualty of the Aeronautical Equipment or Company Property or any portion thereof, commercial frustration of purpose, any change in the tax or other laws or administrative rulings or administrative actions by the United States of America or the State of Washington or any political subdivision of either, the taking of title thereto or the use thereof by the exercise of the power of eminent domain or the termination of the Operating Agreement.

12.6 Operating Reserve Account.

(a) The Company shall establish and maintain an Operating Reserve Account in an amount determined by the Member Committee. The Company will draw upon the Operating Reserve Account as a course of business to provide timely payments to the Company's service providers. Draws made in this manner will be replenished by the timely payments of the Members under this Member Agreement.

(b) The Company may also draw upon the Operating Reserve Account after a failure by a Member to pay or perform its obligation to cover any required payment, or to perform any other obligation of such Member under this Member Agreement. A defaulting Member shall not be entitled to prior notice of or have the right to consent to any draw from the Operating Reserve Account, and shall immediately replenish the Operating Reserve Account and reimburse the Company and the non-Defaulting Members, if applicable, for any costs and penalties associated with the draw therefrom.

(c) The Company may establish the Operating Reserve Account by actual Member deposits, surcharges, advanced invoicing, letters of credit, loans, other credit facilities or by securing a line of credit. The Operating Reserve Account deposits shall be held by such institutions, and the monies therein invested, as the Company shall determine.

12.7 Operating Reserve Account Charge.

(a) The costs associated with the establishment and maintenance of the Operating Reserve Account, other than the costs associated with a Member's default, shall be part of the the Company's management and administration expenses.

(b) The Members agree that until the Operating Reserve Account is fully funded, the Advance Billing methodology will be employed by the Consortium Manager and the Net Consortium Charge will be increased ten percent (10%), which increase will be credited toward the Operating Reserve Account.

(c) For accounting purposes, payments and contributions to the Operating Reserve Account shall not be considered revenues of the Company.

ARTICLE 13. DEFAULT

13.1 Events of Default and Termination.

An Event of Default with respect to a Member shall exist if any one or more of the following events shall occur:

(a) The failure of the Member to pay any amount when due under this Member Agreement in accordance with the terms hereof, which failure continues unremedied for 10 (ten) calendar days following a Member's receipt of written notice of the amount overdue; or

(b) The failure by the Member punctually and properly to perform any covenant (other than that specified in Section 13.1(a)), agreement, obligation, term or condition contained herein which is not cured within 30 (thirty) calendar days of notice from the Company; or

(c) The Member shall (i) commence a voluntary case under any chapter of the Federal Bankruptcy Code (11 U.S.C. §101, et seq., as amended) as now or hereafter in effect, or shall consent to (or fail to controvert in a timely manner) the commencement of an involuntary case against the Member under said Code; (ii) institute proceedings for liquidation, termination, dissolution, rehabilitation, readjustment or composition (or for any related or similar purpose) under any law (other than the Federal Bankruptcy Code as now or hereafter in effect) relating to financially distressed debtors, their creditors or property, or shall consent to (or fail to controvert in a timely manner) the institution of any such proceedings against the Member; (iii) make an assignment for the benefit of creditors or enter into any arrangement for the adjustment or composition of debts or claims; (iv) apply for or consent to the appointment of, or the taking possession by, a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of itself or any of its property; or (v) take corporate action for the purpose or with the

effect of authorizing, acknowledging or confirming the taking or existence of any action or condition specified in clause (i), (ii), (iii) or (iv) above; or

(d) The Member shall be insolvent (within the meaning of any applicable law), or shall be unable, or shall admit in writing its inability, to pay its debts as they become due, or take corporate action for the purpose or with the effect of authorizing or confirming the taking or existence of any action or condition specified in this Section 13.1(d); or

(e) A court or other governmental authority or agency having jurisdiction shall enter a decree or order (i) for the appointment of a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of the Member of any part of its property, or for the winding-up or liquidation of its affairs, and such decree or order shall remain in force undischarged and unstayed for a period of more than thirty (30) calendar days or (ii) for the sequestration or attachment of any material part of the property of the Member without its unconditional return to the possession of the Member or its unconditional release from such sequestration or attachment within thirty (30) calendar days thereafter; or

