

OFFICE LEASE AGREEMENT

BETWEEN

**RA General Services LLC
dba Longhorn Jet Center
2101 Lakeway Blvd., #100
Austin, Texas 78734
AS LANDLORD**

AND

**Shepherd Aviation Services LLC
301 South Hangar Drive
Georgetown, Texas 787___
AS TENANT**

DATED September 15, 2013

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OFFICE LEASE AGREEMENT

This lease agreement (the "Lease") is made and entered into as of the **15th day of September 2013** between **RA General Services** dba Longhorn Jet Center (the "Landlord"), and **Shepherd Aviation Services LLC**, a Texas Corporation (the "Tenant"):

SEC. 1. LEASED PREMISES: In consideration of the mutual covenants set forth herein, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord for the rental and on the terms and conditions hereinafter set forth approximately 795.50 +/- square feet of rentable space, shared common area 1,015 sf on the first floor as indicated on the plan attached hereto as EXHIBIT "A" in the office Building (the "Building") located at 301 South Hangar Drive Georgetown, Texas, Williamson County, Texas. The Building is located on the land (the "Land") more particularly described on EXHIBIT "B" attached hereto. The Premises, Building, and Land together with all improvements (including, without limitation, all parking facilities) thereon are herein collectively called the "Property."

SEC. 2. TERM: Subject to the conditions set forth herein, and in any exhibit or addendum hereto, signed by both parties, the term of this Lease shall be for a period of **3.5 (Three and 1/2) months, beginning on the earlier of the date that Tenant actually occupies the Premise or September 15, 2013 ("Commencement Date")** and shall end at midnight on Jan 31, 2014.

SEC. 3. USE: The Premises shall be used and occupied by Tenant solely for aviation industry office purposes and for no other purpose.

SEC. 4. SECURITY DEPOSIT: A security deposit of \$ 00.00 ("Security Deposit") is currently on deposit from Tenant. Upon the occurrence of any event of default by Tenant, Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to satisfy delinquent Rent or to cure any Tenant default or to compensate Landlord for any loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, upon demand therefore, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount and Tenant's failure to do so shall constitute a default hereunder by Tenant. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit shall be returned to Tenant within thirty (30) days after termination of this Lease.

SEC. 5. BASE RENTAL: As part of the consideration for the execution of this Lease, Tenant agrees to pay as "Base Rental", the following sums, payable in monthly installments:

<u>Time Period</u>	<u>Monthly Rental</u>	<u>Term Rental</u>
9/15/2013 – 1/31/2014	\$1,000.00	\$3,500.00

Each such installment shall be paid in legal tender of the United States of America, in advance, without demand and without deduction, on the first day of each calendar month during the term hereof; provided, however, that if the term of this Lease commences on a date other than the first day of a calendar month, the first rental payment shall be the rental for the pro-rated rental remainder for the calendar month in which the Lease term commences, and shall be paid on the Commencement Date.

SEC. 6. ADDITIONAL RENTAL: ~~In addition to the Base Rental, as specified in this Lease, Tenant agrees to pay to Landlord as additional rent (“Additional Rental) an amount equal to Tenant’s pro rata share of Operating Expenses increases based on 2012 operating expenses (as hereinafter defined). Tenant’s liability for Additional Rental for any partial year during the term of this Lease shall be prorated based upon the ratio of the number of days within the term of this Lease as compared to the total number of days in such year.~~

A. Operating Expenses: ~~For the purposes of determining Additional Rental, “Operating Expenses” shall mean all of Landlord’s costs and expenses paid or incurred in operating and maintaining the Property for a particular calendar year or portion thereof, as determined by Landlord.~~

~~Operating Expenses shall include, without limitation:~~

~~(i) all general real estate taxes and all special assessments; costs and expenses of contesting the validity or amount of real estate taxes; insurance premiums; water, sewer, electrical and other utility charges; service and other charges incurred in the operation and maintenance of the elevators and the heating, ventilation and air conditioning system; cleaning and other janitorial services; tools and supplies; repair costs; landscape maintenance costs; security services (if Landlord so elects to provide security services); license, permit and inspection fees; management fees, the office rent and wages of employees directly engaged in the maintenance and operation of the Property, including taxes and insurance relating thereto; trash removal; parking lot and driveway maintenance costs; and, in general, all other costs and expenses which would generally be regarded as operating and maintenance costs and expenses; and~~

~~(ii) the costs of any capital improvements made to the Property by Landlord that reduce operating expenses or that are required under any governmental law or regulation not applicable to the Property or not in effect at the time it was constructed, such cost to be amortized over such reasonable period as Landlord shall determine with a return on capital at the then current prime interest rate (as~~

~~published by the Wall Street Journal) on the unamortized balance or at such higher interest rate as may have been paid by Landlord on funds borrowed for the purpose of constructing such capital improvements. However, the portion of any increase in annual Operating Expenses for capital improvements that reduce operating expenses shall never exceed the amount of reduction in the annual Operating Expenses attributable to such improvements.~~

~~Federal and State taxes imposed upon or measured by the gross receipts or income of Landlord shall not be considered a part of Operating Expenses unless a future change in the method of taxation causes any franchise, gross receipts, income, profit or other tax to be levied against Landlord in substitution in whole or in part for or in lieu of or in addition to any tax included as an Operating Expense hereunder. In such event, any such franchise, gross receipts, income, profit or other tax shall (with appropriate adjustments, where necessary) be deemed to be Operating Expenses for the purposes hereof.~~

~~For the purpose of this Section, payments made by tenants of the Building, either to third parties or to Landlord, under agreements for direct reimbursement for services (e.g., separately metered utilities, separately contracted janitorial services, property taxes directly reimbursed to Landlord, etc.) shall not be included in Operating Expenses.~~

~~Notwithstanding any language in this Lease to the contrary, Landlord may, at Landlord's sole election, determine and estimate Operating Expenses for any calendar year by increasing the variable components of Operating Expenses to the amount which Landlord projects would have been incurred had the Building and other completed building(s) in the Property been occupied to the extent of ninety five percent (95%) of their total rentable area during all of the applicable calendar year. In such event, Operating Expenses shall include (i) the actual Operating Expenses incurred during any portion of such calendar year in which the Property is occupied to the extent of ninety five percent (95%) or more of the rentable area therein plus (ii) the Operating Expenses which, according to Landlord's determination and estimation, would have been incurred had the Property been occupied to the extent of ninety five percent (95%) of the rentable area thereof during that portion of the calendar year in which the actual occupancy of the Property is less than ninety five percent (95%) of the rentable area therein; and Landlord shall have the option of making such estimate in advance for any upcoming calendar year.~~

B. Monthly Payment of Estimated Additional Rental: ~~Tenant's proportionate share of Operating Expenses for the remainder of the calendar year after the Commencement Date and for each subsequent calendar year shall be estimated by Landlord, and written notice thereof shall be given to Tenant. Upon receipt of said written notice from Landlord, the estimated Additional Rental shall be due and payable as herein provided. For any such remainder of the calendar year after the Commencement Date, Tenant agrees to pay Landlord each month, at the same time the Base Rental is due, an amount equal to the amount of such estimated monthly Additional Rental for the remainder of such calendar year, and during each calendar year thereafter Tenant agrees to pay Landlord each month, at the same time the Base Rental is due, an amount equal to one twelfth (1/12) of the estimated annual Additional Rental due.~~

