



January 15, 2026

CANCELLATION OF THE REGULAR MEETING
AND
CALL AND NOTICE OF A SPECIAL MEETING OF THE
FINANCE AND ADMINISTRATION COMMITTEE
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

The Airport Authority administrative offices will recognize the observance of Martin Luther King Jr. Day on Monday, January 19, 2026, and our administrative offices will be closed. Therefore, notice is hereby given that the regular meeting of the Burbank-Glendale-Pasadena Airport Finance and Administration Committee scheduled for Monday, January 19, 2026, in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, CA 91505, has been cancelled.

NOTICE is hereby given that a special meeting of the Finance and Administration Committee will be held on Tuesday, January 20, 2026, at 9:30 a.m., or immediately following the Commission meeting in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

In addition to attending the meeting in person, members of the public may observe the meeting telephonically and may offer comment in real time through the following number:

Dial in: (978) 990-5000

Access Code: 880737#

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

SPECIAL MEETING
OF THE
FINANCE AND ADMINISTRATION COMMITTEE

Airport Skyroom
Tuesday, January 20, 2026
9:30 a.m., or Immediately Following
the Conclusion of the Commission Meeting

As a result of the convening of this meeting of the Finance and Administration Committee, each Committee member in attendance is entitled to receive and shall be provided \$200.

The public comment period is the opportunity for members of the public to address the Committee on agenda items and on Airport-related non-agenda matters that are within the Committee's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.

When in-person attendance or participation at meetings of the Committee is allowed, members of the public are requested to observe the following rules of decorum:

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Committee during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to Airport-related non-agenda matters that are within the Committee's subject matter jurisdiction.*
- *Limit comments to three minutes or to such other period of time as may be specified by the presiding officer.*



The following activities are prohibited:

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Committee less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.



In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

AGENDA

January 20, 2026

1. Roll Call
2. Staff Announcement: AB 23
3. Approval of Agenda
4. Public Comment
5. Approval of Minutes
 - a. December 15, 2025 **[See page 1]**
6. Treasurer's Report
 - a. October 2025 **[See page 3]**
7. Items for Approval
 - a. Proposed Resolution No. 520 Adopting the 2026 Authority Investment Policy **[See page 28]**

A staff report is attached. Formerly mandated by State law and now currently recommended under Sections 53646(a)(2) and 53646(h) of the California Government Code ("Code"), the Commission annually reviews and approves an investment policy to identify policies and procedures for the prudent and systematic investment to be followed by the Authority Treasurer in the exercise of the investment authority delegated to him/her.

In The Authority's Investment Manager, Columbia Management Investment Advisors LLC ("CMIA"), has opined that the 2025 Authority Investment Policy, with overall investment criteria of capital preservation (safety) and liquidity, is still appropriate and conservative, and does not need revisions at this time. Staff concurs with the CMIA recommendation and seeks a Finance and Administration Committee recommendation to the Commission that it adopt the attached proposed Resolution approving the 2026 Investment Policy (Exhibit A), which reaffirms the current 2025 Investment Policy with no changes.

- b. Award of Aviation Hangar Lease – Hangars 44 an 45 **[See page 37]**

Staff seeks a Finance and Administration Committee recommendation to the Commission for approval of a proposed Aviation Hangar Lease with Earth Star, Inc. ("Earth Star") for Hangars 44 and 45. Earth Star seeks a lease term of eleven years, with one eleven-year extension option, for the purpose of storing and operating its aircraft at Hollywood Burbank Airport.

8. Items for Discussion

- a. Replacement Passenger Terminal Bond and Commercial Paper Program Schedule of Activities

No staff report attached. Staff and the Finance Team Consultants will review with the Committee two attached concurrent schedule of financing activities for the RPT project.

9. Items for Information

- a. Committee Pending Items

[See page 39]

10. Adjournment

**MINUTES OF THE REGULAR MEETING OF THE
FINANCE AND ADMINISTRATION COMMITTEE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

MONDAY, DECEMBER 15, 2025

A regular meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 11:07 a.m., by Commissioner Wilson.

1. ROLL CALL

Present: Commissioners Wilson, Ovrom and Quintero

Absent: None

Also Present: Staff: John Hatanaka, Executive Director; Kathy David, Senior Deputy Executive Director; David Kwon, Director, Financial Services

Louis Choi, Public Resource Advisory Group
Joyce Chen, Bank of America Securities; Robert DeMichiel, Bank of America Securities

2. Staff Announcement: AB 23

The Executive Director announced that, as a result of the convening of this meeting of the Finance and Administration Committee, each Committee member in attendance is entitled to receive and shall be provided \$200.

3. Approval of Agenda

The agenda was approved as presented.

Motion

Commissioner Quintero moved approval; seconded by Commissioner Ovrom.

Motion Approved

The motion was approved (3–0).

4. Public Comment

There were no public comments.

5. Approval of Minutes

a. November 17, 2025

A draft copy of the minutes of the meeting of November 17, 2025, was included in the agenda packet for review.

Motion

Commissioner Quintero moved approval; seconded by Commissioner Ovrom.

Motion Approved

The minutes were approved (3–0).

6. Treasurer’s Report

a. September 2025

A draft copy of the September 2025 Treasurer’s Report was included in the agenda packet for the Committee’s review.

Motion

Commissioner Quintero moved approval to recommend that the Commission note and file the report; seconded by Commissioner Ovrrom.

Motion Approved

The motion was unanimously approved (3–0).

7. Items for Discussion

a. RPT Plan of Finance – Bond Financing Schedule Update

Louis Choi, Public Resource Advisory Group, along with Joyce Chen and Robert DeMichiel of Bank of America Securities, presented an update on the status of the Bond Financing for Replacement Passenger Terminal.

8. Items for Information

a. Committee Pending Items

Staff reviewed future items to be presented to the Committee.

9. Adjournment

The meeting was adjourned at 12:03 p.m.



February 2, 2026

Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505

Dear Commissioners:

The attached report, covering the month of October 2025, fulfills the legal requirements of the California Code and our Investment Policy. Based on projected income and expenses, as well as investment liquidity, there will be sufficient funds available to meet the needs of the Airport Authority for the six month period following the date of the attached report.

Sincerely,

[To be signed]

Tyron Hampton
Treasurer

Attachments

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
EXECUTIVE SUMMARY
MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025

Introduction:

The Treasurer's Report includes the Authority's month-end summary of investments and investment activity, and the Schedule of Cash Receipts and Disbursements ("Schedule"), which represents the cash basis activity for the month and fiscal-year-to-date ("FYTD") compared to the allocation of the annual adopted budget. As this Schedule is on a cash basis, cash timing differences may contribute to budget variances. The purpose of this report is to provide monthly updates on how the Authority's cash transaction activities are tracking to the adopted budget, and to provide insight to the Authority's change in liquidity each month. In summary, FYTD October 2025 financial activity is tracking favorably to the budget.

Below are the most significant highlights of activities for the month and FYTD ended October 2025.

Passenger Activity:

Passenger activity decreased by 7.79% FYTD October when compared to the same period last year, primarily due to a reduction in air service. When compared to the budget assumption FYTD October, passenger activity was unfavorable by 2.17%. However, overall financial performance FYTD October remains positive to budget.

Operating Activities:

- 1) Operating revenues exceed the FYTD October budget by \$2,366,110 on the cash basis and \$2,232,173 on the full accrual basis.
- 2) Operating expenses are within budgeted parameters.
- 3) Net increase in cash from operating activities FYTD October is \$7,927,156 and positive to budget by \$5,323,717.

Non-RPT Facility Improvement Program:

- 1) Payments related to the Runway/Taxiway Shoulder Rehabilitation, Design of Taxiway A/C Extensions, and SEQ Reconfiguration Design projects comprised the majority of October's non-RPT capital cash disbursements.
- 2) There were no federal grant or PFC drawdowns in the month of October for non-RPT projects.

RPT Activities:

- 1) Payments of \$45,469,830 and \$3,032,911 were made in October to HPTJV, including retention payment to respective escrow account, and Jacobs, respectively.
- 2) 2024 Bond draws for eligible RPT expenditures of \$46,025,781 were received in October.
- 3) The majority of FYTD October expenditures are related to Holder Pankow JV, Jacobs Project Management Co. and the City of Burbank Water and Power Aid-In-Construction payments for the community substation, totaling \$209,909,977, or 99% of the total FYTD October RPT expenditures.
- 4) On a cash basis, expenditures are below budget due to the timing of when invoices are received and paid. Overall, the RPT project is on budget and on schedule.

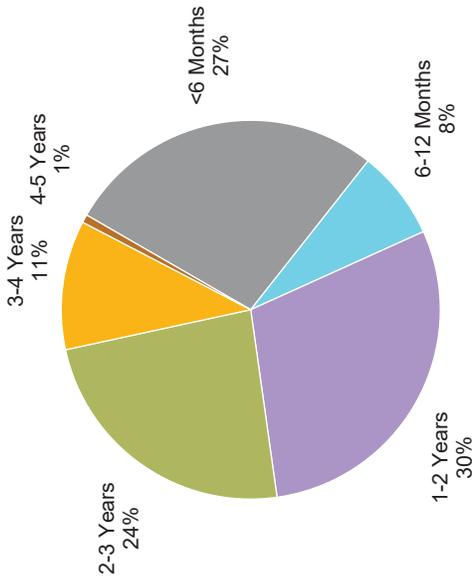
Summary:

October 2025 activities resulted in a net cash decrease of \$2,728,126 for the month and a net decrease of \$8,470,638 FYTD October, primarily due to the timing of cash disbursements and reimbursements related to the RPT project. However, overall FYTD October cash flows remain positive to budget by \$10,884,175.

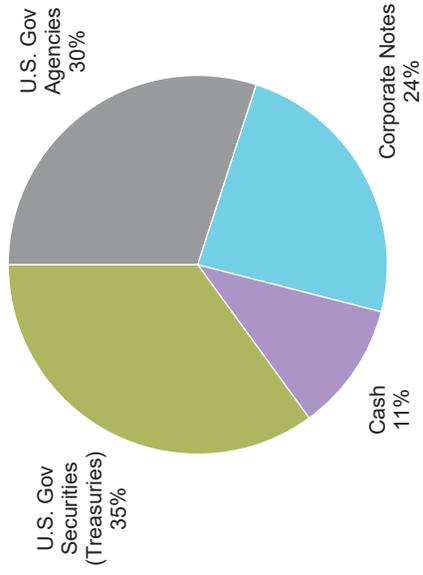
Operating Portfolio investment guidelines conformance As of October 31, 2025

	Legal max maturity	Actual max maturity	Policy maximum	Policy actual
U.S. Gov Agencies	5 Years	4.21 Years	70%	30%
Corporate Notes	5 Years	4.46 Years	30%	24%
LAIF	N/A	N/A	\$20mil	N/A
Bankers Acceptance	6 Months	N/A	15%	N/A
Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Non-Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Commercial Paper	270 Days	N/A	15%	N/A
Repurchase Agreements	1 Year	N/A	10%	N/A
Money Market Fund	N/A	N/A	15%	11%
U.S. Gov Securities (Treasuries)	5 Years	3.42 Years	No limit	35%

Maturity distribution



Sector allocation

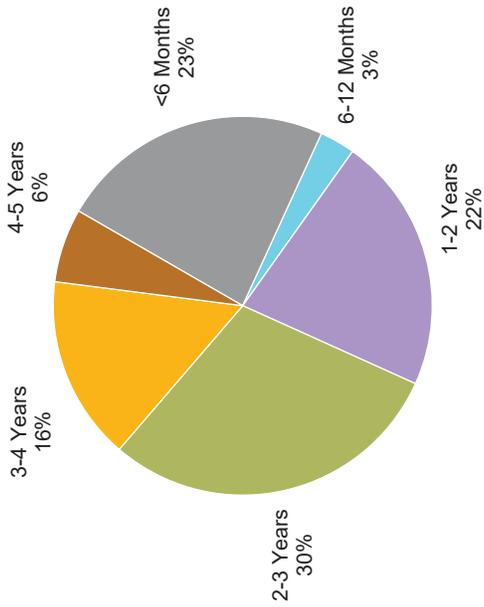


Source: Aladdin
There is no guarantee that the investment objective will be achieved or that return expectations will be met.

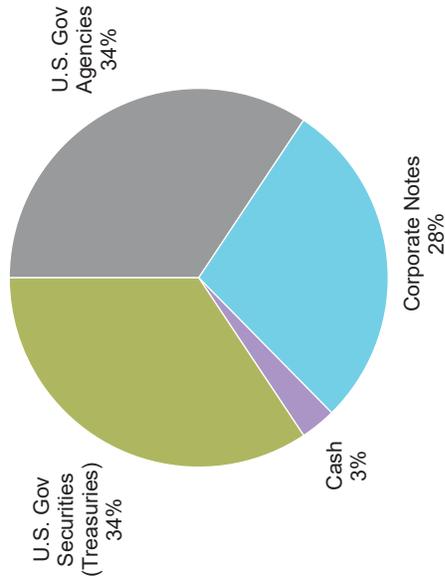
PFC Portfolio investment guidelines conformance As of October 31, 2025

	Legal max maturity	Actual max maturity	Policy maximum	Policy actual
U.S. Gov Agencies	5 Years	3.88 Years	70%	34%
Corporate Notes	5 Years	4.46 Years	30%	28%
LAIF	N/A	N/A	\$20mil	N/A
Bankers Acceptance	6 Months	N/A	15%	N/A
Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Non-Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Commercial Paper	270 Days	N/A	15%	N/A
Repurchase Agreements	1 Year	N/A	10%	N/A
Money Market Fund	N/A	N/A	15%	3%
U.S. Gov Securities (Treasuries)	5 Years	3.00 Years	No limit	34%

Maturity distribution



Sector allocation



Source: Aladdin
There is no guarantee that the investment objective will be achieved or that return expectations will be met.

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 10/31/25

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Price	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
10/31/25	Dreyfus Treasury	BAX9MM47	0.000	10/31/25	10/31/25	\$ 29,807,770	\$ 29,807,770	100.00	\$ 29,807,770	\$ -	3.82%	0	10.24%
11/17/20	FNMA Benchmark Note	3135G06G3	0.500	11/07/25	11/07/25	12,000,000	11,848,980	99.96	11,995,084	146,104	2.95%	7	4.12%
09/10/24	MetLife Inc	59156RBQ0	3.600	11/13/25	11/13/25	2,000,000	1,986,680	99.98	1,999,622	12,942	4.10%	13	0.69%
06/30/21	Lockheed Martin Corporation	539830BH1	3.550	01/15/26	01/15/26	1,784,000	1,840,277	99.89	1,782,077	(58,200)	4.04%	76	0.81%
09/10/24	Bank of New York Mellon	06406RBX4	4.890	07/21/28	01/22/26	2,550,000	2,594,449	101.44	2,586,614	(7,835)	4.28%	83	0.89%
01/19/23	FHLB	3130AKQX7	0.700	01/28/26	01/28/26	1,750,000	1,582,610	99.21	1,736,243	153,633	3.98%	89	0.60%
01/25/23	JP Morgan Chase & CO	46647PBW5	1.040	02/04/27	02/04/26	2,750,000	2,466,041	99.19	2,727,640	261,599	4.51%	96	0.94%
12/23/22	Treasury Note	91282CBQ3	0.500	02/28/26	02/28/26	10,000,000	9,073,164	98.91	9,890,625	817,461	3.84%	120	3.40%
01/19/23	FHLB	3130ALHH0	0.960	03/05/26	03/05/26	3,900,000	3,541,043	98.96	3,859,586	318,543	4.00%	125	1.33%
08/30/21	Prudential Financial Inc	74432QCH6	1.500	03/10/26	03/10/26	1,975,000	1,990,956	99.02	1,955,718	(35,238)	4.26%	130	0.67%
02/17/23	FHLB	3130AUU36	4.130	03/13/26	03/13/26	7,250,000	7,189,318	100.08	7,255,699	66,381	3.89%	133	2.49%
05/17/23	Loews Corporation	540424AS7	3.750	04/01/26	04/01/26	1,500,000	1,470,312	99.75	1,496,291	25,979	4.34%	152	0.51%
03/31/25	US Bank NA	90331HPP2	4.510	10/22/27	04/22/26	2,600,000	2,597,087	100.34	2,608,714	11,627	4.37%	173	0.90%
11/29/21	Sierra Pacific Power	826418BM6	2.600	05/01/26	05/01/26	1,625,000	1,672,301	99.25	1,612,868	(59,433)	4.10%	182	0.55%
09/13/21	FHLB	3130A8XY4	1.880	09/11/26	09/11/26	1,000,000	1,051,761	98.36	983,641	(68,120)	3.82%	315	0.34%
01/07/25	FHLB	3130AWTQ3	4.630	09/11/26	09/11/26	3,250,000	3,266,283	100.68	3,272,159	5,876	3.81%	315	1.12%
12/17/24	FHLB	3130A2VE3	3.000	09/11/26	09/11/26	6,000,000	5,883,818	99.31	5,958,703	74,885	3.82%	315	2.05%
05/16/23	Public Service Electric And Gas	74456QBR6	2.250	09/15/26	09/15/26	1,225,000	1,140,325	98.57	1,207,528	67,203	3.93%	319	0.41%
03/01/23	PepsiCo Inc	713448DN5	2.380	10/06/26	10/06/26	1,100,000	1,012,440	98.71	1,085,850	73,410	3.79%	340	0.37%
07/15/25	Treasury Note	91282CLS8	4.130	10/31/26	10/31/26	4,000,000	4,001,563	100.37	4,014,688	13,125	3.75%	365	1.38%
02/09/23	Treasury Note	912828U24	2.000	11/15/26	11/15/26	10,000,000	9,353,945	98.25	9,825,000	471,055	3.73%	380	3.37%
06/28/23	Duke Energy Carolinas	26442CAS3	2.950	12/01/26	12/01/26	1,000,000	944,820	99.01	990,063	45,243	3.89%	396	0.34%
01/13/22	FHLB	3130A9YY1	2.130	12/11/26	12/11/26	3,800,000	3,910,846	98.24	3,733,241	(177,605)	3.75%	406	1.28%
06/30/25	Treasury Note	91282CME8	4.250	12/31/26	12/31/26	10,000,000	10,057,813	100.60	10,059,766	1,953	3.72%	426	3.45%
09/10/24	Bristol-Myers Squibb Co	110122EE4	4.900	02/22/27	02/22/27	2,000,000	2,045,640	101.26	2,025,177	(20,463)	3.90%	479	0.70%
03/17/25	FHLB	3130B5K64	4.000	03/10/27	03/10/27	600,000	599,436	100.39	602,344	2,908	3.70%	495	0.21%
01/31/23	Treasury Note	91282ZE3	0.630	03/31/27	03/31/27	10,000,000	8,842,266	95.88	9,588,281	746,015	3.64%	516	3.29%
05/11/23	Chevron Corp	166764BX7	2.300	05/11/27	05/11/27	2,125,000	1,963,472	97.34	2,068,379	104,907	3.81%	557	0.71%
03/15/23	Treasury Note	91282ZV5	0.500	06/30/27	06/30/27	10,000,000	8,761,016	95.02	9,502,344	741,328	3.60%	607	3.26%
09/10/24	Honeywell International Inc	438516CX2	4.650	07/30/27	07/30/27	2,000,000	2,044,680	101.18	2,023,513	(21,167)	3.94%	637	0.69%
09/11/24	Procter & Gamble Co	742718EV7	2.850	08/11/27	08/11/27	2,100,000	2,047,647	98.48	2,068,152	20,505	3.74%	649	0.71%
09/10/24	Meta Platforms Inc	30303M8G0	3.500	08/15/27	08/15/27	2,050,000	2,033,992	99.44	2,038,437	4,445	3.83%	663	0.70%
09/11/24	Alabama Power Company	010392FY9	3.750	09/01/27	09/01/27	1,550,000	1,543,521	99.69	1,545,153	1,632	3.93%	670	0.53%
09/10/24	FNMA	3135G05Y5	0.750	10/08/27	10/08/27	10,800,000	9,946,364	94.64	10,220,830	274,466	3.64%	707	3.51%