(f) A court having jurisdiction shall enter an order for relief in any involuntary case commenced against the Member under the Federal Bankruptcy Code as now or hereafter in effect, and such order shall remain in force undischarged and unstayed for a period of more than thirty (30) calendar days; or

(g) A court or other governmental authority or agency having jurisdiction shall enter a decree or order approving or acknowledging as properly filed or commenced against the Member a petition or proceedings for liquidation, rehabilitation, readjustment or composition (or for any related or similar purpose) under any law (other than the Federal Bankruptcy Code as now or hereafter in effect) relating to financially distressed debtors, their creditors or property, and such petition or proceedings shall not be dismissed within thirty (30) calendar days of the date of filing or commencement.

13.2 Consequences of Default.

(a) Report to Company. If any Member knows of an Event of Default or of facts that lead it to believe an Event of Default has occurred, then it shall use its best efforts immediately to provide notice in writing to the Company.

(b) Notice of Defaulting Member. The Company shall give notice to the defaulting Member and any other person entitled thereto as soon as practicable after there has been an Event of Default under this Member Agreement. Such Member shall have ten (10) calendar days (or such longer period as is permitted under this Member Agreement) from the date of such notice in which to cure such Event of Default. (If the end of the ten (10) calendar day cure period ends on a non-Business Day, the cure period shall be extended to the next Business Day.) If such Event of Default has not been cured within the ten (10) calendar days (or longer, if permitted by this Member Agreement) period, the defaulting Member shall be retroactively billed by the Company as a Non-Member User from the date of the Event of Default and shall continue to be billed as a

Non-Member User until one (1) month after the defaulting Member has cured the Event of Default if, during such one (1) month period, the Member has paid when due all monies owed the Company and has otherwise cured the Event of Default and performed all of its obligations hereunder. As an additional remedy hereunder, the Company may terminate the membership of such defaulting Member pursuant to this Member Agreement, and thereupon, the defaulting Member shall cease to be a Member hereunder. In the event that a Member has filed for protection under the laws protecting creditors, such Member shall have sixty (60) calendar days in which to assume this Member Agreement, and if such assumption is not made within sixty (60) calendar days, such defaulting Member shall be treated as a Non-Member User. Such defaulting Member, during the period of any Event of Default under this Member Agreement, shall remain subject to all obligations herein as a Member but shall have no rights to vote as a Member nor shall its Member Representative vote as a Member with respect to the Company or hold a seat on the Executive Committee nor shall its Usage be counted respecting a Majority-In-Interest, a Super Majority-In-Interest or otherwise in connection with any voting. Notwithstanding anything to the contrary contained in this Member Agreement, calculation of a Majority-In-Interest or Super Majority-In-Interest in voting with respect to a defaulting Member shall not include the Usage of such defaulting Member in the aggregate Usage of all Members nor count such defaulting Member as a Member. A Member which has defaulted under this Article 13 shall not be relieved of any of the responsibilities, liabilities or obligations of a Member hereunder because of its default.

(c) Collection. The Company shall have a claim, which the Consortium Manager is authorized to pursue and collect, against any defaulting Member in an amount equal to any payment due, together with costs associated with any draw on the Operating Reserve Account, interest on the defaulted payment amount from the date it was due, and expenses of collection as provided herein, including amounts due or owed to non-defaulting Members as provided in Section 12.5(b) hereof. Such claim may be enforced, immediately upon the occurrence of and after any default of a Member, by: (i) terminating the defaulting Member's right to use the Aeronautical Equipment, Company Property and Services; and (ii) pursuing any and all other legal or equitable remedies available to the Company, the Consortium Manager or the STAC Vendors.

13.3 Reimbursement.

In the event that the Members have been required to pay on behalf of a defaulting Member, the Members shall be reimbursed by the Company, *pro rata*, according to the respective amounts advanced as monies are collected from a defaulting Member.

13.4 Costs.

The defaulting Member shall be liable for all reasonable costs and expenses, including reasonable attorneys' fees and disbursements at trial or on appeal, expended in order to collect or attempt to collect any amounts due or owed. Any amounts due from or owed by a defaulting Member hereunder may be offset against any amounts otherwise payable to such defaulting Member by the Company.