C. Revisions of Estimated Additional Rental: ~~If real estate taxes, or any portion of Operating Expenses including utility, janitorial or other services increase during a calendar year, Landlord may revise the estimated Additional Rental during such year by giving Tenant written notice to that effect, and thereafter Tenant agrees to pay Landlord, in each of the remaining months of such year, an additional amount equal to the amount of such annual increase in the estimated Additional Rental divided by the number of months remaining in such year.~~

D. Monthly Adjustment of Additional Rental: ~~Landlord shall prepare and deliver to Tenant a statement showing Tenant's total amount of Additional Rental covering electrical usage. Within thirty (30) days after receipt of the aforementioned statement, Tenant agrees to pay Landlord.~~

E. Tenant's Pro Rata Share: ~~The parties agree that the total rentable area of the Premises (the "Rentable Area of the Premises") is _____ square feet, and the total rentable area of the Building is _____ square feet, regardless of whether there are in fact differences between such figures and the actual figures. The parties agree that Tenant's pro rata share for Additional Rental purposes is ___%; provided however that upon the construction of one or more new buildings on the Land, Tenant's pro rata share for Additional Rental purposes shall be recalculated upon the completion of each such building to equal the Rentable Area of the Premises divided by the total rentable area of the Building and any such new completed building(s). Notwithstanding the foregoing, if after the construction of one or more additional buildings on the Land any of the Operating Expenses are allocable solely to the Building or one of the other buildings, then Tenant's pro rata share of such expenses shall be 100% for those Operating Expenses allocable solely to the Building, and 0% for any Operating Expenses allocable solely to the other building or buildings.~~

SEC. 7. RENT: The Base Rental, and all other sums required to be paid by Tenant hereunder, are sometimes collectively referred to as, and shall constitute, "Rent".

Rent shall be paid by Tenant when due, or within five (5) days of due date, without prior demand therefore and without deduction or set off unless otherwise specifically provided herein, at such place as Landlord may designate from time to time.

In the event any installment of Base Rental, Additional Rent or other amount due from Tenant to Landlord under this Lease shall not be paid when due, a late charge of ten cents (\$.10) per each dollar so overdue may be charged by Landlord for the purpose of defraying Landlord's administrative expenses incident to the handling of such overdue payments, and Tenant agrees to pay such Rent to Landlord upon demand.

SEC. 8. PAYMENT FOR OTHER SERVICES: Tenant agrees to pay to Landlord all charges for any services, goods, or materials furnished by Landlord at Tenant's request which are not required to be furnished by Landlord under this Lease, within 10 days after receipt of Landlord's request for payment.

SEC. 9. TENANT'S OCCUPANCY AND USE: The Premises shall be used solely for the purpose specified in Section 3. Tenant will not use, occupy or permit the use or occupancy of the Premises for any purpose which is, directly or indirectly, forbidden by law, ordinance or governmental or municipal regulation or order, or which may be dangerous to life, limb or property; or permit the maintenance of any public or private nuisance; or do or permit any other thing which may disturb the quiet enjoyment of any other tenant of the Building; or keep any substance or carry on or permit any operation which might emit offensive odors or conditions into other portions of the Property or use any apparatus which might make undue noise or set up vibrations in the Building; or permit anything to be done which would increase the fire and extended coverage insurance rate on the Building or contents, and if there is any increase in such rate by reason of acts of Tenant, then Tenant agrees to pay such increase promptly upon demand by Landlord. Payment by Tenant of any such rate increase shall not be a waiver of Tenant's duty to comply herewith. Tenant agrees to comply with all requirements of the Americans with Disabilities Act (Public Law 101-336 July 26, 1990) and the Texas Architectural Barriers Act (Article 9102, Tex. Rev. Civ. St. (1991)) applicable to the Premises and applicable to the Property to the extent necessary to accommodate any special requirements of Tenant's employees, invitees and customers not applicable to the other tenants in the Property. Tenant acknowledges that it shall be wholly responsible for any accommodations or alterations which need to be made to the Premises to accommodate Tenant's employees, customers and invitees and for making any additional accommodations or alterations which need to be made to the Property to accommodate any special requirements of Tenant's employees, invitees and customers not applicable to the other tenants in the Property. **Tenant agrees to indemnify and hold Landlord harmless from any and all expense (including, without limitation, attorneys' fees), liabilities, costs, or damages suffered by Landlord as a result of Tenant's failure to comply with its obligations under this Section 9.**

SEC. 10. SUITABILITY OF PREMISES: Tenant warrants to Landlord that it has, prior to the execution hereof, fully inspected the Premises and that it has made, performed, obtained and received all studies, inspections, reports, diagnoses and tests that Tenant desires relative to the Premises and Tenant's proposed business use of the Premises. Tenant understands and agrees that it is accepting the Premises in its present "AS-IS", "WHERE-IS" condition, "WITH ALL FAULTS". Tenant warrants that it used all due diligence in conducting all studies, inspections, diagnoses and tests on the Premises that Tenant deemed necessary or appropriate. Tenant acknowledges that Landlord has not made and does not make, and **Landlord hereby disclaims, any and all warranties, express or implied, which in any way relate to the Premises or the condition thereof, including without limitation any implied warranty of suitability or habitability.** Tenant further understands that Landlord has relied upon Tenant's having made all inspections Tenant desired prior to leasing the Premises from Landlord, and that but for such inspections by Tenant, Landlord would not have leased the Premises to Tenant.

SEC. 11. RIGHT OF ACCESS:

A. Landlord: Landlord or its authorized agents shall at any and all reasonable times have the right to enter the Premises to inspect the same, to supply any service Landlord deems necessary to provide hereunder, to show the Premises to prospective purchasers or tenants, improve or repair the Premises or any other portion of the Property all without being deemed guilty of an eviction of Tenant and without abatement of Rent, and may for that purpose erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, provided the business of Tenant shall be interfered with as little as is reasonably practicable. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults and safes. Landlord shall have the right to use any and all means which Landlord may deem proper to open any door(s) in an emergency without liability therefor.

B. Tenant: Landlord may provide limited access to the Building after hours, on weekends and on holidays in the form of special limited access entry cards or similar items ("Entry Cards") for Tenant and its employees. Landlord may limit the number of Entry Cards provided to Tenant in keeping with the policy applied to all tenants of the Building and may require the payment of a refundable deposit in the amount of the standard fee charged other tenants of the Building. Tenant shall pay Landlord for any additional or replacement cards in such amounts as the Landlord shall, from time to time determine. Landlord shall be entitled to cancel any lost or stolen cards of which it becomes aware. Tenant shall promptly notify Landlord of any lost or stolen cards. Tenant shall cooperate fully in Landlord's efforts to maintain security in the Building and shall follow all regulations promulgated by Landlord with respect thereto. Tenant shall surrender all Entry Cards in its possession upon expiration or earlier termination of this Lease.

SEC. 12. QUIET POSSESSION: Upon Tenant's paying the Rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have the quiet possession of the Premises for the entire Term hereof, subject to all of the provisions of this Lease, and subject to the terms of all restrictions, easements and other matters of record applicable to the Property.