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 10/31/25

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Price	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
02/15/23	UnitedHealth Group Inc	91324PDE9	2.950	10/15/27	10/15/27	2,100,000	1,960,394	98.21	2,062,350	101,956	3.91%	714	0.71%
09/17/24	Treasury Note	91282CAU5	0.500	10/31/27	10/31/27	10,000,000	9,128,184	94.09	9,409,375	281,191	3.59%	730	3.23%
05/15/25	General Dynamics Corporation	369550AZ1	2.630	11/15/27	11/15/27	1,950,000	1,876,427	97.64	1,904,048	27,621	3.84%	745	0.65%
02/17/24	Treasury Note	91282CLX7	4.130	11/15/27	11/15/27	10,000,000	9,972,656	101.02	10,102,344	129,688	3.60%	745	3.47%
09/17/24	FHLB	3130ATUS4	4.250	12/10/27	12/10/27	9,055,000	9,143,342	101.02	9,169,808	26,466	3.62%	770	3.15%
01/22/25	PNC Bank NA	69353RFJ2	3.250	01/22/28	01/22/28	2,000,000	1,917,900	98.61	1,972,135	54,235	3.91%	813	0.68%
02/12/25	FFCB	3133ERZ46	4.250	01/28/28	01/28/28	7,100,000	7,065,127	101.29	7,191,323	126,196	3.64%	819	2.47%
09/11/24	PepsiCo Inc	713448FL7	3.600	02/18/28	02/18/28	1,000,000	994,150	99.51	995,147	997	3.82%	840	0.34%
05/13/25	Caterpillar Financial Services	14913UAY6	4.400	03/03/28	03/03/28	2,000,000	2,002,080	101.09	2,021,810	19,730	3.91%	854	0.69%
04/01/25	Florida Power & Light Company	341081GK7	5.050	04/01/28	04/01/28	1,200,000	1,224,312	102.53	1,230,371	6,059	3.94%	883	0.42%
12/17/24	Treasury Note	91282CBZ3	1.250	04/30/28	04/30/28	10,000,000	9,070,313	94.45	9,445,313	375,000	3.59%	912	3.24%
05/20/25	Qualcomm Incorporated	747525BN2	1.300	05/20/28	05/20/28	1,900,000	1,747,582	93.69	1,780,080	32,498	3.92%	932	0.61%
12/17/24	Treasury Note	91282CCR0	1.000	07/31/28	07/31/28	10,000,000	8,919,207	93.27	9,326,563	407,356	3.59%	1004	3.20%
09/10/24	Citibank NA	17325FBB3	5.800	09/29/28	09/29/28	2,600,000	2,754,524	104.78	2,724,325	(30,199)	4.04%	1064	0.94%
04/24/25	Treasury Note	91282CDF5	1.380	10/31/28	10/31/28	5,000,000	4,599,023	93.71	4,685,547	86,524	3.61%	1096	1.61%
09/10/24	AbbVie Inc	00287YBF5	4.250	11/14/28	11/14/28	2,000,000	2,027,680	100.75	2,015,089	(12,591)	3.98%	1110	0.69%
02/11/25	Merck & Co Inc	58933YBD6	1.900	12/10/28	12/10/28	2,300,000	2,081,981	94.15	2,165,337	83,356	3.92%	1136	0.74%
06/16/25	Cisco Systems Inc	17275RBR2	4.850	02/26/29	02/26/29	1,475,000	1,502,922	102.47	1,511,396	8,474	4.05%	1214	0.52%
02/25/25	Union Pacific Corporation	907818FB9	3.700	03/01/29	03/01/29	2,000,000	1,938,480	98.82	1,976,436	37,956	4.08%	1217	0.68%
05/28/25	Pfizer Inc	717081ET6	3.450	03/15/29	03/15/29	2,100,000	2,034,585	98.54	2,069,272	34,687	3.92%	1231	0.71%
09/17/24	Target Corporation	87612EBH8	3.380	04/15/29	04/15/29	2,000,000	1,964,920	97.97	1,959,383	(5,537)	4.01%	1262	0.67%
01/21/25	Wisconsin Electric Power Company	976656CQ9	5.000	05/15/29	05/15/29	1,550,000	1,560,680	102.75	1,592,557	31,877	4.16%	1292	0.55%
04/29/25	FNMA Benchmark Note	31359MEU3	6.250	05/15/29	05/15/29	5,750,000	6,288,228	108.51	6,239,163	(49,065)	3.66%	1292	2.14%
03/17/25	Chubb InA Holdings Inc	171239AL0	4.650	08/15/29	08/15/29	2,000,000	2,007,139	102.01	2,040,150	33,011	4.07%	1384	0.70%
03/06/25	Exxon Mobil Corp	30231GBE1	2.440	08/16/29	08/16/29	2,300,000	2,129,477	95.22	2,189,949	60,472	3.81%	1385	0.75%
04/14/25	FHLMC Reference Note	3134A3U46	6.750	09/15/29	09/15/29	7,300,000	8,097,393	110.96	8,100,346	2,953	3.68%	1415	2.78%
04/15/25	Home Depot Inc	437076CB6	2.700	04/15/30	04/15/30	2,000,000	1,832,819	94.38	1,887,585	54,766	4.09%	1627	0.65%
	Subtotal					\$ 274,771,770	\$ 265,954,161	\$	\$ 271,895,002	\$ 5,940,841	3.75%	563	93.38%
	Local Agency Investment Fund (LAIF)					19,246,308	19,246,308	100.19	19,283,445	37,137	4.15%	258	6.62%
	Subtotal					\$ 294,018,078	\$ 285,200,469	\$	\$ 291,178,447	\$ 5,977,978	3.78%	543	100.00%
	Operating Bank Balance						8,503,806						
	TOTAL					\$	\$ 293,704,275	\$					

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Purchases - Maturities - Sales
As of 10/31/25

PURCHASES

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
					\$			
TOTAL PURCHASES								
					\$			-

MATURITIES

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
							\$	
TOTAL MATURITIES								
							\$	

SALES / REDEMPTIONS / DELIVERS

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Sale Date	Par Value	Sale Price	Purchase Cost	Gain / (Loss)
12/23/22	Morgan Stanley	61747YEX9	6.140	10/16/26	10/16/25	2,425,000.00	100.00000	\$ 2,481,308.00	\$ (56,308.00)
09/10/24	Comcast Corporation	20030NDK4	3.300	04/01/27	10/02/25	2,050,000.00	99.26217	2,034,874.41	16,930.41
TOTAL SALES / REDEMPTIONS / DELIVERS									
						\$ 4,475,000.00		\$ 4,499,252.00	\$ (39,377.59)

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
10/01/25-10/31/25

Type of Investment	Type	CUSIP	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
FIXED INCOME											
Morgan Stanley	NOTE	61747YEX9	6.140	10/16/26	68,221.31	74,423.25	-	-	6,201.94	-	6,201.94
Comcast Corporation	NOTE	20030NDK4	3.300	04/01/27	-	-	-	-	-	-	-
FNMA Benchmark Note	NOTE	3135G06G3	0.500	11/07/25	24,000.00	-	-	29,000.00	5,000.00	3,189.17	8,189.17
MetLife Inc	NOTE	59156RBQ0	3.600	11/13/25	27,600.00	-	-	33,600.00	6,000.00	946.92	6,946.92
Lockheed Martin Corporation	NOTE	539830BH1	3.550	01/15/26	13,370.09	-	-	18,647.76	5,277.67	(979.50)	4,298.17
FHLB	NOTE	3130AKOX7	0.700	01/28/26	2,143.75	-	-	3,164.58	1,020.83	4,615.53	5,636.36
Treasury Note	NOTE	91282CBQ3	0.500	02/28/26	4,281.77	-	-	8,563.54	4,281.77	27,765.46	32,047.23
FHLB	NOTE	3130ALHH0	0.960	03/05/26	2,704.00	-	-	5,824.00	3,120.00	9,572.19	12,692.19
Prudential Financial Inc	NOTE	74432QCH6	1.500	03/10/26	1,728.13	-	-	4,196.88	2,468.75	(185.28)	2,283.47
FHLB	NOTE	3130AUU36	4.130	03/13/26	14,953.13	-	-	39,875.00	24,921.87	1,651.97	26,573.84
Loews Corporation	NOTE	540424AS7	3.750	04/01/26	-	-	-	4,687.50	4,687.50	873.02	5,560.52
Sierra Pacific Power	NOTE	826418BM6	2.600	05/01/26	17,604.17	21,125.00	-	-	3,520.83	(841.90)	2,678.93
FHLB	NOTE	3130A8XY4	1.880	09/11/26	1,041.67	-	-	2,604.17	1,562.50	(864.12)	698.38
FHLB	NOTE	3130AWTQ3	4.630	09/11/26	8,350.69	-	-	20,876.74	12,526.05	(810.07)	11,715.98
FHLB	NOTE	3130A2VE3	3.000	09/11/26	10,000.00	-	-	25,000.00	15,000.00	5,846.01	20,846.01
Public Service Electric And Gas	NOTE	74456QBR6	2.250	09/15/26	1,225.00	-	-	3,521.88	2,296.88	2,122.83	4,419.71
PepsiCo Inc	NOTE	713448DN5	2.380	10/06/26	12,699.65	13,062.50	-	1,814.24	2,177.09	2,031.55	4,208.64
Treasury Note	NOTE	91282CLS8	4.130	10/31/26	69,048.91	82,500.00	-	455.80	13,906.89	(102.62)	13,804.27
Treasury Note	NOTE	912828U24	2.000	11/15/26	75,543.48	-	-	92,391.30	16,847.82	15,173.30	32,021.12
Duke Energy Carolinas	NOTE	26442CAS3	2.950	12/01/26	9,833.33	-	-	12,291.67	2,458.34	1,344.76	3,803.10
FHLB	NOTE	3130A9YY1	2.130	12/11/26	24,673.61	-	-	31,402.78	6,729.17	(1,881.94)	4,847.23
Treasury Note	NOTE	91282CME8	4.250	12/31/26	107,991.80	-	-	143,989.07	35,997.27	(3,270.42)	32,726.85
Bristol-Myers Squibb Co	NOTE	110122EE4	4.900	02/22/27	10,616.67	-	-	18,783.33	8,166.66	(1,554.14)	6,612.52
FHLB	NOTE	3130B5K64	4.000	03/10/27	1,400.00	-	-	3,400.00	2,000.00	23.76	2,023.76
JP Morgan Chase & CO	NOTE	46647PBW5	1.040	02/04/27	4,528.33	-	-	6,911.67	2,383.34	6,237.20	8,620.54
Treasury Note	NOTE	912828ZE3	0.630	03/31/27	171.70	-	-	5,494.51	5,322.81	24,443.73	29,766.54
Chevron Corp	NOTE	166764BX7	2.300	05/11/27	16,486.46	-	-	20,019.27	3,532.81	3,477.17	7,009.95
Treasury Note	NOTE	912828ZV5	0.500	06/30/27	12,635.87	-	-	16,847.83	4,211.96	25,052.14	29,264.13
Honeywell International Inc	NOTE	438516CX2	4.650	07/30/27	15,758.33	-	-	23,508.33	7,750.00	(1,290.09)	6,459.91
Procter & Gamble Co	NOTE	742718EV7	2.850	08/11/27	8,312.50	-	-	13,300.00	4,987.50	1,497.23	6,484.73
Meta Platforms Inc	NOTE	30303M8G0	3.500	08/15/27	9,168.06	-	-	15,147.22	5,979.16	455.71	6,434.87
Alabama Power Company	NOTE	010392FY9	3.750	09/01/27	4,843.75	-	-	9,687.50	4,843.75	181.82	5,025.57
FNMA	NOTE	3135G05Y5	0.750	10/08/27	38,925.00	40,500.00	-	5,175.00	6,750.00	23,133.76	29,883.76
UnitedHealth Group Inc	NOTE	91324PDE9	2.950	10/15/27	28,565.83	30,975.00	-	2,753.33	5,162.50	2,598.28	7,760.78

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
10/01/25-10/31/25

Type of Investment	Type	CUSIP	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
US Bank NA	NOTE	9033THPP2	4.510	10/22/27	51,755.38	58,591.00	-	2,929.55	9,765.17	95.27	9,860.44
Treasury Note	NOTE	91282CAU5	0.500	10/31/27	20,923.91	25,000.00	-	138.12	4,214.21	23,748.95	27,963.16
General Dynamics Corporation	NOTE	369550AZ1	2.630	11/15/27	19,337.50	-	-	23,603.13	4,265.63	2,455.18	6,720.81
Treasury Note	NOTE	91282CLX7	4.130	11/15/27	155,808.42	-	-	190,557.07	34,748.65	798.17	35,546.82
FHLB	NOTE	3130ATUS4	4.250	12/10/27	118,658.23	-	-	150,728.02	32,069.79	(2,283.16)	29,786.63
PNC Bank NA	NOTE	69353RFJ2	3.250	01/22/28	12,458.33	-	-	17,875.00	5,416.67	2,282.67	7,699.34
FFCB	NOTE	3133ERZ46	4.250	01/28/28	52,806.25	-	-	77,952.08	25,145.83	982.33	26,128.16
PepsiCo Inc	NOTE	713448FL7	3.600	02/18/28	4,300.00	-	-	7,300.00	3,000.00	141.99	3,141.99
Caterpillar Financial Services	NOTE	14913UAY6	4.400	03/03/28	6,844.44	-	-	14,177.78	7,333.34	(61.84)	7,271.50
Florida Power & Light Company	NOTE	341081GK7	5.050	04/01/28	-	-	-	5,050.00	5,050.00	(675.96)	4,374.04
Treasury Note	NOTE	91282CBZ3	1.250	04/30/28	52,309.78	62,500.00	-	345.30	10,535.52	23,450.21	33,985.73
Qualcomm Incorporated	NOTE	747525BN2	1.300	05/20/28	8,988.06	-	-	11,046.39	2,058.33	4,237.76	6,296.09
Bank of New York Mellon	NOTE	06406RBX4	4.890	07/21/28	24,246.25	-	-	34,637.50	10,391.25	(980.60)	9,410.65
Treasury Note	NOTE	91282CCR0	1.000	07/31/28	16,847.83	-	-	25,271.74	8,423.91	25,816.90	34,240.81
Citibank NA	NOTE	17325FBB3	5.800	09/29/28	838.21	-	-	13,411.38	12,573.17	(3,218.07)	9,355.10
Treasury Note	NOTE	91282CDF5	1.380	10/31/28	28,770.38	34,375.00	-	189.92	5,794.54	9,673.36	15,467.90
AbbVie Inc	NOTE	00287YBF5	4.250	11/14/28	32,347.22	-	-	39,430.56	7,083.34	(552.50)	6,530.84
Merck & Co Inc	NOTE	58933YBD6	1.900	12/10/28	13,474.17	-	-	17,115.83	3,641.66	4,752.24	8,393.90
Cisco Systems Inc	NOTE	17275RBR2	4.850	02/26/29	6,955.03	-	-	12,916.49	5,961.46	(630.29)	5,331.17
Union Pacific Corporation	NOTE	907818FB9	3.700	03/01/29	6,166.67	-	-	12,333.33	6,166.66	1,277.23	7,443.89
Pfizer Inc	NOTE	717081ET6	3.450	03/15/29	3,220.00	-	-	9,257.50	6,037.50	1,436.64	7,474.14
Target Corporation	NOTE	87612EBH8	3.380	04/15/29	31,125.00	33,750.00	-	3,000.00	5,625.00	638.98	6,263.98
Wisconsin Electric Power Company	NOTE	976856CQ9	5.000	05/15/29	29,277.78	-	-	35,736.11	6,458.33	(206.30)	6,252.03
FNMA Benchmark Note	NOTE	31359MEU3	6.250	05/15/29	135,763.89	-	-	165,711.81	29,947.92	(11,097.50)	18,850.42
Chubb InA Holdings Inc	NOTE	171239AL0	4.650	08/15/29	11,883.33	-	-	19,633.33	7,750.00	(134.97)	7,615.03
Exxon Mobil Corp	NOTE	30231GBE1	2.440	08/16/29	7,015.00	-	-	11,691.67	4,676.67	3,199.29	7,875.96
FHLMC Reference Note	NOTE	3134A3U46	6.750	09/15/29	21,900.00	-	-	62,962.50	41,062.50	(15,055.74)	26,006.76
Home Depot Inc	NOTE	437076CB6	2.700	04/15/30	24,900.00	27,000.00	-	2,400.00	4,500.00	2,787.88	7,287.88
Subtotal					\$ 1,547,348.05	\$ 503,801.75	\$ -	\$ 1,590,337.01	\$ 546,790.71	\$ 223,331.55	\$ 770,122.26
CASH EQUIVALENTS											
Dreyfus Treasury						52,173.69			52,173.69		52,173.69
Subtotal					\$ -	\$ 52,173.69	\$ -	\$ -	\$ 52,173.69	\$ -	\$ 52,173.69
LAIF											
Local Agency Investment Fund					141,740.32	141,740.32		67,586.82	67,586.82		67,586.82
TOTAL					\$ 1,689,088.37	\$ 697,715.76	\$ -	\$ 1,657,923.83	\$ 666,551.22	\$ 223,331.55	\$ 889,882.77

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 10/31/25

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Price	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
10/31/25	Dreyfus Trsy Sec CM Investor	BAXB9MMA7	0.000	10/31/25	10/31/25	\$ 2,206,986	\$ 2,206,986	100.00	\$ 2,206,986	\$ -	3.82%	0	3.17%
11/17/20	FNMA Benchmark Note	31350G6G3	0.500	11/07/25	11/07/25	3,155,000	3,140,117	99.96	3,153,708	13,591	2.95%	7	4.53%
06/30/21	Lockheed Martin Corporation	539830BH1	3.550	01/15/26	01/15/26	415,000	432,814	99.89	414,553	(18,261)	4.04%	76	0.60%
03/18/25	Bank of New York Mellon	06406RBB4	4.890	07/21/28	01/22/26	550,000	553,801	101.44	557,897	4,096	4.28%	83	0.80%
01/19/23	FHLB	3130AKQX7	0.700	01/28/26	01/28/26	1,050,000	949,566	99.21	1,041,746	92,180	3.98%	89	1.50%
01/25/23	JP Morgan Chase & CO	46647PBW5	1.040	02/04/27	02/04/26	700,000	630,509	99.19	694,308	63,799	4.51%	96	1.00%
10/20/25	State Street Corp	857477CN1	4.530	02/20/29	02/20/26	550,000	557,348	100.94	555,158	(2,190)	4.34%	112	0.80%
12/06/22	Treasury Note	91282CBQ3	0.500	02/28/26	02/28/26	3,000,000	2,831,668	98.91	2,967,188	135,520	3.84%	120	4.26%
06/20/23	FFCB	3133EPCF0	4.500	03/02/26	03/02/26	2,000,000	2,003,788	100.19	2,003,851	63	3.89%	122	2.88%
01/19/23	FHLB	3130ALHH0	0.960	03/05/26	03/05/26	900,000	817,164	98.96	890,674	73,510	4.00%	125	1.28%
08/30/21	Prudential Financial Inc	74432QCH6	1.500	03/10/26	03/10/26	450,000	455,338	99.02	445,607	(9,731)	4.26%	130	0.64%
02/17/23	FHLB	3130AUU36	4.130	03/13/26	03/13/26	1,250,000	1,239,538	100.08	1,250,983	11,445	3.89%	133	1.80%
05/17/23	Loews Corporation	540424A57	3.750	04/01/26	04/01/26	375,000	369,385	99.75	374,073	4,688	4.34%	152	0.54%
10/20/25	Morgan Stanley	61748UAK8	4.130	10/18/29	04/22/26	625,000	625,200	99.78	623,646	(1,554)	4.37%	173	0.90%
03/19/25	US Bank NA	90331HPP2	2.950	10/22/27	04/22/26	625,000	623,150	100.34	627,095	3,945	4.37%	173	0.90%
07/21/26	FNMA	3135G0K36	2.130	04/24/26	04/24/26	982,000	967,015	99.18	973,956	6,941	3.86%	175	1.40%
11/29/21	Sierra Pacific Power	826418BM6	2.600	05/01/26	05/01/26	450,000	463,125	99.25	446,640	(16,485)	4.10%	182	0.64%
09/13/21	FHLB	3130A8XY4	1.880	09/11/26	09/11/26	300,000	315,528	98.36	295,092	(20,436)	3.82%	315	0.42%
05/16/23	Public Service Electric And Gas	74456QBR6	2.250	09/15/26	09/15/26	300,000	279,264	98.57	295,721	16,457	3.93%	319	0.42%
03/01/23	Pepsico Inc	713448DN5	2.380	10/06/26	10/06/26	450,000	414,180	98.71	444,211	30,031	3.79%	340	0.64%
05/09/23	Treasury Note	912828U24	2.000	11/15/26	11/15/26	2,100,000	1,986,469	98.25	2,063,250	76,781	3.73%	380	2.96%
01/13/22	FHLB	3130A9YY1	2.130	12/11/26	12/11/26	700,000	720,419	98.24	687,702	(32,717)	3.75%	406	0.99%
04/14/25	FHLB	3130B5K64	4.000	03/10/27	03/10/27	1,500,000	1,503,375	100.39	1,505,860	2,485	3.70%	495	2.16%
01/31/23	Treasury Note	912828ZE3	0.630	03/31/27	03/31/27	3,750,000	3,401,865	95.88	3,595,605	193,740	3.64%	516	5.16%
05/11/23	Chevron Corp	166764BX7	2.000	05/11/27	05/11/27	475,000	442,086	97.34	462,344	20,258	3.81%	557	0.66%
10/20/25	Burlington Northern Santa Fe	12189LBA8	3.250	06/15/27	06/15/27	525,000	521,624	99.08	520,150	(1,474)	3.84%	592	0.75%
03/15/23	Treasury Note	912828ZV5	0.500	06/30/27	06/30/27	4,000,000	3,659,385	95.02	3,800,938	141,553	3.60%	607	5.46%
03/18/25	Procter & Gamble Co	742718EV7	2.850	08/11/27	08/11/27	575,000	557,532	98.48	566,280	8,748	3.74%	649	0.81%
03/18/25	Meta Platforms Inc	30303M8G0	3.500	08/15/27	08/15/27	550,000	540,447	99.44	546,898	6,451	3.83%	653	0.79%
03/18/25	Alabama Power Company	010392FY9	3.750	09/01/27	09/01/27	425,000	417,822	99.69	423,671	5,849	3.93%	670	0.61%
02/15/23	Unitedhealth Group Inc	91324PDE9	2.950	10/15/27	10/15/27	550,000	512,972	98.21	540,139	27,167	3.91%	714	0.78%
05/15/25	General Dynamics Corporation	369550AZ1	2.630	11/15/27	11/15/27	550,000	529,249	97.64	537,039	7,790	3.84%	745	0.77%
03/20/25	Treasury Note	91282CMF5	4.250	01/15/28	01/15/28	4,000,000	4,036,861	101.36	4,054,375	17,514	3.60%	806	5.82%