ARTICLE 14. AERONAUTICAL EQUIPMENT; COMPANY PROPERTY

14.1 Aeronautical Equipment.

The Company shall use, operate and maintain the Aeronautical Equipment in accordance with the provisions of this Member Agreement and the Operating Agreement.

14.2 Company Property.

The Company shall arrange for the transfer, purchase, lease or other acquisition of Company Property to be used for Company operations as well as Company Property to be used by the Members at the Airport in accordance with the terms of this Agreement. Company Property may be acquired by agreement of a Super Majority-In-Interest of the Members if involving an expenditure of more than One Hundred Thousand Dollars (\$100,000), and by a Majority-In-Interest if involving an expenditure of One Hundred Thousand Dollars (\$100,000) or less.

ARTICLE 15. LIABILITY, EXCULPATION AND INDEMNIFICATION

15.1 Member Liability.

Each Member (the "Indemnitor") shall defend, indemnify, and hold harmless Covered Persons against and from any and all liability, claims, suits, judgments, losses, damages, settlements or costs (including reasonable attorneys' fees and expenses) for injuries to or deaths of persons or loss of or damage to property (including financial loss) arising from: (i) the use of the Aeronautical Equipment, Company Property or the Services by the Indemnitor or its employees, agents, contractors, or invitees; (ii) any failure by the Indemnitor to pay all amounts when due or any other breach by the Indemnitor of this or any related agreement; or (iii) the negligent acts and omissions or willful misconduct of the Indemnitor or its employees, agents, contractors, or invitees. The Indemnitor shall accept and defend all such claims and suits regardless of the merit thereof (including investigation, pleading, discovery, motions, trial and appeal) at Indemnitor's sole cost and expense, and including any settlement thereof. The Covered Persons shall cooperate in the defense as reasonably requested by the Indemnitor at the Indemnitor's expense. Indemnitor's obligation and Covered Persons' rights under this Section 15.1 shall survive the withdrawal of Indemnitor as a Member or the termination of this Member Agreement. The foregoing shall not apply by reason of such Covered Person's own negligence or willful misconduct in respect of such liability, claims, suits, judgments, losses, damages, settlements or costs.

15.2 Company Liabilities.

(a) Except as otherwise provided, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

(b) To the fullest extent permitted by applicable law, but without limiting the provisions of Sections 15.1 and 15.5, a Member, in its capacity as Member, shall have no liability in excess of (a) the amount of its Capital Contributions, (b) its share of any assets and undistributed profits, if any, of the Company, (c) its obligation to make other payments expressly provided for in this Member Agreement, and (d) the amount of any distributions wrongfully distributed to it.

(c) In the event that one or some but not all Members or Covered Persons are named in an action against the Company related to Company debts, liabilities or obligations, the named Covered Persons shall have the right to interplead all Members of the Company in the action and shall be entitled to indemnification by the Company for any loss, cost, liability or expense related to being so named pursuant to Section 15.5 and 15.6 below.

15.3 Exculpation.

(a) No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company or as a Member Representative to the Member Committee or the Executive Committee and in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by or pursuant to this Member Agreement or as a Member Representative to the Member Committee or the Executive Committee, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's negligence or willful misconduct.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company or such Covered Person by any person as to matters the Covered Person reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company or such Covered Person, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

15.4 Fiduciary Duty.

To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Member Agreement shall not be liable to the Company or to any other Covered Person for its good faith reliance on the provisions of this Member Agreement and, to the fullest extent permitted by law, shall not be liable for monetary damages for breach of any such duties. Duties (including fiduciary duties) and liabilities, whether existing at law or in equity, of Covered Persons, are hereby restricted to the fullest extent permitted by law. The parties hereby agree that the provisions of this Member Agreement that restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity (including the provisions of the foregoing sentence) are intended by the parties hereto to replace and restrict such other duties and liabilities of such Covered Person.

15.5 Indemnification by the Company.

To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, expense (including reasonable attorneys' and other professionals' fees), damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Covered

Person by this Member Agreement, except that no Covered Person shall be entitled to be indemnified in respect of any such loss, expense, damage or claim incurred by such Covered Person by reason of such Covered Person's own negligence or willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 15.5 shall be provided out of and to the extent of Company assets only, and no Covered Person shall have any personal liability on account thereof.