SEC. 13. SERVICES AND UTILITIES: Provided Tenant is not in default of any term, condition or covenant of the Lease, Landlord agrees to furnish or cause to be furnished to the Premises, water (for drinking, cleaning, and lavatory purposes only), and electricity during the term of this Lease. However, Landlord shall not be obligated to provide electrical capacity beyond existing building standard capacity as determined by Landlord, nor shall Landlord bear the utility costs (including meter installation and air-conditioning costs) occasioned by machines of high electrical consumption, it being agreed that Tenant shall pay the cost of all electrical service in excess of standard tenant usage as determined by Landlord. Tenant shall not install or cause to be installed any utility service meter, electrical panel box, air-conditioning or other

equipment of high electrical consumption without the prior express written consent of Landlord. Landlord shall furnish water at those points of supply provided for the general use of other tenants in the Building, heated and refrigerated air-conditioning in season (at temperatures, in amounts and at times considered by Landlord to be standard or in compliance with any governmental regulations; such service after hours, on Saturday afternoons, Sundays and holidays will be furnished only upon the prior written request of Tenant who shall bear the entire costs thereof). Landlord shall furnish janitorial service, in the manner and to the extent deemed standard by the Landlord during the periods and hours as such services are normally furnished to all tenants. The work of the Building janitor shall not be hindered by Tenant. Tenant will pay all Tenant's telephone and Internet access charges. Landlord shall not be liable in damages or otherwise for failure, stoppage or interruption of any such service, nor shall the same be construed as an eviction of the Tenant, work an abatement of Rent, or relieve Tenant from the operation of any covenant or agreement; but in the event of any failure, stoppage or interruption thereof, Landlord shall use reasonable diligence to resume service promptly. Notwithstanding anything hereinabove to the contrary, Landlord reserves the right from time to time to make reasonable and nondiscriminatory modifications to the above standards for services and utilities.

SEC. 14. REPAIRS AND MAINTENANCE:

A. Landlord's Repairs: Subject to reimbursement pursuant to Section 6. above, Landlord shall provide or cause to be provided, cleaning and maintenance of the public portions of the Building, including painting and landscaping, as Landlord deems appropriate. Unless otherwise expressly stipulated herein, Landlord shall not be required to make any improvements or repairs of any kind or character in the Premises during the term of this Lease, other than structural repairs to exterior and load-bearing walls, the floor and foundation (but not floor coverings), and the roof, but only after such repairs have been requested by Tenant in writing. Landlord's obligation to make repairs shall be limited to material, substantial, structural repairs only, and not to repairs of a cosmetic or minor nature. Landlord shall not be liable to Tenant for any damage or inconvenience and Tenant shall not be entitled to any abatement or reduction of Rent by reason of any repairs, alterations or additions made by Landlord under this Lease or made by Landlord under other tenant leases in the Building. Landlord may at its option and at the sole cost and expense of Tenant, repair or replace any damage or injury done to the Property or any part thereof, caused by Tenant, Tenant's agents, employees, licensees, invitees or visitors; and Tenant shall pay the costs thereof plus a fifteen percent (15%) administrative fee to Landlord on demand. All requests for repairs and maintenance that are the responsibility of Landlord pursuant to any provision of this Lease must be made in writing to Landlord at the address set forth herein, or as subsequently changed from time to time by Landlord in writing.

B. Tenant's Repairs: Except for those items expressly the responsibility of the Landlord pursuant to Section 14.A. above, Tenant agrees to maintain and keep the Premises in good repair and condition at Tenant's expense. Tenant's obligation to maintain the Premises shall include the obligation to maintain any above building standard heating, ventilation and air conditioning systems and related equipment installed for the Premises by Tenant or at its request. Tenant agrees not to commit or allow any waste or damage to be committed on any portion of the Property, and at the termination of this Lease, by lapse of time or otherwise, to deliver up the

Premises to Landlord in as good condition as they existed on the date of possession by Tenant, ordinary wear and tear alone excepted, and Landlord shall have the right to re-enter and resume possession of the Premises whether or not the Premises are vacated by Tenant.

SEC. 15. ALTERATIONS, FIXTURES AND PERSONAL PROPERTY: Tenant covenants and agrees that it will make no alterations or additions to the Premises without Landlord's written consent in advance, and without first furnishing the Landlord fifteen (15) days advance notice outlining in detail the proposed alterations or additions. Tenant acknowledges that the consent of the City, if required under the Ground Lease, as defined in Section 36 below, must be obtained for certain improvements.

Any such alterations or additions (including but not limited to wall-to-wall carpeting, paneling and other wall coverings) approved in writing by Landlord shall be surrendered to Landlord upon termination of this Lease. All costs and expenses of any approved alterations or additions shall be borne solely by Tenant. Any contractor or person making such improvements for Tenant must first be approved in writing by Landlord.

Tenant may remove its trade fixtures, office supplies, movable office furniture or equipment and other personal property not attached to the Building provided: (a) such removal is made prior to the termination of this Lease; (b) Tenant is not in default of any obligation or covenant under this Lease at the time of such removal; and (c) Tenant promptly repairs all damage caused by such removal.

Landlord shall have the right at any time (i) to change the arrangement, locations and/or size of entrances or passageways, doors and doorways, corridors, elevators, stairs, toilets or other public parts of the Building; (ii) upon giving Tenant reasonable notice thereof, to change the name, number or designation by which the Building is commonly known; and (iii) to change any portions of the Property outside the Premises.

SEC. 16. TENANT FINISH: Except as otherwise provided in the Work Letter attached hereto as EXHIBIT "E", All installations and improvements now or hereafter placed on the Premises shall be for Tenant's account and at Tenant's cost, which cost shall be payable by Tenant to Landlord upon demand as additional Rent. Upon completion of the initial improvements in accordance with the Work Letter, Tenant agrees to execute and deliver to Landlord a letter accepting delivery of the Premises, in the form attached as EXHIBIT "D".

SEC. 17. LIENS BY TENANT: Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by or for Tenant. In the event that Tenant shall not, within ten (10) days following the imposition of any such lien, cause the same to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other remedies provided herein and by law, the right but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of or defense against the claim giving rise to such lien. All sums paid by Landlord and all expenses incurred by it in connection therewith shall create automatically an obligation of Tenant to pay, on demand, an equivalent amount together with interest at the rate of 12% per annum. No work

which Landlord permits Tenant to perform in the Premises shall be deemed to be for the immediate use and benefit of Landlord so that no mechanics or other lien shall be allowed against the estate of Landlord by reason of its consent to such work.

SEC. 18. SUBLETTING AND ASSIGNING: Tenant shall not assign this lease, or allow it to be assigned, in whole or in part, by operation of law or otherwise, or mortgage or pledge the same, or sublet the Premises, or any part thereof, without the prior written consent of Landlord and the City, and in no event shall any such assignment or sublease ever release Tenant from any obligation or liability hereunder. No assignee or sub-lessee of the Premises or any portion thereof may assign or sublet the Premises or any portion thereof. Landlord shall not be required to collect any rents or other payments from any party other than Tenant, however, any collection by Landlord from any approved assignee or sub-lessee or any other party on behalf of Tenant's account shall not be construed to constitute a novation or a release of Tenant from further performance of its obligations under this Lease.

If the Tenant desires to assign or sublet all or any part of the demised Premises, it shall submit all necessary information as may be required by Landlord at least sixty (60) days in advance of the date on which Tenant desires to make such assignment or sublease, and shall submit a copy of the proposed assignment or sublease. Within thirty (30) days after Landlord's receipt of Tenant's proposed assignment or sublease and the other information, Landlord shall have the option to:

- (a) Cancel the Lease as to the Premises or portion thereof proposed to be assigned or sublet; or
- (b) Consent to the proposed assignment or sublease. Landlord shall be entitled to all consideration for any assignment approved by Landlord. Should Tenant sublease space for an amount that is in excess of the agreed rental rate in this lease, Landlord shall have the right to such excess, or should Tenant sublease space for less than the agreed rental rate in this Lease, Tenant shall be obligated to Landlord for the difference between the agreed upon rental rate in this Lease and the rate in the sublease agreement; or
- (c) Refuse its consent to the proposed assignment or sublease but allow Tenant to continue in the search for an assignee or sub-lessee that may be acceptable to Landlord.