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 10/31/25

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Price	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
03/18/25	PNC Bank NA	39353RFJ2	3.250	01/22/28	01/22/28	550,000	531,361	98.61	542,337	10,976	3.91%	813	0.78%
03/18/25	Pepsico Inc	713448FL7	3.600	02/18/28	02/18/28	125,000	122,811	99.51	124,393	1,582	3.82%	840	0.18%
03/20/25	FFCB	3133ER4Q1	4.250	02/24/28	02/24/28	3,500,000	3,527,790	101.27	3,544,349	16,559	3.67%	846	5.09%
05/13/25	Caterpillar Financial Services	14913UAY6	4.400	03/03/28	03/03/28	525,000	525,546	101.09	530,725	5,179	3.91%	854	0.76%
03/18/25	FHLB	3130ATS57	4.500	03/10/28	03/10/28	3,500,000	3,545,465	101.93	3,567,542	22,077	3.64%	861	5.12%
04/01/25	Florida Power & Light CO	341081GK7	5.050	04/01/28	04/01/28	400,000	408,104	102.53	410,124	2,020	3.94%	883	0.59%
05/20/25	Qualcomm Incorporated	747525BN2	1.300	05/20/28	05/20/28	500,000	459,890	93.69	468,442	8,552	3.92%	932	0.67%
10/20/25	FFCB	3133ERGL9	4.500	06/07/28	06/07/28	485,000	497,047	102.04	494,913	(2,134)	3.67%	950	0.71%
03/18/25	Public Service Electric And Gas	74456QBX3	3.650	09/01/28	09/01/28	150,000	145,974	99.08	148,625	2,651	3.99%	1036	0.21%
09/17/24	Citibank NA	17325FBB3	5.800	09/29/28	09/29/28	615,000	646,834	104.78	644,408	(2,426)	4.04%	1064	0.93%
03/18/25	Treasury Note	91282CDF5	1.380	10/31/28	10/31/28	4,000,000	3,644,531	93.71	3,748,438	103,907	3.61%	1096	5.38%
03/18/25	Abbvie Inc	00287YBF5	4.250	11/14/28	11/14/28	550,000	546,865	100.75	554,149	7,284	3.98%	1110	0.80%
10/20/25	FHLB	3130AXQK7	4.750	12/08/28	12/08/28	300,000	310,872	103.09	309,273	(1,599)	3.69%	1134	0.44%
03/18/25	Merck & Co Inc	58933YBD6	1.900	12/10/28	12/10/28	600,000	549,204	94.15	564,870	15,666	3.92%	1136	0.81%
03/18/25	Bristol-Myers Squibb Co	110122EF1	4.900	02/22/29	02/22/29	550,000	557,821	102.61	564,381	6,560	4.05%	1210	0.81%
06/16/25	Cisco Systems Inc	17275RBR2	4.850	02/26/29	02/26/29	525,000	534,938	102.47	537,955	3,017	4.05%	1214	0.77%
03/18/25	Union Pacific Corporation	907818FB9	3.700	03/01/29	03/01/29	550,000	534,221	98.82	543,520	9,299	4.08%	1217	0.78%
05/28/25	Pfizer Inc	717081ET6	3.450	03/15/29	03/15/29	575,000	557,089	98.54	566,586	9,497	3.92%	1231	0.81%
03/20/25	Treasury Note	91282CEE7	2.380	03/31/29	03/31/29	4,000,000	3,769,439	96.01	3,840,312	70,873	3.63%	1247	5.51%
03/18/25	Target Corporation	87612EBH8	3.380	04/15/29	04/15/29	550,000	528,000	97.97	538,830	10,830	4.01%	1262	0.77%
03/18/25	Wisconsin Electric Power Company	97656CCQ9	5.000	05/15/29	05/15/29	425,000	430,699	102.75	436,669	5,970	4.16%	1292	0.63%
10/20/25	Comcast Corporation	20030NEH0	5.100	06/01/29	06/01/29	525,000	545,874	103.01	540,805	(5,069)	4.19%	1309	0.78%
10/20/25	John Deere Capital Corp	24422EXT1	4.850	06/11/29	06/11/29	525,000	541,979	102.77	539,569	(2,410)	4.02%	1319	0.77%
03/18/25	Chubb InA Holdings Inc	171239AL0	4.650	08/15/29	08/15/29	550,000	553,278	102.01	561,041	7,763	4.01%	1384	0.81%
03/18/25	Exxon Mobil Corp	30231GBE1	2.440	08/16/29	08/16/29	600,000	555,629	95.22	571,291	15,662	3.81%	1385	0.82%
03/25/25	FHLMC Reference Notes	3134A3U46	6.750	09/15/29	09/15/29	750,000	831,547	110.96	832,227	680	3.68%	1415	1.19%
03/19/25	FNMA Benchmark Note	31359MFJ7	7.130	01/15/30	01/15/30	3,000,000	3,389,339	113.15	3,394,641	5,302	3.72%	1537	4.87%
03/18/25	Duke Energy Carolinas	26442CBP8	4.850	03/15/30	03/15/30	425,000	428,110	102.78	436,803	8,693	4.15%	1596	0.63%
04/15/25	Home Depot Inc	437076CB6	2.700	04/15/30	04/15/30	550,000	504,391	94.38	519,087	14,696	4.09%	1627	0.75%
	Subtotal					\$ 69,933,986	\$ 68,430,238	\$	\$ 69,643,649	\$ 1,213,411	3.76%	693	100.00%
	PFC Bank Balance						1,536,189						
	TOTAL						\$ 69,966,427						

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
10/01/25-10/31/25

Type of Investment	Type	CUSIP	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
FIXED INCOME											
Morgan Stanley	NOTE	61747YEX9	6.140	10/16/26	17,582.81	19,181.24	-	-	1,598.43	-	1,598.43
Comcast Corporation	NOTE	20030NDK4	3.300	04/01/27	-	-	-	-	-	-	-
FNMA Benchmark Note	NOTE	3135G06G3	0.500	11/07/25	6,310.00	-	-	7,624.58	1,314.58	311.02	1,625.60
Lockheed Martin Corporation	NOTE	539830BH1	3.550	01/15/26	3,110.19	-	-	4,337.90	1,227.71	(943.47)	884.24
FHLL	NOTE	3130AKQX7	0.700	01/28/26	1,286.25	-	-	1,898.75	612.50	2,769.32	3,381.82
Treasury Note	NOTE	91282CBQ3	0.500	02/28/26	1,284.53	-	-	2,569.06	1,284.53	8,623.16	9,907.69
FFCB	NOTE	3133EPCF0	4.500	03/02/26	7,250.00	-	-	14,750.00	7,500.00	(117.03)	7,382.97
FHLL	NOTE	3130ALHH0	0.960	03/05/26	624.00	-	-	1,344.00	720.00	2,208.97	2,928.97
Prudential Financial Inc	NOTE	74432QCH6	1.500	03/10/26	393.75	-	-	956.25	562.50	(98.18)	464.32
FHLL	NOTE	3130AUU36	4.130	03/13/26	2,578.13	-	-	6,875.00	4,296.87	284.82	4,581.69
Loews Corporation	NOTE	540424AS7	3.750	04/01/26	-	-	-	1,171.88	1,171.88	180.94	1,352.82
FNMA	NOTE	3135G0K36	2.130	04/24/26	9,100.55	10,433.75	-	405.76	1,738.96	1,852.79	3,391.75
Sierra Pacific Power	NOTE	826418BM6	2.600	05/01/26	4,875.00	5,850.00	-	-	975.00	(153.89)	821.11
FHLL	NOTE	3130A8XY4	1.880	09/11/26	312.50	-	-	781.25	468.75	(259.24)	209.51
Public Service Electric And Gas	NOTE	74456QBR6	2.250	09/15/26	300.00	-	-	862.50	562.50	519.84	1,082.34
Pepsico Inc	NOTE	713448DN5	2.380	10/06/26	5,195.31	5,343.75	-	742.19	890.63	831.09	1,721.72
Treasury Note	NOTE	912828U24	2.000	11/15/26	15,864.13	-	-	19,402.17	3,538.04	2,738.89	6,276.93
FHLL	NOTE	3130A9YY1	2.130	12/11/26	4,545.14	-	-	5,784.72	1,239.58	(346.67)	892.91
JP Morgan Chase & CO	NOTE	46647PBW5	1.040	02/04/27	1,152.67	-	-	1,759.33	606.66	1,513.40	2,120.06
FHLL	NOTE	3130B5K64	4.000	03/10/27	3,500.00	-	-	8,500.00	5,000.00	(147.81)	4,852.19
Treasury Note	NOTE	912828ZE3	0.630	03/31/27	64.39	-	-	2,060.44	1,996.05	9,529.69	11,525.74
Chevron Corp	NOTE	166764BX7	2.000	05/11/27	3,685.21	-	-	4,474.90	789.69	688.84	1,478.53
Burlington Northern Santa Fe	NOTE	12189LBA8	3.250	06/15/27	-	-	5,971.88	6,445.83	473.95	56.83	530.78
Treasury Note	NOTE	912828ZV5	0.500	06/30/27	4,738.45	-	383.83	6,739.13	1,616.85	10,292.68	11,909.53
Procter & Gamble Co	NOTE	742718EV7	2.850	08/11/27	2,276.04	-	-	3,641.67	1,365.63	607.95	1,973.58
Meta Platforms Inc	NOTE	30303M8G0	3.500	08/15/27	2,459.72	-	-	4,063.89	1,604.17	330.95	1,935.12
Alabama Power Company	NOTE	010392FY9	3.750	09/01/27	1,328.13	-	-	2,656.25	1,328.12	244.16	1,572.28
Unitedhealth Group Inc	NOTE	91324PDE9	2.950	10/15/27	7,481.53	8,112.50	-	721.11	1,352.08	715.48	2,067.56
US Bank NA	NOTE	90331HPP2	2.950	10/22/27	12,441.20	14,084.38	-	704.22	2,347.40	59.60	2,407.00
General Dynamics Corporation	NOTE	369550AZ1	2.630	11/15/27	5,454.17	-	-	6,657.29	1,203.12	692.49	1,895.61
Treasury Note	NOTE	91282CMF5	4.250	01/15/28	30,852.92	-	-	50,353.26	12,992.53	(950.42)	12,046.11
PNC Bank NA	NOTE	39353RFJ2	3.250	01/22/28	3,426.04	-	6,507.81	4,915.63	1,489.59	546.61	2,032.20
Pepsico Inc	NOTE	713448FL7	3.600	02/18/28	537.50	-	-	912.50	375.00	62.60	437.60
FFCB	NOTE	3133ER4Q1	4.250	02/24/28	15,288.19	-	-	27,684.03	12,395.84	(792.72)	11,603.12

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
10/01/25-10/31/25

Type of Investment	Type	CUSIP	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Total Int. Earned
Caterpillar Financial Services	NOTE	14913UAY6	4.400	03/03/28	1,796.67	-	-	3,721.67	1,925.00	(16.23)	1,908.77
FHLB	NOTE	3130ATS57	4.500	03/10/28	9,187.50	-	-	22,312.50	13,125.00	(1,273.53)	11,851.47
Florida Power & Light CO	NOTE	341081GK7	5.050	04/01/28	-	-	-	1,683.33	1,683.33	(225.32)	1,458.01
Qualcomm Incorporated	NOTE	747525BN2	1.300	05/20/28	2,365.28	-	-	2,906.94	541.66	1,115.20	1,656.86
FFCB	NOTE	3133ERGL9	4.500	06/07/28	-	-	8,123.75	8,730.00	606.25	(127.35)	478.90
Bank of New York Mellon	NOTE	06406R BX4	4.890	07/21/28	5,229.58	-	-	7,470.83	2,241.25	(94.85)	2,146.40
Public Service Electric And Gas	NOTE	74456QBX3	3.650	09/01/28	456.25	-	-	912.50	456.25	97.25	553.50
Citibank NA	NOTE	17325FBB3	5.800	09/29/28	198.27	-	-	3,172.31	2,974.04	(686.75)	2,287.29
Treasury Note	NOTE	91282CDF5	1.380	10/31/28	23,016.30	27,500.00	-	151.93	4,635.63	8,335.50	12,971.13
Abbvie Inc	NOTE	00287YBF5	4.250	11/14/28	8,895.49	-	-	10,843.40	1,947.91	71.52	2,019.43
FHLB	NOTE	3130AXQK7	4.750	12/08/28	-	-	5,264.58	5,660.42	395.84	(96.47)	299.37
Merck & Co Inc	NOTE	58833YBD6	1.900	12/10/28	3,515.00	-	-	4,465.00	950.00	1,136.38	2,086.38
State Street Corp	NOTE	857477CN1	4.530	02/20/29	-	-	4,221.71	4,913.79	692.08	(61.28)	630.80
Bristol-Myers Squibb Co	NOTE	110122EF1	4.900	02/22/29	2,919.58	-	-	5,165.42	2,245.84	(166.05)	2,079.79
Cisco Systems Inc	NOTE	17275RBR2	4.850	02/26/29	2,475.52	-	-	4,597.40	2,121.88	(224.34)	1,897.54
Union Pacific Corporation	NOTE	907818FB9	3.700	03/01/29	1,695.83	-	-	3,391.67	1,695.84	332.90	2,028.74
Pfizer Inc	NOTE	717081ET6	3.450	03/15/29	881.67	-	-	2,534.79	1,653.12	393.37	2,046.49
Treasury Note	NOTE	91282CEE7	2.380	03/31/29	238.15	-	479.57	8,351.65	7,633.93	4,702.34	12,336.27
Target Corporation	NOTE	87612EBH8	3.380	04/15/29	8,559.38	9,281.25	-	825.00	1,546.87	450.20	1,997.07
Wisconsin Electric Power Company	NOTE	976656CQ9	5.000	05/15/29	8,027.78	-	-	9,798.61	1,770.83	(114.29)	1,656.54
Comcast Corporation	NOTE	20030NEH0	5.100	06/01/29	-	-	10,412.50	11,156.25	743.75	(160.57)	583.18
John Deere Capital Corp	NOTE	24422EXT1	4.850	06/11/29	-	-	9,194.79	9,902.08	707.29	(129.61)	577.68
Chubb InA Holdings Inc	NOTE	171239AL0	4.650	08/15/29	3,267.92	-	-	5,399.17	2,131.25	(62.01)	2,069.24
Exxon Mobil Corp	NOTE	30231GBE1	2.440	08/16/29	1,830.00	-	-	3,050.00	1,220.00	838.75	2,058.75
FHLMC Reference Notes	NOTE	3134A3U46	6.750	09/15/29	2,250.00	-	-	6,468.75	4,218.75	(1,520.46)	2,698.29
Morgan Stanley	NOTE	61748UAK8	4.130	10/18/29	-	-	-	645.78	645.78	(1.25)	644.53
FNMA Benchmark Note	NOTE	31359MFJ7	7.130	01/15/30	45,125.00	-	-	62,937.50	17,812.50	(6,732.10)	11,080.40
Duke Energy Carolinas	NOTE	26442CBP8	4.850	03/15/30	916.11	-	-	2,633.82	1,717.71	(51.97)	1,665.74
Home Depot Inc	NOTE	437076CB6	2.700	04/15/30	6,847.50	7,425.00	-	680.00	1,237.50	762.79	2,000.29
Subtotal					\$ 314,993.23	\$ 107,211.87	\$ 50,560.42	\$ 416,258.00	\$ 157,916.22	\$ 48,744.46	\$ 206,660.68
CASH EQUIVALENTS											
Dreyfus Trsy Sec CM Investor						14,697.91	-	-	14,697.91	-	14,697.91
Subtotal						\$ 14,697.91	\$ -	\$ -	\$ 14,697.91	\$ -	\$ 14,697.91
TOTAL					\$ 314,993.23	\$ 121,909.78	\$ 50,560.42	\$ 416,258.00	\$ 172,614.13	\$ 48,744.46	\$ 221,358.59

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024

		OCTOBER 2025				Fiscal YTD Performance (October 2025)					
		Monthly Performance		E		Fiscal YTD		Actual \$		Variance	
		A	B	C	D	F	G	H	I	J	
		Actual \$	Budget	Actual \$	Note	Fiscal YTD	Fiscal YTD Budget	Prior Year	Note	Actual Vs.	
		October 2025	October 2025	October 2024		YTD	YTD Budget	Fiscal YTD		Budget	
28		\$8,781	\$368,190	\$1,128,509		\$1,866,005	\$1,752,363	\$7,706,768		\$113,642	
				(\$359,409)							
29	REPLACEMENT PASSENGER TERMINAL PROJECT ("RPT")										
	CASH DISBURSEMENTS										
	Replacement Passenger Terminal Project Costs	(\$48,762,688)	(\$52,536,111)	(\$35,664,027)	(22)	(\$211,247,011)	(\$222,017,544)	(\$111,942,443)	(23)	\$10,770,533	
	CASH RECEIPTS FROM FUNDING SOURCES										
30	FAA Grants - Replacement Passenger Terminal Project	\$0	\$0	\$7,678,827	(23)	\$11,470,832	\$11,470,832	\$7,678,827	(24)	\$0	
31	Passenger Facility Charge Receipts/Reserves	0	0	881,305	(23)	9,501,460	9,501,460	2,061,469	(24)	0	
32	Bond Reimbursement - 2024 Revenue Bond	46,025,781	46,025,781	38,752,052	(23)	179,938,076	179,938,076	121,801,407	(24)	0	
33		\$46,025,781	\$46,025,781	\$47,312,184		\$200,910,368	\$200,910,368	\$131,541,703		\$0	
34	INCREASE (DECREASE) - RPT PROJECT TRANSACTIONS	(\$2,736,907)	(\$6,510,330)	\$11,648,157		(\$10,336,643)	(\$21,107,176)	\$19,599,260		\$10,770,533	
35	NET INCREASE (DECREASE) IN CASH - TOTAL	(\$2,728,126)	(\$6,142,140)	\$12,776,666		(\$8,470,638)	(\$19,354,813)	\$27,306,028		\$10,884,175	

Note 1 - Due to timing of invoices and payments thereof, the cash to budget analysis may not fully reflect current status of the project.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024

General Comments

The Schedule of Cash Receipts and Disbursements ("Schedule") represents the cash basis activity for the month and fiscal year-to-date ("FYTD") compared to the allocation of the annual adopted budget.

The Schedule consists of two sections: Operating Activity and Facility Improvement Transactions. Receipts are shown as positive amounts and disbursements as negative amounts. Favorable budget variances are shown as positive amounts and unfavorable variances as negative amounts. Because this Schedule is on a cash basis, cash timing differences may contribute to budget variances.

The Operating Activity receipts include charges for services (parking, landing fees and concessions), tenant rents, fuel flowage fees, other revenues and investment receipts. The Operating Activity disbursements include costs of services, materials, contracts, and personnel.

Facility Improvement Transactions represent the activity for the Authority's capital program, which consists of Other Facility Improvement Program Projects and the Noise Mitigation Program.

FY 2026 Replacement Passenger Terminal ("RPT") Project expenditures are primarily funded through federal grants, FAA-approved use of Passenger Facility Charge ("PFC") fees, and proceeds from General Airport Revenue Bonds ("GARBS").

The FY 2026 Non-RPT Capital Program expenditures are primarily funded through the following sources:

- FAA-approved PFC program receipts/reserves;
- Grants; and
- Operating Revenues

The notes below provide additional information regarding the performance results detailed in the "Schedule of Cash Receipts and Disbursements."

A Supplemental Schedule of Cash Receipts and Disbursements reflecting the activities related to the 2012 Bond debt service for the Regional Intermodal Transportation Center / Consolidated Rental Car Facility is also presented.

The adopted FY 2026 budget was premised on an activity level assumption of 6,200,000 annual passengers, reflecting a 5.70% reduction from actual FY 2025 levels. The budgeted passenger activity is allocated monthly based on historical activity and seasonality trends. Passenger count decreased by 7.79% and 2.17% FYTD October when compared to the same period in FY 2025 and the budget, respectively. Overall financial performance in October remains positive to the budget.

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024

NOTE (1) – Cash Receipts from Operations

Cash receipts from operations exceed the budget FYTD October. On an accrual basis, operating revenues exceed the budget FYTD October by \$2,232,173. See notes 2 through 8 for additional information regarding operating receipts.

NOTE (2) – Landing/Fuel Fees

Landing Fees are based on landed weight of the aircraft. Fuel fees are charged at a rate of \$0.05 a gallon to non-signatory air carriers for fuel loaded at BUR. On an accrual basis, Landing Fees combined with Fuel Flowage Fees exceed the budget by \$186,728 FYTD October.

NOTE (3) – Parking Fees

Parking fee revenues performed above the budget forecast FYTD October. Accrual basis Parking Fees exceed the budget by \$423,708 FYTD October.

NOTE (4) – Rental/Concession Receipts - Terminal Building

Terminal Building rental/concession receipts exceeded the budget FYTD October partially due to the timing of receipts. Accrual basis Terminal Building rents/concessions exceed the budget by \$317,790 FYTD October.

NOTE (5) – Rental Receipts - Other Buildings

Other Buildings rental receipts exceeded the budget FYTD October partially due to the timing of receipts. Accrual basis Other Building rents are \$156,553 above budget expectations FYTD October due to CPI adjustments.

NOTE (6) – Ground Transportation

This category consists of off-airport access fees and TNC activity. Accrual basis Ground Transportation exceeded budget by \$56,748 FYTD October.

NOTE (7) – Other Receipts

Other Receipts consist primarily of ground handling and airfield access fees. Accrual basis Other Receipts are \$165,472 ahead of budget FYTD October.

NOTE (8) – Investment Receipts - Treasurer

This line item represents cash received from the investment of funds. These receipts fluctuate in response to interest rate and portfolio balance changes, the timing of coupon payments, and individual investment maturities. Accrual basis investment income exceeds the budget by \$925,174 FYTD October.

NOTE (9) – Cash Disbursements from Operations

Overall operating disbursements on a cash basis and accrual basis are favorably under the budget FYTD October. See additional information on operating disbursement in notes 10 through 16.

NOTE (10) – Administrative Supplies & Costs

This line item includes office supplies, printing, postage and delivery, office equipment service and lease, recruiting, membership, uniform, Commission meeting, conference and training costs.

NOTE (11) – Operating Supplies & Maintenance

This line item includes utilities, fuel, general repairs and maintenance, landscaping, supplies and telephone costs.

NOTE (12) – Contractual Operating Costs

This line item includes various contractual operating costs such as ARFF services, janitorial services, systems and vehicle repair, parking operations and the TBI Airport Management contract costs.

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024

NOTE (13) – Contractual Professional Services

This line item includes various professional services such as legal, auditing, noise, financial and insurance.

NOTE (14) – Wages and Benefits

Wages and Benefits consist of payroll and fringe benefit costs for the Airport Police officers, and include the impact of the terms of the Memorandum of Understanding effective February 2023.

NOTE (15) – Other Operating Costs

This line item primarily includes public relations/advertising, air service retention, and license/permit fees.

NOTE (16) – Parking Tax

The 12% City of Burbank parking tax is paid quarterly for the prior three-month period. October 2025 remittance, in the amount of \$956,990, covers the months of July, August, and September 2025.