15.6 Expenses.

To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Covered Person in defending any claim, demand, action, suit or proceeding, other than a claim, demand, action, suit or proceeding under Section 15.1, shall be advanced by the Company from time to time prior to the final disposition of such claim, demand, action, suit or proceeding upon request therefor by such Covered Person and receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined by a court of competent jurisdiction that the Covered Person is not entitled to be indemnified as authorized in Section 15.5 hereof.

15.7 Insurance.

The Company may purchase and maintain insurance, to the extent and in such amounts as a Majority-In-Interest may, in its sole discretion, deem reasonable, on behalf of Covered Persons and such other persons as a Majority-In-Interest may determine, against liabilities that may be asserted against or expenses that may be incurred by any such person in connection with the activities of the Company or indemnities. The Company may enter into indemnity contracts with Covered Persons and such other persons as a Majority-In-Interest shall determine and adopt written procedures pursuant to which arrangements are made for the advancement of expenses and the funding of obligations under Section 15.5 hereof and containing such other procedures regarding indemnification as are appropriate.

15.8 Outside Businesses.

Any Member or Affiliate thereof may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Company, and the Company and the Members shall have no rights by virtue of this Member Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Company, shall not be deemed wrongful or improper. No Member or Affiliate thereof shall be obligated to present any particular investment opportunity to the Company even if such opportunity is of a character that, if presented to the Company, could be taken by the Company, and any Member or Affiliate thereof shall have the right to take for its own account (individually or as a partner or fiduciary) or to recommend to others any such particular investment opportunity. A Member shall, however, disclose to the other Members any benefits or advantages that may accrue to it on account of a decision or action to be taken by the Company (other than any benefits or advantages accruing because of its Membership in the Company).

ARTICLE 16. WITHDRAWAL

16.1 Cessation of Operations.

If a Member decides to withdraw from this Member Agreement (subject to the limitations set forth in Section 16.4 hereof), that Member (hereinafter "Withdrawing Member") may submit a written "Notice of Withdrawal" to the Company no less than sixty (60) calendar days prior to the date on which such Member shall withdraw, which Notice of Withdrawal shall specify the desired Withdrawal Date.

16.2 Withdrawal Commitment and Deposits.

The Withdrawing Member shall pay an amount equal to two times its average monthly share of the Net Consortium Charge for the twenty-four (24) months preceding the month in which notice of withdrawal is given (the "Withdrawal Commitment"). The Withdrawing Member shall deposit its Withdrawal Commitment with the Company (the "Withdrawal Deposit"). No withdrawal shall be allowed until such Withdrawing Member has (i) paid the Withdrawal Deposit; (ii) paid in full all amounts due and owing under this Member Agreement, including the fees for its use of the Aeronautical Equipment, Company Property and Services; and (iii) fulfilled all then-outstanding indemnity obligations arising under this Member Agreement. No return or refund of any part of the Withdrawal Deposit shall be made by the Company. A Withdrawing Member shall continue to be liable after the Withdrawal Date for such Withdrawing Member's allocated share (calculated in accordance with Article 12 hereof) for any claim or liability for matters which occurred or accrued during the time such Withdrawing Member was a Member up to and including the Withdrawal Date, provided that the terms of Article 15 shall continue to apply with respect to such Withdrawing Member. In the event that all Members except one have withdrawn from this Member Agreement, then each Withdrawing Member that has been a Member at any time during the five-year period preceding the withdrawal of all Members except one shall be liable for obligations to the Company and the Port incurred prior to the withdrawal of all Members except one, to the extent that such Withdrawing Member's aggregate Usage during such five-year period bears to the total of all such Withdrawing Members and the one remaining Member's aggregate Usage during such five-year period or such shorter period of actual operation. The obligations of each Member set forth in the last two sentences of this Section 16.2 shall survive any withdrawal by such Member from this Member Agreement.

16.3 Termination.

Upon payment of the Withdrawal Commitment to the Company, and upon payment of all other amounts payable by the Withdrawing Member, this Member Agreement shall terminate as to the Withdrawing Member only.