Notwithstanding anything herein to the contrary, Landlord will allow Tenant to sublease, without Landlord's prior written consent, to any subsidiary or affiliated corporation of which Tenant owns all or substantially all of its assets or any parent corporation which owns all of Tenant. In no event will any such sublease ever release Tenant from any obligation or liability hereunder. For the purposes of this Lease, the sale of fifty percent (50%) or more of the capital stock or other equity interest in Tenant shall be deemed an assignment of this Lease, except for the sale of stock in a publicly-traded corporation.

SEC. 19. FIRE AND CASUALTY: The parties hereto mutually agree that if the Premises or Building are partially or totally destroyed by fire or other casualty, then Landlord may, at Landlord's option, repair and restore the Premises and Building, to substantially the same

condition in which the Premises and Building were before such damage, or Landlord may terminate the Lease; provided, however, that in the event the Premises or Building are completely destroyed or so badly damaged that in Landlord's reasonable estimation, repairs cannot be commenced within ninety (90) days and completed within six (6) months thereafter, then Landlord shall so notify Tenant and this Lease shall be terminable as of the date of the occurrence of the damage or destruction, by either party hereto by serving written notice upon the other within thirty (30) days after such notice; and provided further, that in any event if repairs have not been commenced within ninety (90) days from the date of said damage and thereafter completed within nine (9) months from commencement, this Lease may be immediately terminated by Tenant as of the date of occurrence of the damage or destruction, by serving notice upon the Landlord at any time prior to commencement of construction if the grounds for termination is failure to commence construction within ninety (90) days, or at any time prior to completion of construction if termination is based upon the failure to complete construction within nine (9) months.

In the event the Premises are completely destroyed or so damaged by fire or other casualty that it cannot reasonably be used by Tenant for the purposes herein provided and this Lease is not terminated as above provided, then there shall be a total abatement of Rent until the Premises are made usable. In the event the Premises are partially destroyed or damaged by fire or other hazard so that such Premises can be only partially used by Tenant for the purpose herein provided, then there shall be a partial abatement in the Rent corresponding to the time and extent which the Premises cannot be used by Tenant. Landlord shall not be obligated in any way or manner to insure any personal property (including, but not limited to, any fixtures, furniture, machinery, goods, supplies or improvements) of Tenant or which Tenant may have upon or within the Premises or any fixtures installed by or paid for by Tenant upon or within the Premises.

Except as provided in Section 20 below, if any portion of the Property shall be damaged by fire or other casualty resulting from the fault or negligence of Tenant, or the agents, employees, licensees, or invitees of Tenant, such damage shall be repaired by and at the expense of Tenant under the direction and supervision of Landlord, and Rent shall continue without abatement.

SEC. 20. WAIVER OF SUBROGATION: Landlord and Tenant hereby waive any rights each may have against the other, on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises, its contents or to the other portion of the Property arising from any risk covered by valid and enforceable insurance, to the extent of such coverage. Landlord and Tenant each agree to cause an endorsement to be furnished to their respective insurance policies recognizing this waiver of subrogation, or take such other action as to reasonably requested by the other party to verify the effectiveness of this waiver of subrogation.

SEC. 21. DEFAULT BY TENANT:

A. Event of Default: The occurrence of any of the following shall constitute a material default and breach of this lease by Tenant:

(i) Any failure by Tenant to pay Rent or to make any other payment required to be made by Tenant hereunder when due, where such failure continues for ten (10) days after written notice to Tenant;

(ii) Any failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for twenty (20) days after written notice to Tenant;

(iii) Tenant admits in writing that it cannot meet its obligations as they become due; or is declared insolvent according to any law; or assignment of Tenant's property is made for the benefit of creditors; or a receiver or trustee is appointed for Tenant or its property; or the interest of Tenant under this Lease is levied on under execution or other legal process; or any petition is filed by or against Tenant to declare Tenant bankrupt or to delay, reduce or modify Tenant's debts or obligations; or any petition is filed or other action taken to reorganize or modify Tenant's capital structure if Tenant be a corporation or other entity (provided that no such levy, execution, legal process or petition filed against Tenant shall constitute a breach of this Lease if Tenant shall contest the same by appropriate proceedings and shall remove or vacate the same within thirty (30) days from the date of its creation, service or filing).

(iv) Lessee shall cease its business in the Premises or shall vacate any substantial portion of the Premises, whether or not Rent continues to be paid.

(v) Lessee shall fail or refuse to move into or take possession of the Premises within fifteen (15) days after the date on which the term of this Lease commences under the terms of Section 2 of this Lease.

B. Landlord's Remedies: In the event of any such default by Tenant, Landlord, at its option, may have one or more of the following remedies, in addition to all other legal rights and remedies:

(i) Landlord may terminate this Lease and without further notice repossess the Premises by picking or changing locks to the Premises or otherwise, and be entitled to recover as damages a sum of money equal to the total of (1) the cost of recovering the Premises, (2) the unpaid Rent earned at the time of termination, (3) the balance of the Rent for the remainder of the term, (4) costs of reletting and refurbishing, and (5) any other sum of money and damages owed by Tenant to Landlord;

(ii) Landlord may immediately terminate Tenant's right of possession of the Premises, but not terminate the Lease, and without notice or demand enter upon the Premises or any part thereof and take absolute possession of the same, pick or change the locks, and, at Landlord's sole option may relet the Premises or any part thereof for such terms and such rents as Landlord may reasonably elect. In the event Landlord shall elect to so relet, then rent received by Landlord from such reletting shall be applied first to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord, second to the payment of any cost of such reletting, including, without limitation, refurbishing costs and leasing commissions, and third to

the payment of Rent due and unpaid hereunder, and Tenant shall satisfy and pay any deficiency upon demand therefore from time to time. In no event will Landlord be obligated to pay to Tenant any excess Rent received from reletting. Any entry into and possession of the Premises by Landlord shall be without liability or responsibility to Tenant and shall not be in lieu of or in substitution for any other legal rights of Landlord hereunder. Tenant further agrees that Landlord may file suit to recover any sums due under the terms of this Lease and that no recovery of any portion due Landlord hereunder shall be any defense to any subsequent action brought for any amount not previously reduced to judgment in favor of Landlord. Reletting of the Premises shall not be construed as an election on the part of Landlord to terminate this Lease and, notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for default.

(iii) Landlord may offset against any security deposits held by Landlord for any non-payment of Rent or any damage to the Premises.

(iv) Landlord may enter upon the Premises and do whatever Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in effecting compliance with Tenant's obligation under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action.

(v) Landlord may change the door locks on the Premises, and Landlord shall have no obligation to provide a new key to such locks. Tenant hereby waives the provisions of Section 93.002 Texas Property Code (and any successor statute), to the extent permitted by law.