NOTE (17) – Noise Mitigation Program

FAA Grants and a PFC match are budgeted to fund the multi-year Part 150 Update project. This project commenced Q3 FY 2024 and is ongoing.

NOTE (18) – Other Facility Improvement Program Projects

Other Facility Improvement Program Project costs on a cash basis are on track with the budget FYTD October.

NOTE (19) – FAA Grants – Facility Improvement Program Projects

FAA Grants and a PFC match are budgeted to fund the design services for the Taxiway A and C extensions project.

NOTE (20) – Passenger Facility Charge Receipts/Reserves

A number of capital projects are budgeted to be funded or partially funded by Passenger Facility Charges, including the construction of the Runway and Taxiway Shoulder Rehabilitation, continued design efforts for the southeast quadrant of the Airport, acquisition of an Airport Pavement Management System, update to the Airport Layout Plan, and the Part 150 Update project.

NOTE (21) – Customer Facility Charge Reserves

The Regional Intermodal Transportation Center ("RITC") Art in Public Places capital project was funded by Customer Facility Charge Reserves and completed December 2024.

NOTE (22) – Replacement Passenger Terminal Project

The Authority programmed appropriations in the amount of \$590,756,795 for development of the multi-year RPT program. RPT costs on a cash basis are below budget expectations FYTD October by \$10,770,533 primarily due to the timing of payments. The majority of cash expenditures FYTD October are related to Holder, Pankow, TEC JV (\$192,725,253), inclusive of retention payments to the escrow bank, Jacobs Project Management Co. (\$8,197,154), and the City of Burbank Water and Power Aid-in-Construction Deposits for the community substation (\$8,987,570).

NOTE (23) – Replacement Passenger Terminal Project Funding Sources

Includes funding sources specifically approved for reimbursement of certain eligible RPT expenses, which include FAA grant awards, FAA approved Passenger Facility Charge fees and Revenue Bond reimbursements.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024

										Fiscal YTD Performance (October 2025)										
										OCTOBER 2025										
Monthly Performance										Fiscal YTD Performance (October 2025)										
										F		G		H		I		J		
										Actual \$		Fiscal		Actual \$		Fiscal		Variance		
										YTD		YTD Budget		Prior Year		YTD		Actual Vs.		
										October 2025		October 2024		Fiscal Year		Fiscal YTD		Budget		
										Budget		Note		Budget		Note		Budget		
										October 2025		October 2024		Fiscal YTD		Fiscal YTD		Actual Vs.		
										October 2025		October 2024		Fiscal YTD		Fiscal YTD		Actual Vs.		
36	\$431,250	\$459,333	\$567,600	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	\$100,343
37	85,914	85,914	142,468	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,262
38	0	(486,037)	(486,095)																	402,254
39	<u>\$517,164</u>	<u>\$59,210</u>	<u>\$223,973</u>	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	<u>\$503,859</u>

General Comments

The debt service on the 2012 Revenue Bonds is payable from Customer Facility Charges ("CFCs") and Facility Rents. Under the terms of the Bond Indenture, as amended, all CFCs collected subsequent to July 1, 2014 are remitted to the Bond Trustee for the 2012 Bond debt service.

On July 1, 2014, the terms and conditions of the Non-Exclusive Concession and Lease Agreement with the respective Rent-A-Car Companies became effective, including the collection of Facility Rent.

Note (1) – Customer Facility Charge ("CFC") Receipts

CFCs of \$6 per day per transaction, up to a maximum of five days, are collected and applied to the 2012 Bond debt service.

Note (2) – Facility Rent

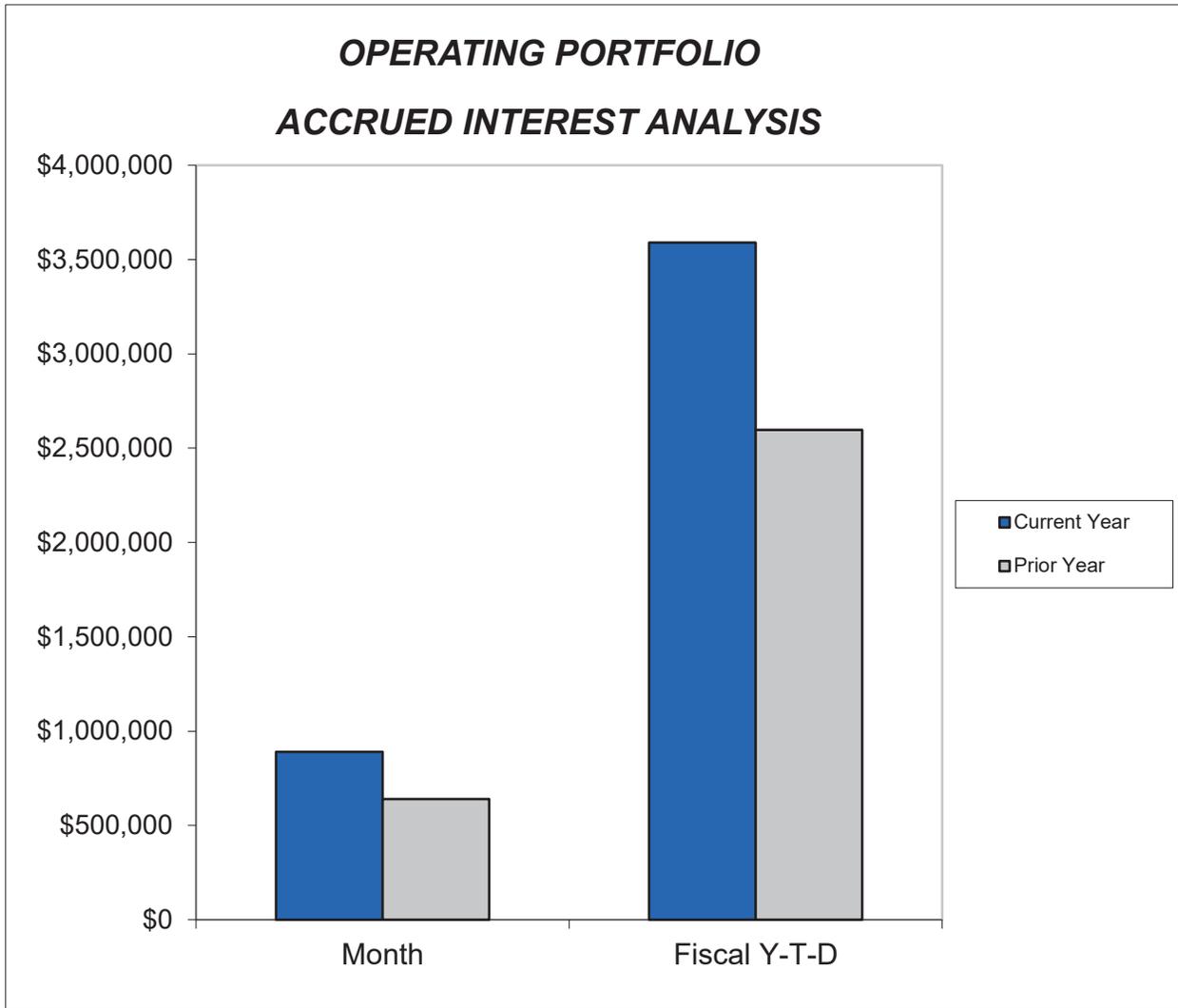
Facility Rent receipts may be applied to the 2012 Bond debt service or other allowable uses.

Note (3) – Net RITC / ConRAC Facility Payments and Collections

At fiscal year-end, upon conclusion of the required reconciliation, any excess surplus accumulated will be evaluated and applied toward the allowed uses under the terms and conditions of the Non-Exclusive Concession and Lease Agreement with the Rent-A-Car Companies.

In the event of a shortfall of receipts to meet the required payment obligations (i.e., CFC collections perform under budget projections), the Authority holds the right to adjust the Facility Rent paid by the rental car companies on a 30-day notice.

Burbank-Glendale-Pasadena Airport Authority



	October 2025	October 2024
Accrued Interest Revenue - Month	\$889,883	\$639,354
Accrued Interest Revenue - FYTD	\$3,590,175	\$2,597,155
Month End Portfolio Balance (cost)	\$293,704,275	\$301,173,395
Yield to Maturity	3.78%	4.44%

Supplement to the October 2025 Treasurer's Report

FYTD October 2025 Cash Expenditures

Replacement Passenger Terminal Project (RPT)

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
REPLACEMENT PASSENGER TERMINAL PROJECT (RPT)
MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024**

Consultant/Vendor	Scope of Work	Prior Fiscal Years' Cash Expenditures	Current Authorized Amounts (1)	October 2025 Cash Expenditures	FYTD 2026 (Jul - Oct) Cash Expenditures	Remaining Contract Amount	Project-to-date Total Cash Expenditures
Jacobs Project Management Company (1a)	Program Management Services	17,632,925	36,896,019	3,032,911	8,197,154	11,065,940	25,830,079
Holder, Pankow, TEC JV (1d)	Design Builder	426,715,825	1,087,936,533	43,246,739	183,215,739	468,495,455	619,441,078
Truist Bank (1d)	Design Builder - Retention Escrow Account			2,223,091	9,509,514		
City of Burbank (5a)	Burbank Water & Power Aid-in-Construction Deposit	22,775,970	31,763,540	-	8,987,570	-	31,763,540
City of Burbank (5b)	Plan Check Services	496,874	496,874	-	-	-	496,874
RPT - Construction / Project Management, Subtotal:		\$ 467,621,594	\$ 1,157,092,966	\$ 48,502,741	\$ 209,909,977	\$ 479,561,395	\$ 677,531,571
Airport & Aviation Professionals Inc. (AvAirPros) (1b)	Airline Technical & Financial Coordination Services	752,737	400,000	21,563	112,692	287,308	865,429
Airport Projects (1b)	Technical Support	85,426	-	-	-	-	85,426
ATX (1b)	Technical Support	291,163	1,648,044	179,830	482,200	941,056	773,363
Conway Consulting (1b)	Technical Support	426,598	150,000	-	41,947	108,053	468,545
Georgino Development (1b)	Strategic Planning Services	200,400	60,000	5,000	19,800	40,200	220,200
Public Resources Advisory Group (PRAG) (1b)	Financial Advisory Services	602,762	275,000	1,864	18,977	256,023	621,739
Ricondo & Associates (1b)	Financial Feasibility Services	971,428	350,000	17,185	153,945	196,055	1,125,373
Geosyntec Consultants (1c)	Soil Management Services	8,586	N/A	-	-	N/A	8,586
Azrial (2)	Consulting Services	1,625	N/A	-	-	N/A	1,625
Fitch Ratings (2)	Rating Agency	35,000	N/A	-	-	N/A	35,000
Orrick, Herrington & Sutcliffe (2)	Bond Counsel	1,298,093	N/A	-	49,805	N/A	1,347,898
Camano Consulting Group (1b)	Consulting Services	63,145	174,000	14,500	58,000	116,000	121,145
DSM, Inc. (1b)	Consulting Services	12,500	N/A	-	-	N/A	12,500
Chapman (2)	Legal Services	70,000	N/A	-	-	N/A	70,000
Geraci (2)	Legal Services	2,000	N/A	-	-	N/A	2,000
Gordon Rees (2)	Legal Services	200	N/A	-	-	N/A	200
McDermott (2)	Legal Services	5,000	N/A	-	-	N/A	5,000
Moody's (2)	Rating Agency	95,900	N/A	-	-	N/A	95,900
Richards, Watson & Gershon (2)	Legal Services	476,324	N/A	7,870	18,733	N/A	495,057
Ring Bender (2)	Legal Services	4,793	N/A	-	-	N/A	4,793
S & P Global Rating (2)	Rating Agency	21,000	N/A	-	-	N/A	21,000
THU Legal Consulting (2)	Consulting Services	482,165	280,000	9,135	72,837	207,163	555,002
Thriving Restaurants (2)	Consulting Services	5,000	N/A	-	-	N/A	5,000
Woodward (2)	Consulting Services	51,000	36,000	3,000	12,000	24,000	63,000
Zions Bancorporation (2)	Consulting Services	5,500	N/A	-	3,000	N/A	8,500
RS&H (3)	Environmental Impact Study (EIS) Services	801,804	AIP / PFC Funded	-	-	N/A	801,804
XI-3 Corporation (4)	Consulting Services	91,770	N/A	-	-	N/A	91,770
Barclays Bank (6)	CP Program / LOC Bank	873,817	N/A	-	108,637	N/A	982,454
Sumitomo Mitsui (6)	CP Program / LOC Bank	1,124,266	N/A	-	161,562	N/A	1,285,828
Meetings	Various Expenses	30,876	N/A	-	-	N/A	30,876
Licenses & Other Fees	Various Expenses	52,498	N/A	-	22,899	N/A	75,397
RPT - Professional Services, Subtotal:		\$ 8,943,376	\$ 3,373,044	\$ 259,947	\$ 1,337,034	\$ 2,175,858	\$ 10,280,410
RPT - GRAND TOTAL		\$ 476,564,970	\$ 1,160,466,010	\$ 48,762,688	\$ 211,247,011	\$ 481,737,253	\$ 687,811,981

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
NOTES TO REPLACEMENT PASSENGER TERMINAL PROJECT SCHEDULE
MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024**

- (1) Current authorized NTE Contract amounts represent Commission approved appropriations. The FY 2026 adopted budget includes appropriations of \$590,756,795 for the RPT project.
- (1a) The Jacobs' authorized amount represents the following Commission approved Task Orders against the Professional Services agreement to date:
- Task Order 1 (Development of the Program Operations Manual) - \$1,419,796
 - Task Order 2 (Procurement of Progressive Design Builder) - \$1,125,722
 - Task Order 3 (Phase 2 Design and Pre-Construction Support Services) - \$8,857,765
 - Task Order 4 (Phase 3 Design/Construction Phase Support Services) - \$11,726,841
 - Task Order 5 (Phase 4 Design/Construction Phase Support Services) - \$13,765,895
- (1b) These are multi-year Professional Services contracts for technical, financial, and strategic airport services. These contracts were presented to and approved by the Commission.
- (1c) This Professional Services contract for geotechnical support was approved on September 1, 2022 to be effective August 1, 2022 through June 30, 2023.
- (1d) In December 2022, the Commission approved an estimated \$55,000,000 for Task Order 1 for Phase 1 design services of the RPT project to develop the 60% design level and Guaranteed Maximum Price (GMP). Actual Phase 1 services were contracted at \$54,244,242 and were completed April 2024.
- To date the Commission approved an additional six (6) Task Orders primarily for general conditions, equipment, and materials for a total of \$1,033,692,291.
- (2) Legal services and professional services to be utilized on an as needed basis.
- (3) RS&H expenditures are for the FAA's Written Re-evaluation of the construction noise section in the Environmental Impact Study as directed by the Ninth Circuit.
- (4) XI-3 Corporation: RFP coordination and technical support services for the selection of the progressive design-builder. Commission approved professional services agreement in July 2022 (NTE \$50,000) which was increased by an amendment in October 2022 to NTE \$96,000.
- (5a) The Authority approved Aid-In-Construction deposits with BWP as follows:
- 1) September 20, 2022 - \$25,000
 - 2) March 7, 2023 - \$50,000
 - 3) June 26, 2023 - \$494,000
 - 4) September 18, 2023 - \$1,411,000
 - 5) June 13, 2024 - \$40,000 (AIC Inspections)
 - 6) August 20, 2024 - \$960,000
 - 7) September 20, 2024 - \$9,457,700
 - 8) October 17, 2024 - \$10,338,270
 - 9) June 16, 2025 - \$225,000
 - 10) August 18, 2025 - \$8,762,570
- (5b) The Commission approved payment October 2023 in the amount of \$344,124 for a deposit with the City of Burbank for an independent contractor to undertake plan check services. Additional deposits of \$92,750 and \$60,000 were made September 2024 and May 2025, respectively.
- (6) LOC banks for the CP program.

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
REPLACEMENT PASSENGER TERMINAL PROJECT (RPT)
MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2025 & 2024**

Funding Source	Total Amount	Prior Fiscal Years' Reimbursements	October 2025 Reimbursement	FYTD October 2025 Reimbursement	Total-to-Date Project Reimbursements	Remaining Amount
BIL-AIG (<i>formulaic</i>)	\$ 32,105,820	\$ 10,225,657	\$ -	\$ 7,050,131	\$ 17,275,788	\$ 14,830,032
BIL-ATP (<i>competitive</i>)	56,628,000	29,035,753	-	4,420,701	33,456,454	23,171,546
PFC (1)	61,632,719	20,365,768	-	9,501,460	29,867,228	31,765,491
AIP	7,919,617	-	-	-	-	7,919,617
2024 Bonds (2)	685,862,814	377,104,842	46,025,781	179,938,076	557,042,918	128,819,896
TOTALS	\$ 844,148,970	\$ 436,732,020	\$ 46,025,781	\$ 200,910,368	\$ 637,642,388	\$ 206,506,582

BIL - Bipartisan Infrastructure Law
AIG - Airport Infrastructure Grant

ATP - Airport Terminal Program
PFC - Passenger Facility Charge

Notes:

(1) Includes PFC Applications 21 and 22 in the amount of \$48,338,420 and \$13,294,299, respectively.

(2) Includes interest and dividend earnings to date:

Bond Proceeds Amount	\$ 655,871,612
Accrued Interest and Dividends to Date (Held by Trustee)	29,977,816
Transfers (Closing of Cost of Issuance Fund)	13,386
Total Available Amount	\$ 685,862,814

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JANUARY 20, 2026**

**PROPOSED RESOLUTION NO. 520 ADOPTING
THE 2026 AUTHORITY INVESTMENT POLICY**

Presented by David Kwon
Director, Financial Services

SUMMARY

Formerly mandated by State law and now currently recommended under Sections 53646(a)(2) and 53646(h) of the California Government Code (“Code”), the Commission annually reviews and approves an investment policy to identify policies and procedures for the prudent and systematic investment to be followed by the Authority Treasurer in the exercise of the investment authority delegated to him/her.

The Authority’s Investment Manager, Columbia Management Investment Advisors LLC (“CMIA”), has opined that the 2025 Authority Investment Policy, with overall investment criteria of capital preservation (safety) and liquidity, is still appropriate and conservative, and does not need revisions at this time. Staff concurs with the CMIA recommendation and seeks a Finance and Administration Committee recommendation to the Commission that it adopt the attached proposed Resolution No. 520 approving the 2026 Investment Policy (Exhibit A), which reaffirms the current 2025 Investment Policy with no changes.

DISCUSSION

The Authority was previously required by Section 53646 of the Code to annually review and adopt an investment policy for its restricted and non-restricted cash portfolios. The Legislature amended this statute to make annual investment policy review optional for local agencies and to declare that no liability is incurred for failure to annually adopt an investment policy. However, the Legislature strongly recommends, and the Authority believes it is prudent to continue to annually review and adopt an investment policy. The Authority further requires that CMIA abide by that policy as it makes decisions regarding changes to the Authority’s investments. The Authority’s investment policy dictates the types and maximum allowable percentages of individual investment vehicles that are permitted to be invested in.

For local governments, including the Authority, State law (Code Section 53600 et seq.) sets forth the types of allowable investments, maximum maturities, maximum concentration of investments by type of investment and issuer, minimum ratings for certain types of investments, and how the investments may be held.

The Authority’s investment policy further limits all investments to be more restrictive than the Code. The restrictions in the Code and the additional limitations in the Authority’s investment policy mitigate the Authority’s interest rate risk, credit risk, concentration of credit risk, and custodial credit risk related to its various investments.

CMIA continues to diligently review and report on the Authority's investments in the current economic environment. The Authority has historically favored holding its investments until they mature. CMIA will continue to bring recommendations to the Finance and Administration Committee on individual investments and/or the policy as conditions warrant throughout the year.

STAFF RECOMMENDATION

Staff seeks a Finance and Administration Committee recommendation to the Commission that it adopt the attached proposed Resolution No. 520 approving the 2026 Investment Policy.

EXHIBIT A

2026 INVESTMENT POLICY

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

This document identifies policies and procedures for the prudent and systematic investment policy to be followed by the Burbank-Glendale-Pasadena Airport Authority Treasurer in the exercise of the investment authority delegated to him/her. All of these policies and procedures are within the statutory guidelines provided for in State law.

The Investment Policy must be renewed annually. The Treasurer must present it in draft form to the Finance and Administration Committee for its review and approval prior to presentation to the Authority for its approval.

INVESTMENT MANAGER

The Treasurer may utilize an Investment Manager in the investment management of the Authority's portfolio(s). The Investment Manager shall comply with the investment restrictions contained in Sections 53601, 53601.1, 53601.5 and 53601.6 of the California Government Code ("Government Code Provisions") and this Investment Policy. In the event the Investment Policy is more restrictive than the Government Code Provisions, the Investment Policy shall control. Further, the Investment Manager shall periodically, but no less than annually, advise the Treasurer and the Authority on recommended changes to the Investment Policy, including any required to bring the policy into compliance with the Government Code Provisions.

BASIC POLICY AND OBJECTIVES

Three fundamental criteria shall be followed in the investment program (all investments and deposits). In order of importance they are:

1. SAFETY. Investments shall be made in a manner that seeks to ensure the preservation of principal and interest. The Treasurer will evaluate, or have evaluated each investment, seeking quality in issuer and in the underlying security or collateral. He/she will also diversify the portfolio to reduce loss exposure. In the investment of idle cash, the prudent man rule shall be followed. This rule states in essence, that when investing property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Treasurer will remain within the policy maximums regarding asset allocation and maturity guidelines identified on Exhibit A-1.
2. LIQUIDITY. To the extent possible, investments will be made whose maturities are compatible with cash flow and will allow for easy and rapid conversion into cash without any loss of value. The Treasurer's monthly report to the Authority is to include a comparison of the actual portfolio to the policy maximums shown on Exhibit A-1.
3. YIELD. An acceptable rate of return on investments is desirable, but only after first considering safety of principal and liquidity.