16.4 Limitation on Withdrawal.

Notwithstanding anything herein to the contrary, no Member may withdraw from this Member Agreement under any of the following circumstances:

- (a) during any period of time when the Airport is shut down or inoperable for any reason;
- or
- (b) if an Event of Default exists or by reason of such withdrawal would exist under the Operating Agreement; or

(c) if immediately after such withdrawal, no Members would be a party to this Member Agreement.

ARTICLE 17. DISSOLUTION, LIQUIDATION AND TERMINATION

17.1 No Dissolution.

The Company shall not be dissolved by, and the Company shall continue without dissolution or the winding up of its affairs in the event of the occurrence of any one or more of the following events: the admission of one or more Additional Members; the termination or withdrawal of one or more Members; any Member ceasing to be a Member of the Company; or the bankruptcy, insolvency or dissolution of one or more Members.

17.2 Events Causing Dissolution.

Subject to the restrictions on dissolution found in Article 2 of this Agreement, the Company shall be dissolved and its affairs shall be wound up only upon the occurrence of any of the following events:

- (a) the written consent of a Super Majority-In-Interest of Members to such dissolution; or
- (b) the entry of a decree of judicial dissolution.

17.3 Liquidation.

Upon dissolution of the Company, the Members shall carry out the winding up of the Company and shall immediately commence to wind up the Company's affairs; provided, however, that a reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the satisfaction of liabilities to creditors so as to enable the Members to minimize the normal losses attendant upon a liquidation. The proceeds of liquidation shall be distributed in the following order and priority:

(a) to creditors of the Company, including Members who are creditors, to the extent otherwise permitted by law, in satisfaction of the liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members and former Members; and

(b) after the foregoing distributions, any remaining balance as follows: 10% per capita among the then-Members and the remaining 90% according to the proportion that each then-Member's Usage bears to the total of all then-existing Members' Usage, with Usage determined as the aggregate amount of Usage for the two (2) years immediately preceding the month of such distribution (or such shorter period of actual operation of the Company). Notwithstanding the foregoing, there shall be set off against the amount otherwise distributable to any Member any and all amounts owed to the Company by such Member.

17.4 Termination.

The Company shall terminate when all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company, shall have been distributed to the Members in the manner provided for in this Article 17 and the Certificate shall have been canceled.

17.5 Claims of the Members.

The Members shall look solely to the Company's assets for the return of their Capital Contributions in accordance with Section 17.3, and if the assets of the Company remaining after payment of or due provision for all debts, liabilities and obligations of the Company are insufficient to return such Capital Contributions, the Members shall have no recourse against the Company or any other Member. In accordance with Section 6.1(f), former Members shall have no right to a return of their Capital Contribution at the time of dissolution, liquidation or termination.

17.6 Limitations on Distribution.

Notwithstanding any provision to the contrary contained in this Member Agreement, the Company shall not make a distribution to any Member on account of its Interest if such distribution would violate applicable law.

ARTICLE 18. MISCELLANEOUS

18.1 Covenant To Sign Documents.

Each Member covenants, on behalf of itself, its successors and assigns, to execute, with acknowledgment or affidavit if required, any and all documents and writings, and any opinions, which may be reasonably necessary or expedient in the implementation of this Member Agreement.

18.2 Attorneys' Fees.

In the event any dispute among the parties hereto should result in litigation, the prevailing party shall be reimbursed for all reasonable costs including reasonable attorneys' fees.

18.3 Notices.

All notices provided for in this Member Agreement shall be in writing, duly signed by the party giving such notice, and shall be delivered by hand, mailed via an overnight courier service, telecopied or mailed by registered or certified mail, as follows:

(a) if given to the Company at the address specified in Section 2.4 of this Member Agreement as such address may be changed from time to time pursuant to this Section 18.3; or

(b) if given to any Member at the address set forth on Schedule A, or at such other address as such Member may hereafter designate from time to time by written notice to the Company.

All such notices shall be deemed to have been given when received.

18.4 Counterparts.

This Member Agreement may be executed in any number of counterparts and by the various Members on separate counterparts, all of which taken together constitute one and the same instrument. A signed counterpart is as binding as an original.