SEC. 22. LIEN FOR RENT: TENANT HEREBY GRANTS TO LANDLORD A LIEN AND SECURITY INTEREST ON ALL PROPERTY OF TENANT NOW OR HEREAFTER PLACED IN OR UPON THE PREMISES, AND SUCH PROPERTY SHALL BE AND REMAIN SUBJECT TO SUCH LIEN AND SECURITY INTEREST OF LANDLORD FOR PAYMENT OF ALL RENT AND OTHER SUMS AGREED TO BE PAID BY TENANT HEREIN. THE PROVISIONS OF THIS SECTION RELATING TO SUCH LIEN AND SECURITY INTEREST SHALL CONSTITUTE A SECURITY AGREEMENT UNDER AND SUBJECT TO THE TEXAS BUSINESS AND COMMERCE CODE SO THAT LANDLORD SHALL HAVE AND MAY ENFORCE A SECURITY INTEREST ON ALL PROPERTY OF TENANT NOW OR HEREAFTER PLACED IN OR ON THE PREMISES, IN ADDITION TO AND CUMULATIVE OF THE LANDLORD'S LIENS AND RIGHTS PROVIDED BY LAW OR BY THE OTHER TERMS AND PROVISIONS OF THIS LEASE. IN THE EVENT THAT LANDLORD SHALL ELECT TO ENFORCE THE SECURITY INTEREST CREATED IN THIS SECTION 22 FOLLOWING A DEFAULT BY TENANT, WRITTEN NOTICE MAILED TO TENANT FIVE (5) DAYS PRIOR TO THE DATE OF ANY PUBLIC SALE OR PRIOR TO THE DATE AFTER WHICH ANY PRIVATE SALE WILL BE MADE SHALL CONSTITUTE REASONABLE NOTICE. TENANT AGREES TO EXECUTE AS DEBTOR SUCH FINANCING STATEMENT OR STATEMENTS AS LANDLORD MAY NOW OR HEREAFTER REQUEST.

SEC. 23. DEFAULT BY LANDLORD: Except as otherwise provided in this Lease. Landlord shall be in default under this Lease if Landlord fails to perform any of its obligations hereunder and said failure continues for a period of thirty (30) days after written notice thereof from Tenant to Landlord (unless such failure cannot reasonably be cured within thirty (30) days and Landlord shall have commenced to cure said failure within said thirty (30) days and continues diligently to pursue the curing of the same.) If Landlord shall be in default under this Lease and, if as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the right, title and interest of Landlord in the Building as the same may then be encumbered and Landlord shall not be liable for any deficiency. In no event shall Tenant have the right to levy execution against any property of Landlord other than its interest in the Building.

SEC. 24. INDEMNITY OF LANDLORD-INSURANCE:

A. Indemnity: Tenant covenants that Landlord shall not be liable to Tenant or to Tenant's agents, employees, customers or invitees for any injury to person or damage to property, including consequential loss or damage, arising out of the construction, use, occupancy or enjoyment of the Premises by Tenant or any person therein or holding under Tenant or by, or through the acts or omissions of other tenants of the Property or Landlord, except to the extent caused by Landlord's gross negligence or willful misconduct. Tenant hereby agrees, as part of the material consideration for this Lease, to indemnify and save Landlord harmless from all claims, action, demands, costs and expenses and liability whatsoever, including reasonable attorneys' fees, on account of any such real or claimed damage or liability, and from all liens, claims and demands occurring in, on or at any portion of Premises or arising out of the construction, use, occupancy or enjoyment of any portion of the Premises and its facilities by Tenant or anyone holding under Tenant, or any repairs or alterations which Tenant may make upon the Premises.

B. Tenant's Insurance: Tenant shall carry insurance during the entire term of this Lease insuring Tenant and Landlord as their interests may appear with provisions and coverages and issued by companies satisfactory to Landlord. Tenant shall maintain minimum coverages as follows:

(i) Liability Coverage. In case of personal injury to or death of any person, \$1,000,000 for each occurrence and, in case of property damage, not less than \$500,000 for any one occurrence.

(ii) Fire and Extended Coverage. In case of fire, sprinkler leakage, malicious mischief, vandalism, and other extended coverage perils, for the full insurable replacement value of all additions, and of all office furniture, office equipment, merchandise and all other items of Tenant's property on the Premises.

(iii) Certificate of Insurance. Tenant shall, upon request by Landlord, furnish to Landlord policies or certificates evidencing such coverage, which certificates shall state that such insurance coverage may not be changed or canceled without at least thirty (30) days prior written

notice to Landlord and Tenant. In the event Tenant shall fail to procure such insurance, Landlord may at its option procure the same for the account of Tenant and the cost thereof shall be paid to Landlord as additional Rent upon receipt by Tenant of bills therefor.

SEC. 25. ATTORNEY'S FEES: In the event of any legal action or proceeding brought by either party against the other arising out of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in such action and such amount shall be included in any judgment rendered in such proceeding.

SEC. 26. TRANSFER OR ASSIGNMENT BY LANDLORD: Landlord shall have the right to assign or transfer, in whole or in part, every feature of its right and obligations hereunder and the Property. Such assignments or transfers may be made to a corporation, trust, trust company, individual or group of individuals or any other type entity, and howsoever made shall be in all things respected and recognized by Tenant. In the event of a sale or conveyance by Landlord of the Property, the same shall operate to release Landlord from any and all liability under this Lease arising after the date of such sale. Tenant's right to quiet possession of the Premises shall not be disturbed so long as Tenant shall pay the Rent and observe and perform all of the provisions of this Lease to be observed and performed by Tenant, unless this Lease is terminated pursuant to specific provisions relating thereto or contained herein. If any security deposit has been made by Tenant, Landlord may transfer such security deposit to the purchaser and thereupon Landlord shall be discharged from any further liability in reference thereto.

SEC. 27. ESTOPPEL CERTIFICATE: Tenant shall, within five (5) business days after a request of the Landlord or any mortgagee of Landlord, without additional consideration, execute and deliver an Estoppel Certificate certifying the following:

- (a) This Lease is in full force and effect; and
- (b) The date through which Rent has been paid; and
- (c) This Lease has not been modified or amended (or a description of any modifications or amendments if it has been modified or amended); and
- (d) Neither Landlord nor Tenant is in default and each has fully performed all of its obligations hereunder (or a description of any defaults if Landlord or Tenant has defaulted); and
- (e) Any such further information as may be requested by Landlord or Landlord's mortgagee.

SEC. 28. CONDEMNATION: If the whole or substantially the whole of the Building or the Premises should be taken for any public or quasi-public use, by right of eminent domain or otherwise or should be sold in lieu of condemnation then this Lease shall terminate as of the date when physical possession of the Building or the Premises is taken by the condemning authority. If less than the whole or substantially the whole of the Building or the Premises is taken or sold, Landlord (whether or not the Premises are affected thereby) may terminate this Lease by giving written notice thereof to Tenant, in which event this Lease shall terminate as of the date when physical possession of such portion of the Building or Premises is taken by the condemning

authority. If this Lease is not so terminated upon any such taking or sale, the Base Rental payable hereunder shall be diminished by an equitable amount, and Landlord shall, to the extent Landlord deems feasible, restore the Building and the Premises to substantially their former condition, but such work shall not exceed the scope of the work done by Landlord in originally constructing the Building and installing improvements in the Premises, nor shall Landlord in any event be required to spend for such work an amount in excess of the amount received by Landlord as compensation for such taking. All amounts awarded upon a taking of any part or all of the Property, Building or the Premises shall belong to Landlord, and Tenant shall not be entitled to and expressly waives all claim to any such compensation.

SEC. 29. TAXES ON TENANT'S PROPERTY: Tenant shall be liable for and shall pay, prior to their becoming delinquent, any and all taxes and assessments levied against any **personal property** or trade or other fixtures placed by Tenant in or about the Premises, including any additional real estate taxes or assessments which may be levied against the Property by reason of Tenant's fixtures and/or furnishings in the Premises.

SEC. 30. SIGNS: No signs of any kind or nature, symbol or identifying mark shall be put on the Building, the Property, in the halls, elevators, staircases, entrances, parking areas or upon the doors or walls, whether plate glass or otherwise, of the Premises nor within the Premises so as to be visible from the public areas or exterior of the Building, **without prior written approval** of Landlord. All signs or lettering shall conform in all respects to the sign and/or lettering criteria established by Landlord.