EXHIBIT A

TYPES OF INVESTMENTS

1. U.S. Treasuries. These are investments in direct obligations of the U. S. Treasury.
2. U.S. Agencies. These are obligations of the Federal Home Loan Bank, Federal National Mortgage Association, Federal Farm Credit Bank, etc.
3. Time Deposits. Time deposits are to be placed in accordance with the California Government Code, in those banks and savings and loan associations which meet the requirements. Deposits must be either insured or secured by Government securities with a market value of at least 10% in excess of the total amount deposited or real estate mortgages with a value of at least 150% of the total amount deposited. The latest available quarterly financial statements will be evaluated to determine whether an institution meets all the capital levels required by the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), which are also required by the Investment Manager prior to placing deposits.
4. Local Agency Investment Funds. This is a pool of funds managed by the State Treasurer's Office and includes only investments that meet the legal requirements.
5. Bankers Acceptances. Only those bankers acceptances eligible for purchase by the Federal Reserve System meet eligibility requirements.
6. Commercial Paper. Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided by Moody's Investors Service or Standard and Poor's may be purchased (A-1/P-1). To be eligible for purchase, commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15% of each agency's surplus money which may be invested.
7. Repurchase Agreements. These are a purchase of securities (any of the investments authorized under the Government Code) pursuant to an agreement by which the seller will repurchase such securities on or before a specified date, or on demand of either party, and for a specified amount.
8. Money Market Funds. Funds will consist of U.S. Treasury securities only.
9. Corporate Medium Term Notes. The Corporate Notes must be issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States that are rated A or better by a nationally recognized rating service (Government Code Section 53601(k)). Purchase requires approval of the Authority Director of Financial Services and the Treasurer.
10. Negotiable Certificates of Deposit. These are negotiable investments evidencing a time deposit made with a bank at a fixed rate of interest for a fixed period of time. These investments are liquid and are traded in the market place. The long-term rating of the issuing institution must be A or higher.

In the event a security is downgraded below the minimum authorized rating, the Investment Manager will notify the Airport Authority of the downgrade with a recommendation on the disposition of the security. The Airport Authority will provide written instructions to the Investment Manager regarding the disposition of a security that is below the minimum acceptable rating.

EXHIBIT A

MATURITY LIMITATIONS

The Authority's weighted average maturity goal during any calendar year will be established based on the recommendations of the Investment Manager and may be reviewed and adjusted at any time based on the recommendations of the Investment Manager.

For purposes of this policy, the "A" category will include Standard & Poor's ratings of "A+", "A" and "A-"; Moody's Investor Services ratings of "A1", "A2" and "A3"; and Fitch Ratings of "A+", "A" and "A-".

PURCHASE OF SECURITIES/DEPOSITS

Transactions shall be made with reputable banks and brokers who are experienced, knowledgeable and offer service. Before placing deposits, comparisons of at least three eligible financial institutions shall be obtained. The brokers approved by the Investment Manager (Columbia Management Investment Advisors LLC) will be utilized.

PAYMENT FOR SECURITIES AND SAFEKEEPING

All securities purchased shall be delivered against payment (DVP), and held in safekeeping as evidenced by safekeeping receipts.

PORTFOLIO DIVERSIFICATION

To maintain a diversified portfolio, a maximum percentage limitation has been set for each type of investment. If an investment percentage-of-portfolio limitation were to be exceeded due to an incident, such as fluctuation in portfolio size, the affected investments may be held to maturity to avoid losses or if no loss is indicated, the Treasurer may reconstruct the portfolio if in his/her judgment it appears prudent, taking into consideration the expected length of time to bring the portfolio back into balance.

INVESTMENT RESOURCES

Information concerning investment opportunities and market developments will be gained by maintaining contact with the financial community and the media.

CASH MANAGEMENT

Cash will be invested as close to 100% of collected funds as possible taking into consideration cash flow information given to the Treasurer.

REPORTING REQUIREMENTS

The Treasurer shall annually submit to the Airport Authority a statement of investment policy.

The Treasurer shall submit a monthly report, that meets all Government Code requirements, to the Airport Authority showing the type of all investments, including any made and maturing between monthly reports, showing institution, date of maturity, amount of deposit or cost of security, current market value of all securities with a maturity of more than 12 months, rate of interest, statement relating the report to the Statement of Investment Policy, statement that there are sufficient funds to meet the next six months obligations, and such data as may be required by the Airport Authority.

EXHIBIT A

INTERNAL CONTROLS

A system of internal controls shall be established and documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Government Agency.

EXHIBIT A
EXHIBIT A-1
PORTFOLIO GUIDELINES

INVESTMENTS	MAXIMUM AMOUNT	MAXIMUM MATURITY
U.S. Agency Securities	70%	5 YEARS
Corporate Term Notes	30% (note 1)	5 YEARS
Local Agency Investment Fund	\$20 MILLION	N/A
Bankers Acceptances	15% (note 1)	6 MONTHS
Non-Negotiable Certificates Of Deposit	15% (note 1)	5 YEARS
Negotiable Certificates Of Deposit	15% (note 1)	5 YEARS
Commercial Paper	15% (note 1)	9 MONTHS
Repurchase Agreements	10%	1 YEAR
Money Market Funds (note 2)	20%	N/A
U.S. Treasury Securities	NO LIMIT	5 YEARS

Footnotes: (1) Maximum amount of any one issuer is 5%.
 (2) U.S. Treasury obligations only.

RESOLUTION NO. 520

**A RESOLUTION OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY COMMISSION
ADOPTING THE 2026 AUTHORITY INVESTMENT POLICY**

The Burbank-Glendale-Pasadena Airport Authority Commission finds, resolves and determines as follows:

Section 1. Recitals.

A. Government Code Section 53646 authorizes, but no longer requires, local agencies to review and approve an investment policy on an annual basis.

B. The Burbank-Glendale-Pasadena Airport Authority (“Authority”) has a fiduciary responsibility to maximize the use of public funds entrusted to its care, manage those funds wisely and prudently, and protect those funds from financial catastrophes.

C. The objective and purpose of the Authority’s investment program is to maintain a level of investment as near 100% as possible, with due consideration given to such factors as safety, liquidity, yield, and cash flow requirements.

D. The Commission desires to continue its existing policy to review and approve an investment policy on an annual basis.

E. The Commission desires to continue its existing investment policy with no changes.

Section 2. 2026 Investment Policy. The Commission hereby adopts the 2026 Investment Policy attached hereto as Exhibit A. Such policy supersedes all prior investment policies adopted by the Commission.

Section 3. Effective Date. This Resolution shall be effective upon adoption.

Adopted this ___ day of February, 2026.

Jess A. Talamantes, President

Attest:

Tyron Hampton, Secretary

STATE OF CALIFORNIA)
)ss.
COUNTY OF LOS ANGELES)

I, _____, do hereby certify that the foregoing resolution was duly and regularly adopted by the Commissioners of the Burbank-Glendale-Pasadena Airport Authority at its regular meeting held on the ___ of February 2026 by the following vote:

AYES:

NOES:

ABSENT:

Tyron Hampton
Secretary

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JANUARY 20, 2026**

**AWARD OF AVIATION HANGAR LEASE
HANGARS 44 AND 45**

EARTH STAR, INC.

Presented by
Madeleine Zavala,
Sr. Manager, Business & Properties

SUMMARY

Staff seeks a Finance and Administration Committee (“Committee”) recommendation to the Commission for approval of a proposed Aviation Hangar Lease (“Lease”), copy attached, with Earth Star, Inc. (“Earth Star”) for Hangars 44 and 45. Earth Star seeks a lease term of eleven years, with one eleven-year extension option, for the purpose of storing and operating its aircraft at Hollywood Burbank Airport.

BACKGROUND

Earth Star is the corporate flight department for a world-renowned entertainment company.

In 2003, Earth Star was awarded an Aviation Hangar Lease for Hangars 44 and 45 for the purpose of storing and operating its general aviation aircraft. Hangars 44 and 45 are located in the northwest quadrant of the Airport and have a combined space of 37,050 square feet of hangar space, 6,450 square feet of office space and 2,100 square feet of shop space. That contract was for five years with three extension options through October 31, 2025.

In October 2024, Earth Star reached out to staff seeking to extend the 2003 Lease. Due to the age of that contract and the need to incorporate updated federally mandated provisions, Earth Star and Staff agreed to enter into discussions for a replacement agreement in lieu of amending the existing agreement.

On October 20, 2025, the Authority approved a Third Amendment which extended the term of the 2003 Lease for four months to February 28, 2026, to provide additional time for the completion of a replacement long-term agreement.

The proposed Lease is for a term of eleven years with one eleven-year extension option and includes a rent credit of up to \$250,000 per hangar for a total of \$500,000 of Authority-approved tenant improvements made to the hangars. To qualify for the rent credit, the approved improvements must be completed on or before March 1, 2027.

The rent shall be \$113,461.50 per month, or \$1,361,538.00 per year and is subject to an annual CPI Adjustment of 3% or 120% of CPI, not to exceed 6%, whichever is greater. Upon Earth Star's submission of an extension request, a fair market rent analysis will be conducted to determine the applicable rate. This rate will also be subject to the annual CPI adjustment.

Earth Star is a tenant in good standing and has met all obligations under the current Lease with the Authority.

DETAILS

Key components of the proposed Lease are as follows:

- Premises: Hangars 44 and 45
- Use: Storage and operation of general aviation aircraft
- Term: Eleven years from March 1, 2026, through February 28, 2037
- Options: One eleven-year extension option
- Rent: \$113,461.50 per month; \$1,361,538.00 per year
- Adjustments: Greater of 3% per year or 120% of CPI, not to exceed 6% annually
- Rent Credit: Up to \$250,000 per hangar for Authority approved tenant improvements made. Improvements must be completed on or before March 1, 2027 to qualify for rent credit.
- Other: Tenant shall be responsible for expenses related to occupancy including maintenance, utilities, share of property insurance and applicable taxes

REVENUE IMPACT

Approval of the proposed Lease will generate a rental income of \$113,461.50 per month or \$1,361,538.00 per year plus the annual applicable rent adjustment described above.

RECOMMENDATION

Staff seeks the Committee's recommendation to the Commission that it approve the proposed Lease with Earth Star and authorize the President to execute the same.

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JANUARY 20, 2026**

COMMITTEE PENDING ITEMS

	<u>Tentative Presentation</u>
1. FY 2025 BFS Auditors' Report	February 2, 2026
2. First Half FY 2026 Financial Review	February 16, 2026
3. FY 2027 Budget Calendar	February 16, 2026
4. Approval of Lease Amendment HERC	TBD

AVIATION HANGAR LEASE

BETWEEN

**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

AND

EARTH STAR, INC.

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AVIATION HANGAR LEASE

THIS AVIATION HANGAR LEASE (“Lease”) is dated _____, 202__ for reference purposes, and is executed by the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a California joint powers agency (“Landlord”), and EARTH STAR, INC., a California corporation (“Tenant”).

R E C I T A L S

A. Landlord is the owner and operator of the Bob Hope Airport (commonly known as “Hollywood Burbank Airport”) (“Airport”).

B. Tenant desires to lease Hangar 44 and Hangar 45 (located in an area of the Airport known as the “Clybourn Complex”) from Landlord for aircraft hangar and related office and workshop uses.

NOW, THEREFORE, the parties agree as follows:

1. DEFINITIONS; RULES OF INTERPRETATION.

1.1 Definitions.

As used in this Lease, unless a different meaning is clearly required, the following capitalized terms shall have the meanings set forth below.

Additional Rent	Any amount owed to Landlord under this Lease, other than Annual Base Rent.
Adjustment Date	As defined in Section 4.2.3.1.
Adjustment Index	As defined in Section 4.2.3.1.
Airport	Bob Hope Airport (commonly known as “Hollywood Burbank Airport”).
Airport Manager	Person engaged by the Authority Commission to function as the manager of the Airport. As of the execution of this Lease, the Airport Manager is TBI Airport Management, Inc., a Delaware corporation.
Airport Rules and Regulations	July 1, 2023 Airport Rules and Regulations or any successor adopted by the Authority Commission.
Annual Base Rent	The portion of rent under this Lease described in Section 4.2 (initially in the amount prescribed in Section 4.2.2, and thereafter as periodically adjusted pursuant to this Lease), payable in monthly installments pursuant to Section 4.2.1.

Annual Period	The first Annual Period shall start on the Commencement Date and end on May 31, 2026. Thereafter, each 12-month period starting on the first day of June.
Approved New Improvement Cost	As defined in Section 4.2.5.4.
Approved New Improvement Credit	As defined in Section 4.2.5.
Approved New Improvements	As defined in Section 4.2.5.1.
Authority Commission	Burbank-Glendale-Pasadena Airport Authority Commission.
Claims	Demands, claims, actions, causes of action, proceedings, judgments, awards, damages, fines, penalties, liabilities, obligations, losses, costs, and expenses (including attorneys' fees) of any nature whatsoever, whether now existing or subsequently arising, known or unknown, foreseen or unforeseen, fixed or contingent.
Clybourn Complex	A complex of hangars, office facilities, ramp area and an executive terminal and office building, more particularly shown and depicted on the attached <u>Exhibit A-1</u> .
Commencement Date	As defined in Section 3.1.
Common Use Facilities	Collectively: (i) runways, landing areas, taxiways, aprons, roadways, runway lights, signals, and other operating aids of the Airport and all avigation or flight easements now or subsequently granted or reserved for the benefit of Landlord; and (ii) such other areas of the Airport provided and developed by Landlord for public aviation use as Landlord may from time to time make available or designate as "Common Use Facilities" for the purpose of this Lease. "Common Use Facilities" exclude passenger terminal facilities, holdroom space, and baggage claim space within the Airport.
Consumer Price Index (or "Index")	As defined in Section 4.2.3.1.
CPI Increase	As defined in Section 4.2.3.1.
Default Event	As defined in Section 18.1.

Eligible New Improvements	As defined in Section 11.1.3.
Environmental Laws	As defined in Section 24.15.1.
Executive Director	Burbank-Glendale-Pasadena Airport Authority Executive Director (or, in the absence of the Executive Director, such other Authority officer designated by the Authority Commission) or such person's designee.
Expiration Date	(i) February 28, 2037, or (ii) if this Lease is extended pursuant to Section 3.2, February 29, 2048.
Extension Confirmation	As defined in Section 3.2.2.
Extension Request	As defined in Section 3.2.1.
Extension Term	As defined in Section 3.2.1.
FAA	Federal Aviation Administration.
Fair Market Rent	As related to the Annual Base Rent at the commencement of the Extension Term, as defined in Section 4.2.4.3.
Federal Requirements	FAA requirements set forth in the attached Exhibit E.
Former Lease	Aviation Hangar Lease, dated June 1, 2003, between Tenant and Landlord for the Leased Premises (as amended by a First Amendment of Lease, dated April 21, 2008, a Second Amendment of Lease, dated April 15, 2013, and a Third Amendment of Aviation Hangar Lease, dated October 20, 2025).
Former Lease Improvements	Together: (i) "Existing Improvements" as defined in the Former Lease and (ii) Improvements that were constructed or installed by Tenant during the term of the Former Lease, and that were "New Improvements" within the meaning of the Former Lease.
GSE	Ground support equipment.
Hangar 43-45 Access Way	An access corridor within the Clybourn Complex, located between Hangar 25 on one side, and Hangars 43, 44, and 45 on the other, that may be used for access to Clybourn Avenue.
Improvements	Fixtures and improvements (including equipment) affixed to the Leased Premises.
Initial Expiration Date	As defined in Section 3.1.

Landlord	Burbank-Glendale-Pasadena Airport Authority.
Landlord Parties	Landlord, the Airport Manager, the Cities of Burbank, Glendale, and Pasadena, and their respective officers, officials, directors, employees, agents, representatives, contractors, and volunteers.
Landlord's Approval	As defined in Section 11.1.1, as related to New Improvements.
Lease Guarantor	Disney Enterprises, Inc., as the issuer of the Lease Guaranty.
Lease Guaranty	Lease Guaranty, dated as of March 1, 2026, in favor of Landlord, set forth in Exhibit H.
Leased Premises	As defined in Section 2.1.
Liabilities	As defined in Section 24.15.3, as related to matters described in Section 24.
Lien	As defined in Section 6.1.
Material Plan Change	As defined in Section 11.1.4.3.
New Improvements	As defined in Section 11.1.1.1.
Noise Abatement Rules	Noise Abatement Rules reaffirmed, clarified, and restated by Authority Commission Resolution No. 471 (a copy of which is set forth in the attached Exhibit D), and as the same may be supplemented or amended from time to time.
Permitted Hangar Use	As defined in Section 9.1.2.
Permitted Office Use	As defined in Section 9.1.2.
Permitted Workshop Use	As defined in Section 9.1.2.
Permitted Uses	As defined in Section 9.1.2.
Prevailing Wage Law	Labor Code Sections 1720 et seq. and associated regulations and California Department of Industrial Relations requirements.
Prior Index	As defined in Section 4.2.3.1.
Proposed New Improvement	A proposed improvement identified in the attached Exhibit G, for which Tenant may be eligible to receive the Approved New Improvement Credit.

Rent	Rent payable by Tenant under this Lease, consisting of Annual Base Rent and Additional Rent.
Required Insurance	As defined in Section 12.1.
Required Tenant Maintenance Notice	As defined in Section 10.1.3.
Retained New Improvements	As defined in Section 19.2.2.1.
RPT Opening Date	As defined in Section 26.12.
Security Deposit	As defined in Section 23.1.
Security Requirements	As defined in Section 9.11.1.
Senior Lien	As defined in Section 17.1.
Senior Lienholder	As defined in Section 17.1.
Statement of Costs	As defined in Section 11.1.11.2.
Subrents	As defined in Section 18.2.4.
Subrents Payment Notice	As defined in Section 18.2.4.
Taxes	As defined in Sections 5.1 and 5.2.
Tenant	Earth Star, Inc.
Tenant Improvement Request	As defined in Section 11.1.2.
Tenant Parties	Tenant and its owners, shareholders, partners, members, directors, officers, employees, agents, representatives, contractors, subtenants, volunteers, successors and assigns.
Tenant's Share	As defined in Section 4.3.
Toxic Materials	As defined in Section 24.15.
TSA	Transportation Security Administration.
Unamortized Cost of Eligible New Improvements	As defined in Section 3.3.2.

Use of Toxic Materials	As defined in Section 24.1.
------------------------	-----------------------------

1.2 Rules of Interpretation.

1.2.1 General. Unless otherwise indicated or apparent from the context, the following rules of interpretation shall apply. The singular includes the plural and vice versa. The term “shall” is mandatory and the term “may” is permissive. The term “day” means calendar day. The term “business day” means a non-holiday weekday. The phrase “for [number] days” means for [number] consecutive days. The phrase “at any time” means at any time and from time to time. The terms “include,” “includes,” and “including” are illustrative and non-exhaustive. The term “person” includes natural persons and firms, associations, partnerships, trusts, corporations, public agencies, and other legal entities.

1.2.2 Cross-References. Cross-references are to sections of this Lease unless otherwise indicated or apparent from the context.

1.2.3 Law References. References to a statutory code or legislative bill refer to California law unless otherwise indicated or apparent from the context. References to a statute, regulation, or ordinance shall be deemed to refer to the then-current version of such statute, regulation, or ordinance.

1.2.4 Fair Meaning. This Lease shall be construed according to its fair meaning, and not strictly for or against either party.

2. LEASE; LICENSE OF CERTAIN OTHER FACILITIES.

2.1 Leased Premises; License to Common Use Facilities and Parking Spaces. Landlord leases to Tenant, and Tenant leases and hires from Landlord, the Leased Premises. The “Leased Premises” is comprised of the hangar space, office space, and workshop space described in the attached Exhibits A and A-2. Landlord also grants to Tenant the right to use: (i) designated parking spaces as described in Section 21.5 and the attached Exhibit B, (ii) the Hangar 43-45 Access Way as described in Section 21.6, and (iii) the Common Use Facilities as described in Section 21.1.

2.2 “AS-IS”. Tenant has inspected the Leased Premises to its satisfaction and accepts the Leased Premises in the condition existing as of the Commencement Date, without representation or warranty, express or implied, and agrees that the Leased Premises are in a good and tenantable condition. Landlord is not obligated to make any repairs or alterations to the Leased Premises.

2.3 Civil Code Section 1938 Disclosures. Tenant acknowledges that, as of the execution of this Lease and as of the Commencement Date, the Leased Premises, the building in which they are located and any other areas that may be used by Tenant under this Lease (together, “subject premises”) have not been inspected by a Certified Access Specialist (CASp). Additionally, the parties acknowledge the disclosure specified in Civil Code Section 1938(e), which states:

“A [CAsp] can inspect the subject premises and determine whether they comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CAsp inspection of the subject premises, a commercial property owner or lessor may not prohibit a lessee or tenant from obtaining a CAsp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties must mutually agree on the arrangements for the time and manner of the CAsp inspection, the payment of the fee for the CAsp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the subject premises.”

Landlord has no obligation to obtain or pay for such an inspection report, or to make or pay for any related repairs (all of which shall be the responsibility of Tenant).

2.4 Title; Reservations to Landlord.

2.4.1 Existing Encumbrances. Tenant accepts the Leased Premises subject to all existing easements and other encumbrances, to the extent such easements and other encumbrances are of public record.

2.4.2 Landlord’s Reservation of Rights. Landlord reserves the right, without obligation, to install, lay, construct, maintain, repair, and replace utilities and appurtenances in, over, upon, through, across, under, and along the Leased Premises (including any New Improvements) or any part thereof, and to enter the Leased Premises for any such purpose. Landlord also reserves the right to grant licenses, easements, rights of way, and permits in, over, upon, through, across, under, and along any and all portions of the Leased Premises. No right reserved by Landlord in this Section shall be so exercised to interfere unreasonably with Tenant’s use of the Leased Premises (including construction of New Improvements) as provided in this Lease.

2.5 Landlord’s Right of Access.

2.5.1 Right of Access. Subject to Section 2.5.2, Landlord shall have free access to the Leased Premises during all reasonable hours, or at any time in the event of an emergency:

(i) For the purposes of ascertaining if the Leased Premises and the Improvements are in good repair, inspecting any work in progress, and making repairs that Landlord may be permitted to make under this Lease.

(ii) For other purposes required by or incidental to Landlord’s duties under this Lease or in Landlord’s capacity as owner of the Airport.