18.5 Applicable Law.

This Member Agreement is to be governed by and construed under the laws of the State of Washington with regard to the organization and internal affairs of the Company and the liability and authority of its Members and any managers

18.6 Not a Partnership or Joint Venture.

Except to the extent expressly provided by this Member Agreement, neither this Member Agreement nor the relationship of the Members as a consequence of their participation in the maintenance and operation of the Aeronautical Equipment and the Company Property and the provision of the Services creates a partnership, joint venture or agency relationship between the parties to this Member Agreement. No Member may commit any other Member to any debt or obligation of any type whatsoever other than as specifically provided herein or in other documents signed by or binding on a Member or the Company.

18.7 Amendments.

(a) Except as described in Subsection (b) below or otherwise expressly indicated herein, this Member Agreement may be amended only by the Members constituting a Super Majority-In-Interest. An amendment shall be effective only if evidenced by a writing which sets forth the text of the amendment and which is signed by the requisite number of Members approving the amendment.

(b) Each party hereto, by execution of a counterpart of this Member Agreement, consents to the addition of other Members from time to time pursuant to Article 5.

18.8 Assignment.

The rights and obligations of any Member hereunder may not be pledged, encumbered, assigned or transferred in any way, except to a transferee of such Member's Interest in the Company. Subject to this restriction on assignment, the obligations hereunder are binding on the successors and assigns of each Member. Notwithstanding the foregoing, the Company may assign its rights hereunder to a third person to the extent the Company deems appropriate for any financing or other general purposes. In connection therewith, each of the Members consents to the pledge, collateral assignment and grant of security interest in the Company's rights under, and claims against each of the Members, pursuant to this Member Agreement.

18.9 U.S. Currency.

Any payments required by this Member Agreement from one party to any other shall be made with U.S. Dollars in locally collectible funds.

18.10 Entire Agreement.

This Member Agreement represents the parties' entire agreement. There are no other agreements or promises, written or oral, incorporated herein except as specifically set forth in this Member Agreement.

18.11 Severability.

If any provision of this Member Agreement is declared by a court of competent jurisdiction to be illegal, unenforceable or void (including in the event of a bankruptcy of any Member), that provision, to the extent necessary shall be modified so as to be enforceable and as nearly as possible reflect the original intention of the parties hereto, it being agreed and understood by the parties hereto that (a) this Member Agreement and all the provisions hereof shall be enforceable in accordance with their respective terms to the fullest extent permitted by law, and (b) the remainder of this Member Agreement shall remain in full force and effect.

18.12 Failure to Pursue Remedies.

The failure of any party to seek redress for violation of, or to insist upon the strict performance of, any provision of this Member Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

18.13 Limitation of Rights.

Nothing in this Member Agreement expressed or implied is intended or shall be construed to give to any person other than the Members any legal or equitable right, remedy or claim under or in respect of this Member Agreement or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Members.

#####

SIGNED AND AGREED:

SEATTLE TACOMA AIRLINE CONSORTIUM, LLC

By: _____
Chairperson of the Member Committee

MEMBER: _____,
Airline Name

A _____ organized under the laws of _____

By: _____

Name: _____

Title: _____

Member Address for Notices:

**MEMBER AGREEMENT
SCHEDULES AND APPENDICES**

Schedule A: Names and Notice Addresses of Members

Schedule B: Voting Requirements Index

Schedule C: Formulas for Calculation of Usage

Appendix A: Air Carriers Invited To Become Members

**SCHEDULE A
TO MEMBER AGREEMENT**

Names and Notice Addresses of Members

**SCHEDULE B
TO MEMBER AGREEMENT**

VOTING REQUIREMENTS INDEX

Majority-In-Interest

Section	Action
1.1	Select Auditor
1.1	Approve Withdrawal Date
2.7	Terminate Member Agreement if Operating Agreement Terminated
4.2	Approve escalation of membership fee
4.3	Determine Member security deposit requirement
6.1(d)	Approve pro-rata share refund to Members of Capital Contribution paid by Additional Member
6.1(e)	Approval of Additional Capital Contribution
7.3	Approval of reimbursement to Members for incurred Company Expenses
8.2(b)	Approve action without Member Committee meeting
8.2(d)	Selection of STAC Vendors
8.2(i)	Approve any action of the Member Committee
8.3	Elect a Chairperson and a Vice Chairperson
8.3	In the absence of the Chairperson and Vice Chairperson, elect a meeting chairperson
8.3	Categorize expenditures as Extraordinary Costs
8.4	Authorize Contracts
8.5(a)	Select and Remove Executive Committee
8.6(a)	Establish an Operations Committee
8.6(c)	Operations Committee Voting
10.3	Approve form of the Equipment Use Agreement
10.5	Approve form of the Equipment Access Agreement
11.1	Approve selection of Consortium Manager, and approve the form of the Consortium Manager Agreement
11.3	Approve selection of STAC Vendors, and approve the form of the STAC Vendor Agreements
12.2(b)	Approve allocation of Extraordinary Costs
12.4(c)	Call meeting to discuss rate adjustments and revisions
14.2	Approve the acquisition of Company Property for \$100,000 or less
15.7	Obtain Insurance