SEC. 31. PARKING: Subject to the following terms and conditions, Tenant shall have a non-exclusive license to use the parking spaces associated with the Building. Tenant's right to such parking spaces are subject to Landlord's rights to grant other tenants of the Property the rights to parking spaces associated with the Building. Landlord reserves the right from time to time to assign, or re-assign, the location of such parking spaces in any manner that Landlord in Landlord's sole discretion deems beneficial to the operation of the Property. Tenant agrees that it will employ its best efforts to prevent the use by Tenant's employees and visitors of parking spaces allocated to other tenants. Landlord reserves the right to promulgate rules and regulations for the use of all parking areas at any time during the term of this Lease. All motor vehicles (including all contents thereof), shall be parked in such spaces at the sole risk of Tenant, its employees, agents, invitees and licensees, it being expressly agreed and understood that Landlord has no duty to insure any of said motor vehicles (including the contents thereof), and that Landlord it not responsible for the protection and security of such vehicles, or the contents thereof. Landlord shall have no liability whatsoever for any property damage and/or personal injury which might occur as a result of or in connection with the parking of said motor vehicles in any of the parking spaces. Nothing herein shall be deemed to create a bailment between the parties hereto, it being expressly agreed and understood that the only relationship created between Landlord and Tenant hereby is that of licensor and licensee, respectively.

SEC. 32. RULES AND REGULATIONS: Such reasonable rules and regulations applying to all Tenants in the Building as may be adopted by Landlord for the safety, care, cleanliness, preservation of good order, or operation of the Premises, the Building and the Property, are

hereby made a part hereof and Tenant agrees to comply with all such rules and regulations. Landlord shall have the right at all times to change any of the rules and regulations or to amend them in any manner deemed reasonable by the Landlord. All changes and amendments will be sent by Landlord to Tenant in writing and shall be thereafter carried out and observed by Tenant (See "Rules and Regulations" attached hereto as EXHIBIT "C").

SEC. 33. HOLDING OVER: In the event Tenant, or any party claiming under Tenant, retains possession of the Premises after the expiration or earlier termination of this Lease, such possession shall be an unlawful detainer, and no tenancy or interest shall result from such possession; such parties shall be subject to immediate eviction and removal, and Tenant or any such party shall pay Landlord as Rent for the period of such hold-over an amount equal to 150% of the Rent in effect at the time of such termination or expiration.

Tenant will vacate the Premises and deliver same to Landlord immediately upon Tenant's receipt of notice to do so from Landlord. The Rent during such hold-over period shall be payable to Landlord on demand. No holding over by Tenant, whether with or without consent of Landlord, shall operate to extend this Lease.

SEC. 34. NON-WAIVER: No waiver by Landlord of any provision of this Lease or of any breach by Tenant hereunder shall be deemed to be a waiver of any other provision hereof, or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act of Tenant. No act or thing done by Landlord or Landlord's agents during the term of this Lease shall be deemed an acceptance of a surrender of the Premises, unless done in writing signed by Landlord. The delivery of the keys to any employee or agent of Landlord shall not operate as a termination of the Lease or a surrender of the Premises. The acceptance of any Rent by Landlord following a breach of this Lease by Tenant shall not constitute a waiver by Landlord of such breach or any other breach unless such waiver is expressly stated in writing signed by Landlord.

SEC. 35. SUBORDINATION AND ATTORNMENT:

A. Subordination: This Lease shall be subject to and subordinate to any lease wherein Landlord is the lessee and to the lien of any and all mortgages or deeds of trust, regardless of whether such lease, mortgages or deeds of trust now exist or may hereafter be created with regard to all or any part of the Building or the Property, or both, and to any and all advances to be made thereunder, and to the interest thereon, and all modifications, consolidations, renewals, replacements and extensions thereof. Tenant also agrees that any lessor or mortgagee may elect to make this Lease prior and superior to any lease or lien of its mortgage or deed of trust. Any such election must be in writing and shall be effective when filed in the Real Property Records of the County in which the Building is located. In the event of such election, this Lease shall be deemed prior and superior to the said lease or lien of said mortgage or deed of trust, whether this Lease is dated prior to or subsequent to the date of said lease, mortgage or deed of trust.

B. Attornment: In the event of any proceedings brought for the foreclosure of any mortgage or deed of trust covering the Property, or any part thereof, or in the event of the exercise of a power of sale pursuant thereto and upon the written request of a purchaser at such foreclosure proceedings, Tenant shall, at the request of such purchaser, attorn to and recognize such purchaser as Landlord under this Lease.

C. Instruments of Confirmation: The above subordination and attornment clauses shall be self-operative and no further instruments of subordination or attornment need be required by any mortgagee, trustee, lessor, purchaser or assignee. In confirmation thereof, Tenant agrees that, upon the request of Landlord, or any such lessor or mortgagee, Tenant shall execute and deliver whatever instruments may be required for such purposes in order to carry out the intent of this Section. In the event that Tenant should fail to execute and deliver such instruments in compliance with this Section, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest.

D. Non-Disturbance Agreement: Upon written request by Tenant, Landlord agrees to request of any existing lessor, mortgagee or lien holder, a non-disturbance agreement executed by such party, stating that so long as Tenant is not in default under this Lease, Tenant's leasehold estate, and the right to the use, possession, tenancy and occupancy hereunder, shall remain undisturbed and survive any and all terminations of such Lease or foreclosures or conveyances in lieu thereof or other actions taken or entered into to enforce any such lease, mortgage or deed of trust. Landlord shall have no obligation beyond the requesting of such non-disturbance agreement, and shall not be in default hereunder in the event such lessor, mortgagee or other lien holder refuses to execute and deliver such non-disturbance agreement.

SEC. 36 Ground Lease. Tenant acknowledges that Landlord's interest in the Premises arises by virtue of that one certain Airport Land Lease Agreement (the "**Ground Lease**") made as of April 26, 2007, by and between the City of Georgetown (the "**City**") and Landlord as "**Lessee**". As a result, Tenant hereby expressly agrees as follows:

- (i) This Lease is expressly subordinate and subject to the terms of the Ground Lease;
- (ii) Tenant's use of the Premises shall be subject to all of the obligations and conditions imposed on Landlord as "Lessee" under the Ground Lease, including any applicable rules and regulations promulgated by the City. Tenant agrees not to do or permit anything to be done by any of its subtenants, or any of Tenant's or its subtenant's employees, agents or contractors which would, with the passage of time or giving of notice (or both), result in a default under the Ground Lease or cause the Ground Lease to be terminated or forfeited. Tenant covenants and agrees to timely perform its obligations under this paragraph (ii) and to indemnify, defend and hold Landlord harmless from any and all costs, expenses, liabilities or damages (actual, consequential or otherwise) which Landlord may incur as a result of Tenant's failure to perform any such obligations.

On request by Landlord, Tenant shall maintain, at Tenant's sole cost and expense, any insurance required by the City under the Ground Lease, and to name as an additional insured on such insurance Landlord, its mortgagee (if any) and the City, and to provide such certificate of insurance as may be required by the City.

Notwithstanding anything in this Lease to the contrary, the term of this Lease shall terminate upon any termination of the Ground Lease for any reason.