(iii) During the last 12 months of this Lease, or at any time following a notice of termination under this Lease, for the purpose of exhibiting the Leased Premises to prospective purchasers or tenants.

2.5.2 Manner of Entry. Landlord's entry shall be made upon 72-hour notice to Tenant and in a manner that will not unreasonably interfere with Tenant's use of the Leased Premises, except in case of emergency. In case of an emergency, Landlord shall give notice as soon as practicable under the circumstances and in a manner consistent with the nature of the emergency. In non-emergency situations, Landlord shall exercise such right of access with reasonable frequency and shall exercise commercially reasonable efforts to be accompanied by Tenant's representative. If a Tenant representative is not present to open and permit entry, Landlord may enter by means of master keys (and, in the case of emergency, may enter forcibly) and shall incur no liability to Tenant as a result of such entry, except for any gross negligence or willful misconduct on the part of a Landlord Party.

2.6 Qualified Commercial Tenant Status. Tenant represents and warrants that Tenant is not a "qualified commercial tenant" within the meaning of Civil Code Section 1946.1.

3. TERM.

3.1 Initial Term; Commencement Date. The term of this Lease shall commence at 12:01 a.m. on March 1, 2026 ("Commencement Date") and continue until 11:59 p.m. on February 28, 2037 ("Initial Expiration Date"), unless the term is extended or earlier terminated pursuant to this Lease.

3.2 Extension Term.

3.2.1 Extension Request. Provided that there is no uncured or non-waived Default Event by Tenant then existing, Tenant may request one 11-year extension of this Lease, from 12:01 a.m. March 1, 2037 to 11:59 p.m. February 29, 2048 ("Extension Term"), by submitting to Landlord a request substantially in the form of the attached Exhibit C-1 ("Extension Request"). An Extension Request shall be submitted on or before March 1, 2036. Landlord's approval of an Extension Request for the Extension Term shall be conditioned on the determination of the proposed Annual Base Rent to take effect at the commencement of the Extension Term in accordance with Section 4.2.4.

3.2.2 Extension Confirmation. Upon Landlord's receipt of an Extension Request, the Executive Director shall have the discretion to deny the request or submit the request to the Authority Commission for consideration. If the Authority Commission approves the Extension Request, Landlord shall send notice to Tenant, substantially in the form of the attached Exhibit C-2 ("Extension Confirmation"). Upon Landlord's issuance of the Extension Confirmation, the term of this Lease shall be extended and the new Expiration Date shall be February 29, 2048. Annual Base Rent payable during the Extension Term shall continue to adjust for each Annual Period as provided in Section 4.2.3. If an Extension Confirmation is not issued within 120 days after Landlord's receipt of the Extension Request, then the Extension Request shall be deemed denied and the Lease shall expire on the Initial Expiration Date unless earlier terminated.

3.2.3 Landlord's Discretion. Tenant acknowledges that this Section does not obligate Landlord to negotiate any modification of this Lease in conjunction with an Extension Request. Landlord shall have the absolute discretion to deny or grant an Extension Request.

3.3 Landlord Early Termination Right.

3.3.1 Landlord Right. If Landlord determines, in its sole but good faith discretion, that the Leased Premises are needed for alternative use, or capital improvement, reconstruction or reconfiguration, or other Airport operational needs (and satisfying such need will prevent Tenant from practicably continuing its occupancy of the Leased Premises), Landlord shall have the right to terminate this Lease upon 180 days' notice to Tenant. Landlord shall not exercise this right of early termination for the sole purpose of leasing the Leased Premises to another commercial tenant, whether or not for higher rent. Landlord covenants to reserve a similar right of early termination in comparable hangar leases to other Clybourn Complex commercial tenants.

3.3.2 Unamortized Cost of Eligible New Improvements. If Landlord terminates this Lease pursuant to this Section 3.3, Landlord shall pay Tenant the Unamortized Cost of Eligible New Improvements. The term "Unamortized Cost of Eligible New Improvements" means the actual direct out-of-pocket cost of all Eligible New Improvements (determined in accordance with the Statement of Costs pursuant to Section 11.1.11.2) located within the Leased Premises, multiplied by a fraction, the numerator of which is the number of full calendar months between the termination date and the Expiration Date, and the denominator of which is the number of full calendar months between the date of certification by Tenant of the cost of the Eligible New Improvements for which payment is being made and the Expiration Date. For avoidance of doubt, any Extension Confirmation issued by Landlord shall be reflected in the Expiration Date determination under this Section.

3.3.3 Payment. Landlord shall pay Tenant the Unamortized Cost of the Eligible New Improvements in one lump sum, due no later than 60 days after the termination date. Landlord shall be entitled to offset or credit against such payment any amounts owing by Tenant to Landlord, whether under this Lease or otherwise, and to withhold from such payment the amount of any monetary claim then being asserted in good faith by Landlord against Tenant.

3.3.4 Tenant Acknowledgments. Tenant acknowledges that Landlord is unwilling to lease the Leased Premises on a long-term basis without the right to terminate pursuant to this Section 3.3. Tenant additionally acknowledges that Landlord's exercise of such right shall not constitute a taking by Landlord of any part of the Leased Premises, New Improvements, or Tenant's rights or leasehold estate under this Lease. Tenant shall not be entitled to payment for any loss of goodwill, relocation expenses, income, or other amount measured by Tenant's loss upon termination or reduction of its business following termination of this Lease. Tenant shall not have any right to continue the use or occupancy of any portion of the Leased Premises following the termination date.

4. RENT.

4.1 Obligation to Pay Rent. Tenant shall pay Rent to Landlord in the amounts and at the times prescribed below. Rent consists of Annual Base Rent and Additional Rent.

4.2 Annual Base Rent.

4.2.1 Payment of Annual Base Rent. Annual Base Rent shall be payable

in monthly installments. Each monthly installment shall equal the amount of Annual Base Rent divided by 12, subject to proration pursuant to Section 4.2.1.2. Each installment shall be due and payable in advance on the first day of each calendar month, except as provided in Section 4.2.1.1. Each installment of Annual Base Rent shall be paid, without demand, as and when it becomes due.

4.2.1.1 First Installment. The first installment of Annual Base Rent shall be due on the Commencement Date.

4.2.1.2 Proration. Annual Base Rent shall be prorated on the basis of a 365-day year (or, in the case of a leap year, 366 days) for any Annual Period less than 12 months. An installment of Annual Base Rent for any partial calendar month shall be further prorated based on the number of days in that calendar month.

4.2.2 Initial Annual Base Rent. Annual Base Rent for the initial Annual Period shall be \$1,361,538 (being the sum of (i) \$975,156 for hangar space, (ii) \$320,694 for office space and (iii) \$65,688 for workshop space). Thereafter, Annual Base Rent shall be adjusted pursuant to Section 4.2.3 annually; provided that the adjustment for the commencement of an Extension Term shall be governed by Section 4.2.4.

4.2.3 Annual Base Rent Adjustments.

4.2.3.1 Definitions

(i) The term “Adjustment Date” shall mean June 1, 2026, and each June 1 thereafter (including during any holdover tenancy permitted by Landlord after the Expiration Date).

(ii) The term “Adjustment Index” shall mean, as related to each Adjustment Date, the Consumer Price Index for the month of April preceding such Adjustment Date.

(iii) The term “CPI Increase” shall mean the percentage increase in the Consumer Price Index (calculated by subtracting the Prior Index from the Adjustment Index and then dividing the result by the Prior Index).

(iv) The term “Consumer Price Index” shall mean the Consumer Price Index for All Urban Consumers for the Los Angeles – Long Beach – Anaheim statistical area (CPI-U) (1982-84 =100) (the “Index”) published by the United States Department of Labor, Bureau of Labor Statistics.

(v) The term “Prior Index” shall mean, as related to an Adjustment Date, the Consumer Price Index used as the Adjustment Index on the prior Adjustment Date (or in the case of the first adjustment, the Consumer Price Index for the month of April of the prior calendar year).

4.2.3.2 Annual Adjustments. On each Adjustment Date, the Annual Base Rent shall be increased by the greater of (i) 3%, or (ii) 120% of the CPI Increase

(rounded to the nearest hundredth); however, in no event shall an annual increase be greater than 6%. The following illustrates the calculation:

Step 1: Determine CPI Increase

$$\frac{\text{Adjustment Index} - \text{Prior Index}}{\text{Prior Index}} = \text{CPI Increase}$$

Step 2: Compare 120% of CPI Increase (i.e., CPI Increase multiplied by 1.2) against the minimum (3%) and the maximum (6%)

<u><i>If 120% of CPI Increase is:</i></u>	<u><i>For the new Annual Period, the Annual Base Rent will:</i></u>
Less than or equal to 3%	Increase by 3%
Greater than 3% but less than 6%	Increase by 120% of CPI Increase
Equal to or greater than 6%	Increase by 6%

4.2.3.3 CPI Changes. If the Consumer Price Index is changed so that the base year differs from that used for the Prior Index, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised, such other governmental index or computation with which it is replaced shall be used.

4.2.4 Extension Term Commencement Rent. At the commencement, if any, of the Extension Term, the Annual Base Rent shall be determined as follows.

4.2.4.1 Good Faith Negotiation Period. Pursuant to Section 3.2.1, Tenant shall submit its Extension Request, if any, on or before March 1, 2036. Unless Landlord notifies Tenant that Landlord does not intend to grant the extension, Landlord and Tenant shall negotiate in good faith to determine the amount of Annual Base Rent that will take effect at the commencement of the Extension Term. If the parties are unable to reach an agreement by July 31, 2036, then the parties may undertake the appraisal process described below.

4.2.4.2 Appraisal Options. If, by July 31, 2036, there is no agreed-upon Annual Base Rent for the start of the Extension Term, and both parties wish to continue, then the parties shall select one of the following two options to determine the Fair Market Rent (such selection to be evidenced by a memorandum executed by both parties); provided, in all cases, the appraiser and the related appraisal report shall meet the qualifications set forth in Section 4.2.4.3.

4.2.4.2.1 OPTION #1: The parties shall select a mutually acceptable appraiser to determine the Fair Market Rent. Landlord and Tenant shall each bear one-half of the cost of appointing the appraiser and the appraiser's fee. The appraisal report, in its

complete and final form, shall be delivered to the parties by October 31, 2036. The Fair Market Rent determined by the appraisal shall be the Annual Base Rent at the commencement of the Extension Term.

4.2.4.2.2 OPTION #2: Each party shall, at its own cost, retain an appraiser to provide a report of the appraiser's opinion of the Fair Market Rent. Each party shall furnish a copy of the completed appraisal to the other party by September 30, 2036. If the parties cannot come to an agreement of the Fair Market Rent based on the two appraisal reports by October 31, 2036, then the parties shall request the two appraisers to confer and select a third appraiser to provide a final report. The Fair Market Rent determined by the third appraiser shall be the Annual Base Rent at the commencement of the Extension Term. Landlord and Tenant shall each bear one-half of the cost of the third appraiser's report. The third appraiser's report shall be completed no later than January 1, 2037.

4.2.4.3 Appraiser and Appraisal Qualifications. Any appraiser retained pursuant to Section 4.2.4.2, and the related appraisal report, shall meet all of the following qualifications:

(a) "Fair Market Rent" shall mean the fair market rent for the Leased Premises at the commencement of the Extension Term. The Fair Market Rent shall be based on prevailing rental rates for the leasing of aviation hangars of similar size at a medium to large hub commercial airport within 50 miles of the Airport. Appropriate consideration shall be given to the annual rental rates per rentable square foot, size and location of the premises being leased, and the terms of this Lease.

(b) The appraiser shall provide documentation of the sources of comparable rental rate and sales data to the reasonable satisfaction of Landlord.

(c) The appraisal shall be done by an independent appraiser that has an MAI designation awarded by the Appraisal Institute. The appraiser shall be licensed in the State of California and in good standing with the California Bureau of Real Estate Appraisers (or its successor organization) ("CBREA") and have no more than one complaint filed against him or her for any reason. The appraiser shall certify in the appraisal report that the appraiser has never received any disciplinary actions from the CBREA. The appraiser shall have at least seven years of full-time experience as a licensed real estate appraiser, active in the leasing of commercial space or appraising properties in the City of Burbank or adjacent areas. The appraiser shall have performed a minimum of five appraisals of on-airport property within the past five years.

4.2.4.4 Commission Approval Required. The determination of Annual Base Rent to take effect at the commencement of the Extension Term is a condition precedent to the approval of an Extension Request. The grant of such extension shall still be subject to the Authority Commission's approval pursuant to Section 3.2.

4.2.5 Credit for Approved New Improvements. Upon completion of the Approved New Improvements, Tenant shall receive a credit ("Approved New Improvement Credit") up to \$250,000 for Hangar 44 and up to \$250,000 for Hangar 45 to offset against the

Annual Base Rent, subject the provisions of this Section. The Approved New Improvements shall be completed in time for the parties to determine the Approved New Improvement Cost pursuant to Section 4.2.5.4.

4.2.5.1 Submission of Plans for Approval. To qualify for the Approved New Improvement Credit, Tenant shall submit a Tenant Improvement Form (together with such other documentation as Landlord may require) for the Proposed New Improvements (identified in the attached Exhibit G). All Proposed New Improvements for which Landlord's Approval have been obtained are referred to as "Approved New Improvements." Landlord acknowledges that each of the Proposed New Improvements has been approved by Landlord's Business, Property and Administrative Services Department for the purposes of the Tenant Improvement Form.

4.2.5.2 Diligent Performance. Tenant shall comply with Section 11 for all proceedings and work for the Approved New Improvements.

4.2.5.3 Public Works Acknowledgement. Tenant acknowledges that the Approved New Improvements are public works under the Prevailing Wage Law. Tenant shall (and shall cause its contractors and subcontractors to) pay wages as required under, and comply with all applicable requirements of, the Prevailing Wage Law.

4.2.5.4 Calculation of Approved New Improvement Credit. No later than March 1, 2027, Tenant shall submit to Landlord an itemized statement, with sufficient detail, that shows Tenant's actual direct out-of-pocket cost for the Approved New Improvements ("Approved New Improvement Cost"). The statement shall contain the content and certification prescribed for a Statement of Costs for Eligible New Improvements under Section 11.1.11.2. Tenant shall also submit such supporting documentation as Landlord may reasonably require. The total amount of the Approved New Improvement Credit shall be the lesser of: (i) the Approved New Improvement Cost approved by Landlord, or (ii) \$250,000 for Hangar 44 and \$250,000 for Hangar 45.

4.3 Additional Rent. Additional Rent shall consist of the following. Except as otherwise specified in this Lease, Tenant's payment in each case shall be due 30 days from Tenant's receipt of Landlord's invoice. The term "Tenant's Share" means: (i) a fraction, the numerator of which is the square footage of the Leased Premises and the denominator of which is the total square footage of the buildings (excluding the passenger terminal and parking facilities) for which the services are provided, or the cost is incurred, by Landlord; or (ii) upon written notice to Tenant, such other fraction reasonably determined by Landlord in light of prevailing circumstances.

4.3.1 Utilities Cost. Tenant shall be responsible for the timely payment of all charges (including service charges, usage fees, connection fees, related taxes and assessments, and any penalty caused by Tenant's delinquency or error), when due, for water, heat, light, power, air conditioning, telephone, internet access, and other utilities supplied to or used in the Leased Premises. For charges that are invoiced to Landlord by the utility provider, Tenant shall pay Landlord pursuant to Landlord's invoice. Landlord's invoice shall be based on the rates charged to Landlord by the applicable utility provider. If the utility service is used jointly by

Tenant and other Airport users and Tenant's portion of the usage cannot be easily ascertained (e.g., by meter), Landlord shall invoice based on Tenant's Share.

4.3.2 Insurance Cost Reimbursement. Landlord shall provide insurance against loss arising out of physical damage or destruction to the structure of which the Leased Premises are a part. Such insurance shall be written on an "All Risk Property" form for the full replacement cost (including earthquake and flood hazards, to the extent such coverages are commercially available at reasonable cost, as determined by Landlord) of the structures and other improvements, including demolition costs and application of building laws coverage. Tenant shall reimburse Landlord for: (i) the premium for such insurance allocable to the Leased Premises and related improvements, and (ii) Tenant's Share of all other reasonable insurance costs applicable to or incurred by Landlord in connection with the Leased Premises. The foregoing does not limit Tenant's obligations to obtain Required Insurance under Section 12, or Landlord's right to be reimbursed for premium paid by Landlord for Required Insurance.

4.3.3 Trash Removal, Refuse Collection and Recycling Services. To the extent that trash removal, refuse collection, or recycling services are provided by Landlord, Tenant shall pay in accordance with Landlord's invoice. Landlord shall calculate the invoice amount based on Tenant's Share of the related cost to Landlord.

4.3.4 Landscaping. To the extent that New Improvement-related landscaping services are provided by Landlord pursuant to Section 7.4, Tenant shall pay in accordance with Landlord's invoice.

4.3.5 Other Services. If Landlord provides other services with respect to the Leased Premises (such as janitorial, maintenance, repair) at Tenant's written request, which Landlord is not obligated to provide, then Tenant shall pay according to Landlord's invoice. Landlord shall calculate the invoice amount based on Tenant's Share of the related cost to Landlord.

4.3.6 Taxes and Charges Paid by Landlord. Tenant shall reimburse Landlord for Landlord's payment for the discharge or adjustment of Taxes and Liens pursuant to Section 5 or Section 6.

4.3.7 Administrative Charge. For any invoice from Landlord to Tenant under Section 4.3.1, Section 4.3.3, Section 4.3.4 and Section 4.3.5, Landlord may include an administrative charge reasonably determined to cover Landlord's related administrative cost, but not to exceed 3% of the invoiced amount.

4.3.8 Other Amounts Owed under this Lease. In addition to the foregoing, Additional Rent shall also include all other amounts owed to Landlord (except for Annual Base Rent) pursuant to this Lease.

4.4 Interest on Past Due Payments. Any amount due from Tenant to Landlord pursuant to this Lease which is not paid within 10 days of the due date shall bear interest from the due date until paid at a rate equal to the lower of: (i) the primary discount rate established by the Federal Reserve Board in effect on the due date; or (ii) the maximum rate permissible by law. The

payment of any interest pursuant to this Section shall not excuse or cure any default by Tenant with respect to its obligations to pay any amount due from Tenant pursuant to this Lease.

4.5 Payment.

4.5.1 Payment in Lawful Money; Acceptance Without Prejudice. All payments to Landlord shall be paid in lawful money of the United States of America. Landlord may accept payment without prejudice to its right to recover the balance of such amount due and to pursue any other available remedies.

4.5.2 Clear Remittance Details. Each payment shall be accompanied with a detailed remittance advice, or clear instructions, outlining what charges are being paid.

4.5.3 Direct Deposit. If requested by Tenant, Landlord shall furnish bank wire instructions in order for Tenant to pay by direct deposit into Landlord's bank account.

4.5.4 Charges by Intermediary. Tenant shall be responsible for any charges imposed by a financial institution for the transmission of a payment to Landlord.

4.5.5 Delivery Address. Unless otherwise directed by Landlord in writing, payment (or remittance advice, if payment made via Automated Clearing House (ACH) or Electronic Fund Transfer (EFT) or similar method) required by this Lease shall be made payable to "Burbank-Glendale-Pasadena Airport Authority" and delivered to Landlord's Controller at the address set forth in Section 26.12, with an electronic copy to AR@bur.org.

4.6 ABATEMENT OR SETOFF.

4.6.1 Abatement for Continued or Permanent Complete Inaccessibility. Upon an occurrence of damage or destruction, condemnation or other condition (in each case solely if not caused by Tenant's negligence or misconduct) affecting the Leased Premises or Common Use Facilities, such that Tenant's aircrafts have no way to access into or out of the Leased Premises or no runway is available for Tenant's aircrafts to take off and land, and in either case if the inaccessibility continues for 72 consecutive hours, then the Annual Base Rent shall be abated for each day that the inaccessibility persists (calculated based on the Annual Base Rent then in effect divided by 365 days, or if during a leap year, 366 days), starting retroactively from the first day of such inaccessibility. If the condition continues for more than six months and such inaccessibility is reasonably determined to be a permanent condition, both parties shall have the right to terminate this Lease.

4.6.2 Tenant Acknowledgment. TENANT ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY PROVIDED IN THIS LEASE, TENANT SHALL IN NO EVENT BE ENTITLED TO ANY ABATEMENT OR SETOFF OF, OR REDUCTION IN, RENT PAYABLE UNDER THIS LEASE.

4.7 Net Lease. Tenant shall be responsible for all costs attributable to the Leased Premises and Tenant's use or occupancy, except as set forth in Section 10.4. Landlord shall receive all amounts payable by Tenant pursuant to this Lease, free and clear of any and all other impositions, taxes, liens, charges or expense of any nature whatsoever in connection with the

ownership and operation of the Leased Premises. In addition to the amounts payable by Tenant to Landlord pursuant to this Lease, Tenant shall pay Taxes pursuant to Section 5 and Tenant shall pay to the parties respectively entitled thereto all other impositions, operating charges, maintenance charges, construction costs, and any other charges, costs and expenses which arise or may be contemplated under any provision of this Lease. Tenant shall have the right to contest the validity, applicability or amount of any such charge, cost or expense, subject to Section 6 regarding the prohibition of Liens.

4.8 Financial Information.

4.8.1 Tenant Financial Information. Upon Landlord's request at any time, Tenant shall furnish to Landlord within 15 days:

(a) each of following (provided that they may be in the form of a copy of Tenant's Form 10-K as filed with the Securities and Exchange Commission if Tenant files annual reports pursuant to the Securities Exchange Act of 1934): (i) Tenant's ending balance sheet and statement of profit and loss and statement of changes in financial position for such fiscal year; and (ii) with respect to the financial statements for each fiscal year, the opinion of an independent auditor (or, if not available, shall be certified as true, accurate and complete by the chief financial officer); and

(b) such additional financial information concerning Tenant and any parent or subsidiary of Tenant, or any other person, firm, or entity having both the power to control Tenant or its operations at the Airport and a personal obligation to Landlord under this Lease as Landlord may reasonably request, in such detail as Landlord may reasonably request.