**SCHEDULE B
TO MEMBER AGREEMENT**

VOTING REQUIREMENTS INDEX

Super Majority-In-Interest

Section	Action
1.1	Define Usage
3.3	Approve the merger into or with another company
8.2(b)	Approve action without Member Committee meeting
12.2(a)	Amend Schedule C
14.2	Approve the acquisition of Company Property for more than \$100,000
17.2(a)	Approve dissolution of the Company
18.7(a)	Amend Member Agreement
Schedule C	Amend Schedule C

**SCHEDULE C
TO MEMBER AGREEMENT**

Formulas for Calculation of Usage

Until changed by a Super Majority-In-Interest, each Member's Usage shall be determined as follows:

- A. Voting. The vote of the Members, whether representing a Majority-in-Interest or a Super Majority-In-Interest, requires both the affirmative votes of a certain number of Members and the affirmative votes of Members representing a certain percentage of the Usage. Each Member's Usage for purposes of determining a Majority-In-Interest or a Super Majority-In-Interest under the Member Agreement, shall mean its pro rata share of the Net Consortium Charge paid to the Company in the preceding twelve (12) calendar months in accordance with the allocation formulas described below.

- B. Net Consortium Charge Allocations. The Net Consortium Charge allocation shall be calculated by dividing the Net Consortium Charge by the estimated total Maximum Gross Landed Weight of the Members for the following year. Such allocation shall represent each Member's Usage.

- C. Definitions.

"Maximum Gross Landed Weight" means the maximum weight in thousand pound units at which each aircraft operated by Member is authorized by the FAA to land at the Airport.

**APPENDIX A
TO MEMBER AGREEMENT**

Air Carriers Invited To Become Members

Air Canada
Alaska Airlines
All Nippon Airways
American Airlines, Inc.
Asiana Airlines
British Airways
Condor Flugdienst GmbH
Delta Air Lines, Inc.
Emirates
EVA Airways
Frontier Airlines
Hainan Airlines, Inc.
Hawaiian Airlines
Icelandair
JetBlue Airways Corporation
Korean Air
Lufthansa Airlines
Sun Country Airlines
Southwest Airlines Co.
Spirit Airlines, Inc.
United Airlines
Virgin America
Volaris
Xiamen Air

EXHIBIT J

CO-BUS OPERATOR REQUIREMENTS

1. Commercial Driver's Licenses (CDL) for drivers or a license or combination of license and documentation that shows equivalency to a CDL to include competency in driving CDL type vehicles (based on Gross Vehicle Weight) along with a protocol for establishing Fit for Duty for each hired driver, and annual review of each driver to include an annual review of each driver's motor vehicle record (MVR) and review of all recorded collisions for each driver.;
2. Agree to "Fit for Duty" policy (drug and alcohol testing and protocol);
 - a. Read and sign
 - b. Quarterly drug tests
3. Hiring criteria to include:
 - a. No hiring of anyone who has had a suspended license in past 10 years
 - b. No hiring of anyone who has had more than 3 speeding tickets in last five years
 - c. No hiring of anyone who has had infractions for negligent or reckless driving within the past 10 years
 - d. Prior screening for pre-employment driver history former employers, 10 years
 - e. Prior screening for pre-employment drug testing former employers 10 years
4. Provider's Risk Management review of each driver's motor vehicle record (MVR)
5. Shift supervisors for the busing operation to complete annual drug and alcohol awareness training
6. Provider to review each driver's job application
7. All drivers to read and sign Port Driver Safety Program Policies EX-14 Policy and Procedures