SEC. 37. ENVIRONMENTAL COMPLIANCE: Tenant shall not use, and shall not permit any servant, licensee, employee, agent, or invitee to use any portion of the Premises or Property for the placement, storage, manufacture, disposal, or handling of any "Hazardous Materials" (as herein defined). Tenant shall be responsible for the costs of any removal, abatement, or remediation of any Hazardous Materials placed, stored, manufactured, disposed of, or handled by Tenant or Tenant's servants, licensees, or any of Tenant's employees, agents, or invitees, in the Premises or elsewhere on the Property. Such costs shall include, without limitation, the reasonable cost of any consultant retained by Landlord in connection with such work. **Tenant shall indemnify Landlord and hold Landlord harmless from and against any loss, cost, liability, or expense (including reasonable attorney's fees and court costs) arising out of the placement, storage, manufacture, disposal, handling, removal, abatement, or remediation of any Hazardous Materials by Tenant, or any removal, abatement or remediation of any Hazardous Materials required hereunder to be performed or paid for by Tenant, with respect to any portion of the Premises or Property, or arising out of any breach by Tenant of its obligations under this Section 36.** The provisions of this Section 36 shall survive the termination of this Lease. The term "Hazardous Materials" as used herein shall mean (i) any substance the presence of which requires special handling, investigation, notification, or remediation under any federal, state, or local statute, regulation, ordinance, order, action, policy, or common law; (ii) any substance which is or becomes defined as a hazardous waste, hazardous substance, pollutant or contaminant under any federal, state, or local statute, regulation, rule, or ordinance or amendments thereto; (iii) any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency, or instrumentality of the United States, the State of Texas, or any political subdivision thereof; (iv) any substance the presence of which causes or threatens to cause an erosion, contamination, drainage, or nuisance problem (including to adjacent properties, nearby public roads and rights-of-way) or poses or threatens to pose a hazard to the health or safety of persons in or about the Property; (v) any substance which contains gasoline, diesel fuel, or other petroleum hydrocarbons; and (vi) any substance which contains polychlorinated biphenyls, asbestos, or urea formaldehyde foam insulation.

SEC. 38. SUCCESSORS AND ASSIGNS: Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

SEC. 39. INTEREST ON TENANT'S OBLIGATION: Any Rent, or other amount due from Tenant to Landlord which is not paid when due shall bear interest at the lesser of twelve percent (12%) per annum or the highest rate allowed by law on such amounts from the date such payment is due until paid, but the payment of such interest shall not excuse or cure the default.

SEC. 40. TIME: Time is of the essence.

SEC. 41. APPLICABLE LAW: This Lease shall be governed by and construed pursuant to the laws of the State of Texas.

SEC. 42. SEVERABILITY: If any provision of this Lease or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

SEC. 43. EXAMINATION OF LEASE: Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for lease, and it is not effective as a lease or otherwise until execution by and delivery to both Landlord and Tenant.

SEC. 44. AUTHORITY OF TENANT: If Tenant executes this Lease in other than an individual capacity, each of the persons executing this Lease on behalf of Tenant does hereby personally covenant and warrant that Tenant is a duly authorized and existing legal entity as herein represented, that Tenant has and is qualified to do business in Texas, that Tenant has the full right and authority to enter into this Lease, and that each person signing on behalf of Tenant is authorized to do so. Upon request the signatories hereto will furnish satisfactory evidence of their authority to execute this Lease on behalf of Tenant.

SEC. 45. BROKERS: Tenant warrants that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the following broker(s) and that it knows of no other real estate broker(s) or agent(s) who is (are) or might be entitled to a commission in connection with this Lease: N/A . Landlord agrees to pay real estate commissions due in connection with this Lease only to the broker(s) named herein and only pursuant to the terms of a separate written agreement with said broker(s) which has been signed by Landlord. Tenant agrees to indemnify and hold harmless Landlord from and against any liability from all other claims for commission arising from the negotiation of this Lease, to the extent based upon the acts of Tenant.

SEC. 46. NOTICES: All notices which Landlord or Tenant may be required, or may desire, to serve on the other shall be in writing and may be served, as an alternative to personal service, by depositing the same with the U.S. Postal Service, by registered or certified mail, return receipt requested, postage prepaid, addressed as follows: (i) to Landlord at the address set forth below; (ii) to Tenant at the address set forth below; or (iii) to the Tenant at the Premises. Any requirement of notice or service set forth herein shall be deemed satisfied three (3) business days after deposit with the Postal Service. The addresses stated below shall be effective for all notices

to the respective parties until written notice of a change of address is given pursuant to the provisions hereof.

If to Tenant:

**Shepherd Aviation Services LLC
301 South Hangar Drive
Georgetown, TX 787__**

If to Landlord:

**RA General Services LLC
2101 Lakeway Blvd., #100
Austin, TX 78734**

SEC. 47. ENTIRE AGREEMENT: This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreement, understanding or representation pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest.

SEC. 48. EXHIBITS: The following exhibits are attached to and made a part of this Lease for all purposes:

Exhibit A - Floor Plan of Premises

Exhibit B - Legal Description of the Land

Tenant:

By: _____

Printed Name:

Title:

Date: _____

Cody

Landlord:

RA General Services LLC

By: _____

Haythem Dawlett, Member

Date: _____

EXHIBIT "A"
FLOOR PLAN
(SEE ATTACHED)

AGREED AND ACCEPTED:

Tenant

Landlord

EXHIBIT "B"
LAND
(LEGAL DESCRIPTIONS)

EXHIBIT "C"
RULES AND REGULATIONS

1. Tenant will refer to Landlord all contractors, contractor's representatives and installation technicians rendering any service for Tenant for Landlord's supervision and/or written approval before performance of any such contractual services. This shall apply to all work performed in the Building, including, without limitation: (1) installation of telephones, electrical devices and attachments, and installations of any and every nature affecting floors, wall, woodwork, trim, windows, ceiling, equipment or any other physical portion of the Building, (2) painting or (3) drilling, boring, cutting or stringing of wires.
2. The work of the janitor or cleaning personnel shall not be hindered by Tenant after 5:30 p.m., and such work may be done at any time when the offices are vacant. The windows, doors and fixtures may be cleaned at any time. Tenant shall provide adequate waste and rubbish receptacles, cabinets, book cases, map cases, and similar storage facilities necessary to prevent unreasonable hardship to Landlord in discharging its obligation regarding cleaning services.
3. Movement in or out of the Building of fixtures or office equipment, or dispatch or receipt by Tenant of any merchandise or materials which requires movement through the Building entrance or lobby, shall be restricted to the hours designated by Landlord and in a manner to be approved by Landlord. Such approval by Landlord shall include its determination, decision, and control of the time, method and routing of equipment and furniture, together with any limitations imposed by safety or other concerns which may prohibit any article, equipment or any other item from being brought into the Building. Any hand trucks, carryalls, or similar appliance used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards, and such other safeguards as Landlord shall require. Tenant expressly assumes all risk of damage to the Property and to any and all articles so moved, as well as injury to any person or persons or the public engaged or not engaged in such movement. Landlord shall not be liable for the act or acts of any person or persons so engaged or for any damage or loss to any property of persons resulting directly or indirectly from any act in connection with service performed by or for Tenant.
4. Tenant shall not place, install or operate on the Property any engine, stove, machinery, or conduct mechanical operations or cook therein, or place or use in or about the Premises any explosives, gasoline, kerosene, oil, acids, caustics, or any other flammable, explosive, hazardous or odorous material without the prior written consent of Landlord. If consent is granted, Tenant will be required to furnish approved fire extinguishers and have them inspected and approved by the proper local authorities on an annual basis.
5. No portion of the Premises shall at any time be used for cooking, sleeping or lodging quarters.