4.8.2 Guarantor Financial Information in Lieu. So long as the Lease Guaranty is in effect, Tenant may submit information pertaining to the Lease Guarantor instead of Tenant for the purposes of Section 4.8.1; and in such case, the provision of clause (a) and clause (b) Section 4.8.1 shall be read by substituting "Lease Guarantor" in place of "Tenant" in each instance.

5. TAXES, ASSESSMENT, AND CHARGES.

5.1 Prompt Payment. Subject to Sections 5.2 and 5.4, Tenant shall pay before delinquency, and without notice or demand, all applicable use, intangible and possessory interest tax, commercial rental tax, personal property tax, excise tax and any other taxes, assessments, license fees, charges, and penalties related to the foregoing (collectively, "Taxes") levied or imposed against the Leased Premises, any New Improvements, and other personal property used in the performance of Tenant's business at the Airport, or that result from Tenant's occupancy or use of the Leased Premises or the construction of any New Improvements, or that are assessed on any payments made by Tenant under this Lease, whether levied against Tenant or Landlord. Tenant shall, at its sole expense, clear any lien created by virtue of such Taxes. Any such payment shall not reduce the amount of the Rent otherwise required to be paid by Tenant to Landlord. Tenant shall promptly pay any penalty or other charge which may be due and payable to Landlord or any other party or government entity in connection with this Lease and all rights and privileges.

Landlord may, from time to time, request Tenant to provide evidence of payment of any Tax or related penalty that has come due. Tenant shall furnish such evidence of payment within 15 days of Landlord's request.

5.2 Exclusions from "Taxes." Notwithstanding anything to the contrary in this Lease, for the purposes of this Lease, "Taxes" shall not include: (i) any mortgage or documentary transfer tax relating to any financing or sale of the Airport; (ii) any tax upon or against Landlord's income or profits; (iii) any franchise, excise, social security, unemployment, sales, use or withholding assessments levied against Landlord; or (iv) any assessments (or other governmental fees or charges) levied by Landlord against other tenants, the Airport or any portion thereof (whether attributable to special assessment districts or otherwise) to finance any development, maintenance, or improvement of facilities at the Airport.

5.3 Bills Forwarded by Landlord. Whenever Landlord forwards to Tenant a bill or assessment notice relating to Taxes coming due for which Tenant is responsible, Tenant shall pay such Taxes promptly before the delinquency date and concurrently notify Landlord of such payment. In the event Tenant was unaware of the Taxes delinquency date (and the ignorance was not due to Tenant's negligence) and Landlord forwarded the bill or assessment notice after 20 days prior to the delinquency date, Tenant shall not be deemed delinquent for the purpose of this Lease if Tenant pays such Taxes within 20 days from Tenant's receipt of the bill or notice forwarded by Landlord.

5.4 Tenant's Contest of Taxes. If Tenant intends to contest any Tax imposed by a government entity, then at least 10 days prior to delinquency (or within 20 days of Tenant becoming aware of the Tax due Date, if Tenant was unaware of the Tax before the due date and the ignorance was not due to Tenant's negligence), Tenant shall give Landlord notice of such intention. Tenant may withhold payment of the Tax being contested if nonpayment is permitted during the pendency of such proceedings without the imposition or foreclosure of any related lien or the imposition of any fine or penalty. The contest shall be prosecuted to completion without delay at Tenant's sole expense. Within such 10-day period or the applicable time period allowed by law after the final determination of the amount due, Tenant shall pay such amount, together with all costs, expenses and interest.

5.5 Payment by Landlord. If Tenant fails to pay a Tax within the time periods set forth in this Lease, Landlord may, after five days' notice to Tenant, pay, discharge, or adjust such Tax for Tenant's benefit. In such event, Tenant shall reimburse Landlord, on demand, for the full amount with interest at the rate of 1.5% per month (or the maximum rate permitted by law, whichever is greater). Any receipt showing payment by Landlord shall be prima facie evidence that the amount of such payment was necessary and reasonable and made by Landlord on Tenant's behalf.

5.6 Survival. Tenant's obligations under this Section shall survive expiration or termination of this Lease.

6. DISCLAIMER OF LIENS.

6.1 Creation of Liens Prohibited. The term “Lien” shall mean any mortgage, lien, security interest, encumbrance, charge on, pledge of, conditional sale or other encumbrance. Tenant shall not directly or indirectly create or permit or suffer to be created or to remain, any Lien upon the Leased Premises or any Airport property, including fixtures, improvements or appurtenances (including New Improvements), except those Liens expressly permitted in writing by Landlord, by reason of construction, labor, services, or materials performed or furnished at request of Tenant or any contractor or supplier employed by Tenant. Landlord shall have the right to post and keep on the Leased Premises any notices that may be required by law or which Landlord may deem proper for the protection of Landlord, the Airport, or the Leased Premises from Liens.

6.2 Prompt Discharge Upon Creation. In the event any Lien has been created by or permitted by Tenant in violation of Section 6.1, within 20 days of the filing Tenant shall cause such Lien to be discharged by bond or as otherwise allowed by law. If Tenant fails to clear the record of any such Lien by such deadline, Landlord may remove such Lien by paying the full amount, by bonding, or in any other manner Landlord deems appropriate, without investigating the validity of such Lien, and irrespective of the fact that Tenant may contest the propriety or the amount. Tenant shall reimburse Landlord, on demand, the amount so paid with interest at the rate of 1.5% per month or the maximum rate permitted by law, whichever is less, and reasonable expenses incurred in connection therewith, including reasonable attorneys’ fees.

6.3 No Consent by Landlord. Nothing contained in this Lease shall be construed as a consent on the part of Landlord to subject the Leased Premises to any Lien or liability under the laws of the State of California.

6.4 Survival. Tenant’s obligations under this Section shall survive expiration or termination of this Lease.

7. UTILITIES; TRASH, REFUSE & RECYCLING; FIRE AND SECURITY; LANDSCAPING.

7.1 Utilities. Landlord has no obligation to provide any utilities or services to the Leased Premises. Tenant has inspected all utilities-related installations at the Leased Premises and accepted them in their “as-is” conditions at the Commencement Date, and Landlord has no obligation for any repair or maintenance. Tenant, at its sole cost, shall be responsible for any additional connections, upgrades or related installations (subject to Section 11, relating to any alteration of Leased Premises). Tenant shall comply with all requirements that any provider or supplier of utilities or services may establish for the use, proper functioning, and protection of any such utilities or service. To the extent that any utility services are provided by Landlord at Tenant’s request, Tenant shall pay pursuant to Landlord’s invoices and the amounts due shall constitute Additional Rent under Section 4.3.1. Landlord shall not be liable to Tenant for any destruction, damage or loss to property, injury or death of any person, or any consequential damages, arising out of, resulting from or relating to, whether directly or indirectly, the furnishing, failure to furnish, interruption, cancellation or termination of any of utilities or services by the providers or suppliers of any utilities or services, except to the extent caused by Landlord’s gross negligence or intentional misconduct.

7.2 Trash Removal, Refuse Collection, and Recycling. Tenant shall be solely responsible for all costs relating to trash removal, refuse collection and recycling. Tenant shall comply with Landlord's written instructions relating to trash removal, refuse collection and recycling. Landlord is not obligated to provide related services. To the extent such services are provided by Landlord, Tenant shall pay related cost as Additional Rent pursuant to Section 4.3.

7.3 Security and Fire Protection. Tenant acknowledges that Landlord is not obligated to furnish firefighting services and security services to the Leased Premises or any other area of the Airport. The Airport's police and fire departments, in their judgement and sole discretion, determine their priorities and allocation of resources with regard to any operation. The Leased Premises and other areas of the Airport are within the municipal service area of the City of Burbank. Tenant shall provide additional security services as may be reasonably required by Landlord to protect the Leased Premises against fire, theft, vandalism, malicious mischief, and unauthorized use or entry of the Leased Premises. Without limiting or modifying any obligation of Tenant to pay Annual Base Rent or other amounts due under this Lease, with Landlord's prior written approval, which shall not be unreasonably withheld, Tenant shall have the right to station its own security personnel at the Leased Premises and to install its own security systems in the Leased Premises.

7.4 Landscaping. In connection with any New Improvement that affects the landscaping adjacent to the Leased Premises, Landlord may, in its discretion, require Tenant to assume maintenance responsibilities for the affected landscaping during the installation of (or other work for) such New Improvement and after its completion. Landlord shall specify the scope of such responsibilities in writing. In such event, Tenant shall be solely responsible for the specified landscaping maintenance and all related costs. Tenant shall comply with Landlord's written instructions regarding such maintenance. For any such maintenance services provided by Landlord at Tenant's request, Tenant shall pay related cost as Additional Rent pursuant to Section 4.3

8. COMPLIANCE WITH LAWS; LICENSES, PERMITS.

8.1 Laws. Tenant shall comply with Exhibit E (Federal Requirements) and all laws governing Tenant's use and occupancy of the Leased Premises, use of any other Airport facilities, business and operations at the Airport, performance under this Lease, and any other act permitted under this Lease. Landlord approval or consent given under this Lease shall not be construed as Landlord's representation or warranty regarding the laws to which Tenant may be subject or Tenant's compliance therewith.

8.2 Cooperation. Tenant shall cooperate with Landlord in the implementation and enforcement of applicable laws, whether presently existing or enacted in the future, governing Tenant's operations at the Airport and performance under this Lease.

8.3 Licenses and Permits. Tenant shall, at its own expense, obtain and keep current all licenses, permits, approval, certificates, and authorizations required for its business and operations at the Airport and its performance under this Lease.

9. USE OF LEASED PREMISES.

9.1 Use of Leased Premises.

9.1.1 Principal Use as Airport. Tenant acknowledges that the principal use of the Airport consists of the operation of a public airport. The leasing of certain hangars for private corporate jet use (including Tenant's use of the Leased Premises), and all other businesses and operations permitted by Landlord to be conducted on or at the Airport, must at all times be compatible with such principal use as a public airport, as Landlord shall determine in its sole and absolute (but good faith) discretion.

9.1.2 Authorized Use of Leased Premises. Tenant shall use the portion of the Leased Premises constituting hangar space exclusively for an aviation hangar for the storage of general aviation aircraft and for no other use ("Permitted Hangar Use"). Tenant shall use the portion of the Leased Premises constituting office space exclusively for office purposes that are related to the storing of general aviation aircraft in the hangar space and for no other use ("Permitted Office Use"). Tenant shall use the portion of the Leased Premises constituting workshop space exclusively for workshop purposes that are related to the storing of general aviation aircraft in the hangar space and for no other use ("Permitted Workshop Use"). The Permitted Hangar Use, the Permitted Office Use, and the Permitted Workshop Use are collectively referred to as the "Permitted Uses." Tenant shall not use nor authorize the use of the Leased Premises, or any portion thereof, for any purpose that is not a Permitted Use without Landlord's prior written consent, which consent Landlord may withhold or condition in Landlord's sole discretion.

9.1.3 Fueling; Service, Maintenance and Repair.

9.1.3.1 No Fueling Inside Hangars Under no circumstances shall any fueling of aircraft or other fueling activities be performed or permitted inside the hangar buildings.

9.1.3.2 Conditions for Service, Maintenance or Repair Work. No service, maintenance, or repair of aircraft, equipment, or vehicles shall be performed within the Leased Premises except under the following conditions: (i) such service, maintenance, and repair shall be specifically authorized by FAA regulations and performed by duly authorized personnel or contractors; and (ii) such service, maintenance, and repair shall be done in compliance with all applicable fire, building and safety, environmental, and other laws.

9.1.3.3 Fueling and Ramp Services by Authorized Vendors Only. As a material part of the consideration for this Lease, Tenant agrees that no fuel shall be placed in any aircraft on the Leased Premises by any person or company except such vendors of aviation fuel as are expressly authorized by Landlord. Into-plane fueling and ramp services for the Clybourn Complex must be obtained from an entity which has exclusive rights to provide such services (for as long as such exclusive rights exist) and that Landlord has separately informed Tenant of the name and contact person for that entity. If such exclusive rights cease to exist, then Landlord shall so notify Tenant.

9.1.4 Storage.

9.1.4.1 Permitted Storage. Subject to Section 9.1.4.2. Tenant may store within any hangar building that is part of the Leased Premises aircraft components, equipment, parts, bulk liquids, scrap lumber, metal, machinery or other materials related to the storage of its aircrafts.

9.1.4.2 Restrictions on Storage. Derelict aircraft, inoperative ground vehicles, unused ramp equipment, scaffolding, hoists and related items may not be kept on any portion of the Airport unless such equipment and materials are kept within the fully enclosed hangar building portion of the Leased Premises.

9.1.4.3 Storage on Apron, Ramp or Taxiway. Subject to Tenant's rights, if any, under Section 9.1.2, with respect to ramp spaces, no storage may be done on any apron, ramp or taxiway, without prior written approval of Landlord, which consent Landlord may withhold or condition in Landlord's sole discretion.

9.2 Prohibited Uses. Tenant shall neither use nor permit the use of any part of the Leased Premises for any purpose other than as set forth in Section 9.1. Without limiting the generality of the foregoing sentence, the following uses are specifically prohibited unless the prior written consent of Landlord is obtained:

- (i) Sales of aviation fuel or oil.
- (ii) Sales of food.
- (iii) Sales of memorabilia, any other products or sundry items.
- (iv) Sales or dispensing of alcoholic beverages.
- (v) Any use prohibited by law or not related to aviation.
- (vi) Boarding, enplaning, or unloading revenue passengers, either on a scheduled or nonscheduled basis.

9.3 Conduct of Tenant's Activities.

9.3.1 Conduct of Employees. Tenant shall require all Tenant Party personnel to wear clean and neat appearing clothing at the Airport, and shall take all actions to ensure their professional, courteous and inoffensive conduct and demeanor while interacting with Landlord Parties. In the event Landlord objects to the conduct, demeanor, or appearance of any such person, Tenant immediately shall take all legally permissible steps to correct or to remove the cause of the objection.

9.3.2 Landlord Noise Abatement Rules. Tenant shall conduct its business and flight operations in compliance with the Noise Abatement Rules as enforced by Landlord pursuant to the Airport Noise and Capacity Act of 1990.

9.3.3 Airport Rules and Regulations. Tenant shall comply with the Airport Rules and Regulations. Tenant acknowledges that the Airport Rules and Regulations are available on Landlord's webpage (hollywoodburbankairport.com). All provisions of this Lease shall be subordinate to the Airport Rules and Regulations, and in the event of conflict, the Airport Rules and Regulations shall govern. Violations of the Airport Rules and Regulations by Tenant Parties shall be punishable as stated in the Airport Rules and Regulations including by administrative fines.

9.3.4 Air Quality Improvement Plan. Tenant shall comply with the following provisions of the Airport's Air Quality Improvement Plan:

9.3.4.1 Ground Support Equipment Emissions Policy. Airlines and other entities own and operate GSE to support arriving, departing, and parked aircraft at the Airport. The Airport's GSE policy will ensure that the Airport achieves Airport-wide GSE emissions targets. The Airport will achieve an airport average composite emissions factor for its GSE fleet which is equal to or less than 1.66 horsepower-hour of nitrogen oxides (g/hp-h of NOx) by January 1, 2023, and 0.74 g/hp-h of NOx by January 1, 2031. Upon achieving the 2023 and 2031 emissions targets, Tenant shall be required to ensure its fleet average continues to meet the Airport emissions targets. Tenant's obligation to meet the 2031 target shall be contingent on the installation of adequate infrastructure to support zero-emission GSE, which is operationally feasible and commercially available. Tenant's "Burbank Airport GSE fleet" shall be comprised solely of GSE operated at the Airport. Emissions performance of GSE operating at the Airport cannot be averaged with emissions performance of GSE operating at other airports to demonstrate compliance with the Airport GSE emissions targets.

9.3.4.2 Clean Construction Policy. Landlord has adopted a Clean Construction Policy, which may be found at <http://hollywoodburbankairport.com/green-initiatives/>. For all capital improvement projects undertaken by Tenant, Tenant shall comply, and shall cause Tenant's contractors for such projects to comply, with such Clean Construction Policy, and shall otherwise ensure its contractors follow clean construction practices to reduce emissions of NOx such as using low-emission vehicles and equipment, recycling construction and demolition debris, and minimizing non-essential trips through better schedule coordination.

9.3.5 Burbank Airport Employee Ride Share Policy. Landlord has joined the Burbank Transportation Management Organization ("BTMO"), which serves all Airport employees and all Airport tenant employers, including employers with less than 250 employees. Tenant is encouraged to also join and to actively participate in the BTMO as an individual member.

9.4 Manner of Use. Tenant shall not use, nor permit any Tenant Party to use, the Leased Premises or any other areas of the Airport in any manner that:

- (i) Creates or permits any waste or nuisance.
- (ii) Unreasonably disturbs other tenants, users or occupants of the Airport.

(iii) Invalidates, or will cause the cancellation of or conflict with any fire or other hazard insurance policies covering the Airport.

(iv) Increases the premiums for any fire insurance policies covering the Leased Premises, the Airport, or any property located thereon.

(v) Constitutes an unlawful purpose, or a purpose incompatible with a first-class airport.

9.5 No Interference with Utilities, Fire Exits and Emergency Personnel. Tenant shall not do, nor permit any Tenant Party to do, anything that may interfere with:

(i) The effectiveness or accessibility of the mechanical, gas, electrical, heating, ventilating, air conditioning, plumbing or sewer systems, facilities or devices or portions thereof on or servicing the Leased Premises, or elsewhere on the Airport.

(ii) Free access or passage to the Leased Premises or the streets, roads, parking lots, curb areas, entryways, exits, sidewalks, Common Use Facilities or any other areas of the Airport, except for an interference resulting from Tenant's compliance with the Airport Rules and Regulations or the Security Requirements.

(iii) Police, firefighting, or other emergency personnel in the discharge of their duties.

(iv) The effectiveness or accessibility of fire exits in or adjacent to the Leased Premises or elsewhere at the Airport.

9.6 Temporary Structures. Tenant shall not allow any temporary structures or facilities on the Leased Premises without Landlord's prior written approval (which may be granted or withheld in Landlord's sole discretion). If such approval is granted, it shall be revocable at any time by Landlord in its sole discretion.

9.7 Signs.

9.7.1 Landlord's Consent Required. Tenant shall not place, erect, or maintain or cause to be placed, erected, or maintained on or to the roof or any exterior door, wall, window or the roof of the Leased Premises or any New Improvement, or on or to the glass of any window or door of the Leased Premises or any New Improvement, any sign, marquee (flashing, moving, hanging, handwritten, or otherwise), decal, placard, awning, decoration, flashing, moving or hanging lights, lettering, or any other advertising matter of any kind or description without Landlord's written consent (given at its sole discretion). No illuminated sign located in the interior of the Leased Premises that is visible from the outside of the Leased Premises shall be permitted.

9.7.2 Landlord's Right to Remove. If Tenant places or causes to be placed or maintained any of the foregoing without Landlord's consent, Landlord may remove the same at Tenant's sole cost and expense and without notice or liability and without such removal constituting a breach of this Lease or entitling Tenant to claim damages.

9.7.3 Tenant's Responsibility for Repair. Tenant shall repair, at its sole cost and expense, any damage to the Leased Premises caused by the erection, maintenance or removal of any sign or other attachment.

9.7.4 Existing Signage. Landlord acknowledges its approval of Tenant's signage and signs existing at the Leased Premises as of the Commencement Date, which were erected during the term of the Former Lease.

9.8 Vending Machines. Without the prior written consent of Landlord, any vending machines or similar devices in or on the Leased Premises shall only be for sales to Tenant's employees and may only be installed in areas not accessible by the public (i.e., Tenant's employees-only area).

9.9 Tenant Acknowledgments. In connection with the ownership and use of the Airport by Landlord, Tenant acknowledges:

9.9.1 Development or Improvement of Landing Area. Landlord reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or views of Tenant, and without interference or hindrance.

9.9.2 Maintenance of Landing Area and Public Facilities. Landlord shall maintain its landing area and all other Airport facilities in accordance with FAA rules and regulations. Subject to the foregoing, Landlord reserves the right, but shall not be obligated to maintain and keep in repair the landing area and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard.

9.9.3 Construction of Improvements. In the event any future structure or building is planned for the Leased Premises, and in the event of any planned modification or alteration of any present or future building or structure situated on the Leased Premises, Tenant shall comply with the notification and review requirements of 14 C.F.R. Part 77.

9.9.4 Non-exclusive Rights. This Lease shall not be construed to grant or authorize the granting of any exclusive right within the meaning of Section 308 (a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)).

9.9.5 Reservation of Rights. There is reserved to Landlord, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises and the other areas of the Airport. This public right of flight shall include the right to cause within such airspace any noise inherent in the operation of any aircraft used for navigation or flight through such airspace or landing at, taking off from or operating on the Airport.

9.9.6 Height Restrictions. Tenant shall not erect nor permit the erection of any structure or object, nor permit the growth of any tree, on the Leased Premises in violation of federal height restrictions and obstruction criteria or any more restrictive height restrictions and obstruction criteria established from time to time by Landlord. In addition to all other rights and

remedies, Landlord reserves the right to enter upon the Leased Premises to remove the offending structure or object and to cut the offending tree, all of which shall be at the expense of Tenant.

9.9.7 Interference with Aircraft. Tenant shall not make use of the Leased Premises nor any other areas of the Airport in any manner which might interfere with the landing and taking off of aircraft from the Airport, or which might otherwise constitute a hazard. In addition to all other rights and remedies, Landlord reserves the right to enter upon the Leased Premises or any other areas of the Airport and cause the abatement of such interference, at the expense of Tenant.

9.9.8 Agreements with United States. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between Landlord and the United States, or any lawful requirement of the United States, relative to the development, operation, or maintenance of the Airport.

9.9.9 Rights of United States. This Lease shall be subject to whatever right the United States Government now has, or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport, or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency or otherwise.

9.9.10 Unauthorized Access. Tenant shall use reasonable precautions to prevent unauthorized persons from gaining access to restricted flight and aircraft operational areas, including the precautions established pursuant to the Security Requirements.