6. Landlord will not be responsible for any lost or stolen personal property, equipment, money or jewelry, from any of the Property or any public areas regardless of whether such loss occurs when the area is locked against entry or not.

7. Tenant, or the employees, agents, servants, visitors, or licensees of Tenant shall not at any time or place, leave or discard any rubbish, paper articles, or objects of any kind whatsoever outside the doors of the Premises, or in the corridors or passageways of any portion of the Property.

8. No birds, animals, bicycles or vehicles shall be brought into or kept in or about the Building.

9. Landlord may permit entrance to the Premises by use of passkeys controlled by Landlord's agents, employees, contractors or service personnel supervised or employed by Landlord. No additional locks or similar devices shall be placed by Tenant on any door in the Premises unless written consent of Landlord shall have first been obtained. Two (2) keys will be furnished by Landlord for the Premises, and any additional key required must be obtained from Landlord. A charge will be made for each additional key furnished. All keys shall be surrendered to Landlord upon termination of tenancy.

10. None of the entries, passages, doors, hallways, or stairways shall be blocked or obstructed by Tenant.

11. Landlord shall have the right to determine and prescribe the proper weight and proper position of any unusually heavy equipment, including without limitation, all safes, large files and computers, that are to be placed in the Premises, and only those which in the sole opinion of the Landlord will not damage the floors, structure, and/or elevators may be moved into said Premises. Any damage, occasioned in connection with the moving or installation of such aforementioned articles into the Premises, or the existence of same in said Premises shall be paid for by Tenant.

12. Tenant shall provide Landlord a list of all people authorized entrance into the Building after hours (6:00 p.m. to 7:00 a.m., Monday through Friday, and 24 hours a day on weekends and holidays).

~~13. After hours air conditioning/heating (6:00 p.m. — 7:00 a.m. Monday through Friday; 1:00 p.m. — 12:00 Midnight Saturday and 24 hours a day Sunday and holidays), must be requested by noon of a regular work day prior to the day for which additional air conditioning is requested. An hourly charge will be billed to Tenant based upon the then current utility rates and may be adjusted from time to time for all after hours air conditioning and heating.~~

14. Any additional services not required by the Lease to be performed by Landlord which Tenant requests Landlord to perform and which are performed by Landlord shall be billed to Tenant at Landlord's costs plus fifteen percent (15%).

15. All doors leading from public corridors to Tenant's space are to be kept closed.

16. Canvassing, soliciting or peddling on or about any portion of the Property is prohibited and Tenant shall cooperate to prevent same.

17. Tenant shall give immediate notice to the Property Manager in case of accidents in the Premises or any portion of the Property or of defects therein or in any fixtures or equipment, or of any other type of emergency on or about the Property.

18. Tenant shall not use the Premises or permit the Premises to be used for photographic or multigraph reproductions except in connection with its own business and then only with the Landlord's prior written consent.

19. Any requests by Tenant will be attended to only upon application at the office of the Property Manager. Employees of the Property shall not perform any work or do anything outside their regular duties unless under special instructions from the office of the Property Manager.

20. Tenant shall not make or permit any loud or improper noises on or about the Property or otherwise interfere in any way with other tenants or persons having business with them.

21. For purposes of the lease, holidays shall be deemed to mean and include the following:

- | | |
|---------------------|---------------------|
| a. New Year's Day | d. Labor Day |
| b. Memorial Day | e. Thanksgiving Day |
| c. Independence Day | f. Christmas Day |

22. Tenant shall not install any resilient tile or similar floor covering in the Premises except with the prior approval of Landlord. The use of cement or other similar adhesive material is expressly prohibited.

23. No nails, hooks, or screws shall be driven into or inserted in any part of the Building except as approved by Landlord.

24. The parking areas and driveways are to be used only for the purposes intended by Landlord and shall not be obstructed or misused in any way. Parking in any unauthorized area is prohibited. Landlord may from time to time designate parking areas and make other rules and regulations governing parking on the Property. Tenant shall not leave any vehicle in a state of disrepair (including, without limitation, flat tires, out of date inspection stickers, or license plates) on the Property. No vehicle maintenance or servicing shall occur on the Property. If Tenant or any of its employees, agents or invitees park their vehicles in areas other than designated parking areas or leave any vehicle in a state of disrepair, Landlord shall have the right to remove such vehicles at Tenant's expense, in accordance with applicable laws.

25. Tenant shall not place anything or allow anything to be placed on the glass of any window, door, partition or wall and the expense of any breakage or damage resulting from the violation of this rule shall be borne by the Tenant who, or whose employees or invitees shall have caused it.

26. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purposes other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the Tenant who, or whose employees or invitees shall have caused it.
27. Landlord reserves the right to exclude or expel from the Building any person who in the judgment of Landlord is under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.
28. No vending machine or machines of any description shall be installed, maintained or operated upon the Premises, and no food or beverages shall be distributed from the Premises, without the written consent of the Landlord.
29. Without the written consent of Landlord, Tenant shall not use the name of the Building in connection with or in promoting or advertising the business of Tenant except as Tenant's address.
30. Landlord shall have the right to control and operate the public portions of the Property, the public facilities, as well as facilities furnished for the common use of the tenants of the Property, in such manner as it deems best for the benefit of the tenants generally.
31. Tenant shall fully cooperate and participate in all evacuation, fire safety and related emergency or security procedures established from time to time by Landlord.
32. Tenant shall comply with hazardous materials laws, ordinances, rules and regulations enacted or promulgated by any governmental body.
33. Trash removal from move-ins and move-outs or any other excessive trash are the Tenant's responsibility and all costs associated with such removal, if not removed by Tenant, shall be borne by the Tenant.
34. Landlord reserves the right at any time to rescind any of these Rules and Regulations of the Building and to make such other and further Rules and Regulations as in its sole judgment shall from time to time be needful for the safety, protection, care and cleanliness of the Building, the Premises and the parking areas, the operation thereof, the preservation of good order therein and the protection and comfort of the other tenants in the Property and their agents, employees and invitees, which Rules and Regulations, when made and written notice thereof is given to Tenant, shall be binding upon Tenant in like manner as if originally herein prescribed.

EXHIBIT "D"

LETTER OF ACCEPTANCE

TENANT: _____

LANDLORD: _____

DATE LEASE SIGNED: _____

TERM OF LEASE: _____ MONTHS

ADDRESS OF PREMISES: _____

COMMENCEMENT DATE: _____

EXPIRATION DATE: _____

The above described Premises are accepted by Tenant as in compliance with the Lease and suitable for the purpose for which they were leased. The above described Lease commences and expires on the dates set forth above.

TENANT

LANDLORD

Cody Hirt

RA General Services LLC dba Longhorn Jet Center

By: _____
Name and Title

By: _____
Haythem Dawlett, Member

By: _____
Name and Title

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Shepherd Aviation Services is a private aircraft sales and acquisition company located in Georgetown Texas. Our primary focus is on the King Air line of aircraft, but we have experience in everything from small twin piston aircraft to large late model jets. We are a research driven company and spend a great deal of time studying the current market as well as transaction history. Our approach to sales and acquisitions is based on honesty, transparency and hard work. We don't sit back and let websites try to sell aircraft, we actively search out buyers. Whether you are looking to buy or sell, or simply would like information on a particular market, we are here as a resource for you and would like to build a long term relationship with you. Our core values are based off of our Texas heritage. The majority of our business is repeat business or referrals from past clients, and we are extremely proud of that.

Cody Hirt: Sales/Acquisitions

Office: 512-827-3401

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