9.9.11 Security Checks. Tenant shall comply with TSA regulations requiring background checks, including references and prior employment history, for all persons who have unescorted access to the airfield. Tenant shall maintain records of background checks for all employees of Tenant and shall make such records available to the TSA and Landlord upon request at any time.

9.10 Airport Security.

9.10.1 Security Requirements. Tenant shall adopt and implement a security program that: (i) complies with applicable laws; (ii) is consistent with Landlord's overall security program for the Airport; and (iii) is acceptable to Landlord and the TSA. The provisions of the security program ("Security Requirements") are incorporated as part of this Lease.

9.10.2 Submission. Landlord acknowledges the receipt and approval of Tenant's security program dated September 19, 2024, during the term of the Former Lease. Such security program shall continue to be in effect as of the Commencement Date.

9.10.3 Modification. Modifications to the security program shall be subject to Landlord's advance approval. Upon receipt of Landlord's instruction, Tenant shall amend the security program in accordance with such instruction within 30 days or such shorter time period as Landlord may, in its sole but good faith discretion, require.

9.10.4 Airport Security Program. In connection with its operations at the Airport, Tenant may receive, gain access to or otherwise obtain certain knowledge and information

related to Landlord's overall Airport security program. Tenant acknowledges that all such knowledge and information is of a highly confidential nature. No person, whether a Tenant employee or a third party, shall be permitted or gain access to such knowledge and information, unless such person has been approved by Landlord in advance in writing, which approval may be granted or withheld by Landlord in its sole discretion. Subject to the foregoing, Tenant is permitted to provide such security knowledge and information to its employees who require same to conduct Tenant's operations at the Airport or to comply with any law or with the Airport Rules and Regulations.

9.10.5 Corrective Measures Upon Violation Notice.

9.10.5.1 Prompt Corrective Actions. Upon receipt of notice from Landlord of a violation of the Security Requirements by a Tenant Party, Tenant shall engage security personnel or undertake other necessary security procedures as requested by Landlord to cure the violation within 30 days or such shorter time period as Landlord may, in its sole discretion, deem appropriate in light of the violation.

9.10.5.2 Payment of Fines. Tenant shall pay any fine or penalty imposed by the FAA or the TSA, or imposed by Landlord under the Airport Rules and Regulations as a result of such violation.

9.11 Quiet Enjoyment. Subject to the provisions of this Lease and applicable law, so long as Tenant is not in default in the performance of any of its obligations under this Lease (and if a cure period is provided under this Lease, such cure period has not elapsed), Tenant shall lawfully and quietly hold, occupy and enjoy the Leased Premises.

10. MAINTENANCE AND REPAIRS.

10.1 Tenant's Obligations.

10.1.1 General. Subject to Section 10.4, Tenant, at its sole expense, shall maintain, repair, and replace the Leased Premises, including every part thereof, in good order, condition, and repair in a neat and sanitary condition, free from waste or debris, according to reasonable standards adopted from time to time by Landlord. Without limiting the generality of the preceding, Tenant shall be responsible for: (a) fixtures, hangar doors, security entrance gates, intercom systems, partition walls and interior walls and surfaces; (b) cantilever carports, ceilings, windows, window coverings, doors, plate glass, showcases, light bulbs, skylights, other lighting components, entrances and vestibules located within the Leased Premises; and (c) all sprinkler systems, plumbing, sewers, drainage devices, backflows, heating, ventilation, air conditioning, and electrical facilities and equipment within the Leased Premises. This obligation applies regardless whether such part of the Leased Premises requiring maintenance, repair or replacement, or the means of maintaining, repairing or replacing the same, are reasonably or readily accessible to Tenant, and whether the need for such maintenance, repair or replacement occurs as a result of Tenant's use, any prior use, the elements or the age of such part of the Leased Premises.

10.1.2 Walls and Windows. Tenant shall paint all interior walls and the interior surfaces of exterior walls, and shall wash all interior and exterior windows, as often as Landlord reasonably requires to keep the Leased Premises neat and attractive.

10.1.3 Timely Maintenance. Tenant shall perform all maintenance and make any and all repairs and replacements required pursuant to this Section as and when the same becomes necessary to maintain the Leased Premises in good order, condition, and repair, and shall do so immediately in the event of an emergency. Without limiting the foregoing, if Landlord delivers to Tenant a written notice (“Required Tenant Maintenance Notice”) specifying the maintenance, repairs or replacements which Landlord reasonably believes must be undertaken to comply with this Lease, Tenant shall complete such maintenance, repair, or replacement within 30 days; provided that Landlord may, in its discretion: (i) provide a longer period in such notice, or (ii) specify a shorter period, if required for safety or legal reasons (as determined by Landlord).

10.1.4 Maintenance-Related Alterations to Leased Premises. For clarification, if any maintenance, repair, or replacement under this Section (including any undertaken by Tenant under Section 10.3.2) involves installation, construction, demolition or other alterations of Improvements, Tenant shall also comply with Section 11 in connection with such undertaking.

10.2 Landlord’s Standards. Landlord may establish standards pertaining to the maintenance, repair, and replacement applicable to facilities of a similar nature to the Leased Premises within the Airport or to tenant facilities throughout or at specified portion of the Airport, and may modify such standards from time to time. Landlord shall inform Tenant about the standards applicable to the Leased Premises in writing, and Tenant shall promptly comply with such standards.

10.3 Permitted Repairs by Landlord.

10.3.1 Landlord’s Election to Accommodate. With respect to any maintenance, repair, or replacement for which Tenant is responsible pursuant to Section 10.1, Landlord may elect to perform the related work as an accommodation to Tenant, at Tenant’s cost, if: (i) the Leased Premises include less than an entire hangar building, and the maintenance, repair, or replacement affect the other spaces of the building, or (ii) there are other practical reasons based on Landlord’s determination. Landlord shall specify this election in the related Required Tenant Maintenance Notice.

10.3.2 Tenant’s Decision to Forgo Accommodation. If Tenant decides to undertake the related maintenance, repair, or replacement in lieu of Landlord’s accommodation pursuant to Section 10.3.1, Tenant shall notify Landlord in writing within five days of such Required Tenant Maintenance Notice (or such shorter period as specified in the Required Tenant Maintenance Notice, if Landlord reasonably determines that the nature of the maintenance, repair, or replacement so warrants). Thereafter, Tenant shall diligently complete the maintenance, repair, or replacement within the time period specified in the Required Tenant Maintenance Notice.

10.3.3 Reimbursement to Landlord. Tenant shall reimburse Landlord for all cost (including materials, labor and, at Landlord option, a reasonable administrative fee) for

work undertaken pursuant to this Section 10.3. If work is performed for the Leased Premises and other areas of the same building, Landlord shall allocate the cost based on square-footage or any other manner Landlord deems reasonable. Payment shall be due, on demand, upon Landlord's invoice.

10.4 Landlord's Obligations to Repair. Subject to Section 14, Landlord shall, at its expense, keep the roof, foundations, exterior walls (excluding interior painting and all windows, doors, plate glass and showcases) of the Leased Premises in good order, condition and repair, except for (i) any damage caused by any negligent act or omission of any Tenant Party (in which event, Tenant shall be responsible for the repair cost); and (ii) reasonable wear and tear not affecting structural integrity or safety. Landlord shall also repair so-called "popouts" in the surface of the floor (i.e., depressions and bubbling in the epoxy floor covering caused by moisture in the subflooring) of the Leased Premises; provided, that any Tenant alteration or repair of the floor shall be deemed an automatic waiver of Landlord's obligation to repair the "popouts." Landlord shall have no obligation to make such repairs until after receipt of Tenant's written notice specifying the repairs that Tenant believes must be undertaken to comply with this Lease. Landlord shall commence such repair promptly within 40 days after receipt of such notice.

10.5 Limitation of Landlord Obligations; Tenant Waiver.

10.5.1 Limitation on Landlord's Obligations and Liability. Landlord shall have no obligation to maintain or make any repairs or replacement to the Leased Premises (other than as specified in Section 10.4). Landlord shall not be liable to any Tenant Party by reason of any destruction, damage or loss of property, injury or death of persons, or damage or injury to, or interference with, the business or operations of any Tenant Party, or the use or occupancy of the Leased Premises or the Common Use Facilities or any other areas of the Airport by any Tenant Party, arising out of, resulting from or relating to the need for, or the performance or non-performance of any repairs or replacements.

10.5.2 Waiver. Tenant for itself and for each Tenant Party waives any and all rights provided in Civil Code Section 1941 through 1942, inclusive, and waives, to the extent allowed by law, any rights under any other laws now or subsequently in effect that are contrary to the obligations of Tenant under this Lease or that place obligations upon Landlord.

10.6 Landlord Cure. In the event Tenant fails to perform its obligations under this Section 10, in addition to any and all other rights and remedies of Landlord, Landlord may, after 15 days' notice to Tenant, enter upon the Leased Premises and put the same in good order, condition, and repair and make any required replacement, and the cost thereof shall become due and payable, upon demand, by Tenant to Landlord as Additional Rent. If Tenant commences required maintenance, repairs and replacements within such 15-day period and diligently prosecutes such maintenance, repairs and replacements to completion, then Tenant shall be deemed to be fully performing Tenant's obligations.

11. ALTERATIONS AND IMPROVEMENTS.

11.1 Approval and Construction of New Improvements.

11.1.1 Landlord's Approval Required.

11.1.1.1 Definition of "New Improvements". Without in each instance obtaining the written approval of Landlord in accordance with this Section ("Landlord's Approval"), Tenant shall not: (i) demolish any Improvements; (ii) construct or install any Improvements; or (iii) make any modifications, alterations or additions to the Leased Premises or Improvements (all such demolition, construction, installation, modifications, alterations and additions are referred to as "New Improvements"). Tenant may, subject to Landlord's Approval, install or add (and subsequently modify, alter or demolish) improvements immediately adjacent to, but outside of, the Leased Premises, and such installation, addition, modification, alteration or demolition shall be included as "New Improvements."

11.1.1.2 Approval at Landlord's Discretion. No work required in connection with any New Improvements shall commence before receiving Landlord's Approval. Such approval shall be granted at Landlord's sole discretion (including wholly on aesthetic grounds); provided, Landlord shall not unreasonably withhold consent with respect to a New Improvement which: (i) does not affect any portion of the roof or the building structure and (ii) does not include signage or graphic materials visible from outside the Leased Premises.

11.1.1.3 Landlord's Right to Remove. If Tenant makes or commences any New Improvements before complying with all the requirements under Sections 11.1.1 through 11.1.8, then Landlord shall have the right to require Tenant to remove any or all of such New Improvements at Tenant's sole expense.

11.1.1.4 Landlord's Delegation. Landlord may delegate any Landlord's Approval required under this Section 11.1 (including any determination of whether New Improvements are "Eligible New Improvements") to an outside engineer, architect, or specialist identified by Landlord in writing. Subject to any reservation expressly communicated to Tenant in writing, the delegatee's approval or determination shall be deemed to be Landlord's Approval or the determination of Landlord under this Section. Approval or determination by any such delegatee shall be subject to the same standards of review and time requirements as imposed upon Landlord.

11.1.2 Compliance with Policy on Tenant Improvements. Prior to the commencement of any New Improvements, Tenant shall submit a written request for approval of the proposed New Improvements ("Tenant Improvement Request") to Landlord. A current standard form of Tenant Improvement Request is set forth in Exhibit F. Landlord may change such standard form at any time. Tenant shall comply with the requirements set forth in the Tenant Improvement Request form; provided that if there is any conflict between the requirements set forth in the Tenant Improvement Request and the provisions of this Lease, the provisions of this Lease shall apply.

11.1.3 Eligible New Improvements.

11.1.3.1 Definition. "Eligible New Improvements" shall mean, subject to Section 11.1.3.2, New Improvements within the Leased Premises for which Landlord's Approval has been obtained but shall exclude: (i) any portion of New Improvements paid for with

the proceeds of insurance, condemnation awards, or recoveries of damages; and (ii) any portion of New Improvements that could have been paid with insurance proceeds in the absence of Tenant's failure to maintain insurance required under this Lease, and (iii) any New Improvements for which Tenant has received Approved New Improvement Credit under Section 4.2.5.

11.1.3.2 Landlord Concurrence. At the time Tenant requests Landlord's Approval of any New Improvements, Tenant shall specify whether the New Improvements or some eligible portion are intended to be Eligible New Improvements (failing which the New Improvements shall not be eligible to be Eligible New Improvements). If Landlord disagrees with Tenant's specification of any New Improvements as Eligible New Improvements, Landlord shall notify Tenant in writing of its disagreement and shall state the reasons. Tenant shall have the right to respond in writing to Landlord's notice and statement of reasons. After considering such Tenant response, Landlord's determination of whether any New Improvements are Eligible New Improvements shall be final and binding.

11.1.4 Review and Approval of Plans.

11.1.4.1 Request for Expedited Review. Tenant may request an expedited review of a Tenant Improvement Request (which Landlord may grant or deny in its sole discretion). Concurrently with the submittal of the request, Tenant shall provide Landlord a copy of the conceptual plan of the proposed New Improvement and evidence that all related permits required by the City of Burbank have been obtained. If Landlord grants the request for expedited review, Tenant shall pay Landlord, due upon invoice, an administrative fee in the amount equal to 5% of the total estimated cost of all New Improvements, not exceeding \$2,000, for reviewing Tenant's plans. This administrative fee is not a guarantee for approval of the conceptual plan, and will not be refunded in the event of plan disapproval.

11.1.4.2 Construction Plan Approval. Notwithstanding Landlord's approval of the conceptual plan, all construction plans and specifications shall be subject to Landlord's approval and, when required, shall be prepared, stamped, and signed by a California licensed architect or engineer. Engineers shall be licensed for the particular discipline required.

11.1.4.3 Material Plan Change. All changes to plans and specifications previously approved by Landlord which are required by the City of Burbank to be submitted to the City for plan check or review in accordance with the City's building codes ("Material Plan Change") shall also be concurrently submitted to Landlord for approval. Upon Landlord's approval, Landlord shall issue promptly a certificate of approval for each Material Plan Change.

11.1.5 Conditions of Approval. Landlord may impose, as a condition of its approval of any New Improvements, such reasonable requirements as to the design, construction, installation, making or removal of the New Improvements, as Landlord determines, in the exercise of its reasonable judgment, including requirements as to the following: (i) the experience, qualifications, financial condition, and other factors relating to the contractor; (ii) the time for the commencement and completion of the construction or installation of the New Improvements; (iii) the type or quality of materials used in the construction or installation of the New Improvements; (iv) the means or methods used in the construction or installation of the New Improvements; (v)

the design and the drawings, plans and specifications for the New Improvements; and (vi) security for the payment and performance of the construction and installation of the New Improvements, which may include payment and performance bonds or letters of credit.

11.1.6 Entitlements and Permits. No New Improvements shall be constructed until Tenant shall have procured and paid for all entitlements, permits, licenses, approvals and authorizations relating to such New Improvements required by all laws and government agencies.

11.1.7 Additional Requirements. Prior to the commencement of any New Improvements, Tenant shall:

(i) Provide Landlord with a copy of the construction contract, construction schedule, trade payment breakdown, and list of subcontractors and suppliers for Landlord's prior written approval.

(ii) Furnish to Landlord a copy of all building permits.

(iii) Provide Landlord with five business days' written notice prior to commencing any work.

(iv) Require the general contractor to carry a comprehensive liability insurance policy, on a "per-occurrence basis", in the respective amounts required by Landlord (to be determined based on the nature of proposed New Improvement) to cover: (A) bodily injury, (B) death or injury to any one person, (C) the death or injury to multiple persons, and (C) property damage.

11.1.8 Performance Bond and Payment Bond. Prior to commencement of any New Improvements by Tenant, at Landlord's request, Tenant shall furnish, at Tenant's sole expense, a performance bond and a payment bond issued by a surety company licensed to transact business in the State of California and approved by Landlord, in a form approved by Landlord. The payable amount shall not be less than 100% of the total cost of the contract or contracts for the New Improvements, including construction, alteration, refurbishment, or repair of the Leased Premises. The required payment bond shall guarantee the prompt payment to all persons supplying labor, materials, provisions, supplies and equipment used directly or indirectly by any contractor or subcontractor(s) and suppliers engaged in any New Improvements. The performance bond shall guarantee the full construction of the New Improvements.

11.1.9 Performance of Work.

11.1.9.1 Diligence. All work done in connection with any New Improvements shall be done at Tenant's sole expense and with reasonable diligence, in a good and workmanlike manner, and in compliance with all applicable laws.

11.1.9.2 Landlord's Right to Inspect and Request Removal. Landlord shall have the right to inspect and reject any work not done in accordance with the approved plans and specifications, including any changes permitted under Section 11.1.4, and Tenant shall immediately repair or remove such work in accordance with this Section.

11.1.9.3 Approval Required for Airfield Adjacent Work. Any work in areas adjacent to active portions of the airfield, such as taxiways and runways, shall be scheduled and performed in a manner designed to avoid interference with aircraft operations. In the event that it becomes necessary to close or temporarily alter any part of the active areas of the airfield to accommodate any work by Tenant or its contractors, Tenant shall not perform such work without submitting a detailed work plan and schedule to Landlord, which Landlord shall have the right to approve, modify or disapprove in Landlord's sole discretion.

11.1.10 Payment for Work Performed.

11.1.10.1 Payment. Tenant shall pay, when due, all claims for labor, materials, equipment, supplies and services furnished or alleged to have been furnished to or for Tenant at or for use in the Leased Premises or any other areas of the Airport, including in connection with the construction, installation or making of any Improvements, which claims are or may be secured by any stop notice rights or by any lien against the Leased Premises or other areas of the Airport or any interest therein.

11.1.10.2 Tenant's Right to Contest. Tenant shall have the right to contest the validity, applicability or amount of any such claims so long as Tenant establishes an adequate reserve for the disputed amount. If the claimant asserts any stop notice rights or lien against Landlord, the Leased Premises, the Improvements, or other areas of the Airport or any interest therein, Tenant, at Tenant's expense, within 10 days after any such stop notice or lien is asserted, shall provide and record a statutory bond sufficient to release any such stop notice or lien. Landlord shall have the right to post such notices of non-responsibility as are provided for in the mechanics' lien laws of California.

11.1.11 As Built Plans; Statement of Cost.

11.1.11.1 As Built Plans. Within 60 days following the completion of any New Improvements, Tenant shall furnish to Landlord a set of "as built" plans and specifications.

11.1.11.2 Statement of Costs. If the New Improvements are eligible to be Eligible New Improvements, within 120 days following the completion of the New Improvements, Tenant shall furnish to Landlord a statement ("Statement of Costs") certified as accurate by Tenant of the actual direct out-of-pocket cost and proof of paid invoices of the New Improvements, which may include architectural and engineering fees, permit fees, capitalized construction period interest and loan fees, and other "soft costs" reasonably approved by Landlord, together with any reasonable supporting documentation required by Landlord to verify such cost. Failure to furnish the Statement of Costs within 120 days after completion shall constitute Tenant's irrevocable waiver of any future right to receive payment of the Unamortized Cost of Eligible New Improvements for such New Improvements and Landlord shall have no obligation or liability to make any payment to Tenant under Section 3.3.2. Tenant shall not include in the cost of New

Improvements any cost paid or reimbursed from the proceeds of insurance, condemnation awards or damages recovered from any party, or any settlement related thereto.

11.2 Landlord Assumption of Approved New Improvements. If a Default Event by Tenant occurs before completion of work for a New Improvement, Landlord shall have the right to assume the work and to continue the contracts of Tenant with its contractors and suppliers. A provision substantially similar to the following shall be included in all contracts between Tenant and its contractors and suppliers in order to comply with this Section:

“The Burbank-Glendale-Pasadena Airport Authority (Authority) shall have the right (but not the obligation) to assume Tenant’s project under the terms of its Lease with Tenant, to continue this contract between Tenant and contractor or supplier, upon assuming in writing all the liabilities of Tenant under this contract between Tenant and contractor or supplier; and the Authority shall receive all the rights, title, interests and remedies that Tenant has under the terms of this contract between Tenant and contractor or supplier. The Authority shall have the right to demand and collect (including a suit for damages and cost of litigation and reasonable attorney fees) from Tenant all costs incurred by the Authority in assuming the obligations of Tenant.”

11.3 No Liability of Landlord. Landlord shall not be liable for any damage, loss, or prejudice suffered or claimed by any Tenant Party or any other person or entity on account of: (i) the approval or disapproval of any plans, contracts, bonds, contractors, sureties or other matters; (ii) the construction (or, if applicable, demolition except to the extent that such demolition was wrongfully performed by a Landlord Party) of any New Improvements or performance of any work, whether or not pursuant to approved plans; (iii) the improvement of or alteration or modification to any portion of the Leased Premises (except to the extent performed by Landlord); or (iv) the enforcement or failure to enforce any of the covenants, conditions and restrictions contained in this Lease. Landlord’s approval of Tenant’s plans, or requirement that Tenant modify Tenant’s plans, shall not be deemed Landlord’s express or implicit covenant or warranty that such plans are safe or comply with any or all laws.

11.4 Removal or Alteration of Completed New Improvements. Once a New Improvement is completed, any later removal or alteration of such New Improvement shall be subject to Landlord’s Approval pursuant to this Section 11; except that a removal at the expiration or earlier termination of this Lease shall be governed by Section 19.

12. INSURANCE.

12.1 Obligation to Maintain Insurance.

12.1.1 Tenant Obligation to Maintain. At its sole expense, Tenant shall maintain in effect the insurance coverage and limits of liability as provided in this Section (“Required Insurance”). If Tenant fails to maintain any of the Required Insurance, Landlord shall have the right, but not the obligation, to obtain some or all of the Required Insurance at Tenant’s expense.

12.1.2 Landlord Election to Maintain. At Landlord's election, exercised by delivery of notice to Tenant, Landlord shall have the right to maintain some or all of the Required Insurance, provided that: (i) Landlord reserves the same right in all new or renewal leases for hangar tenants at the Airport; and (ii) Landlord's reimbursement from Tenant for such insurance does not exceed the cost of such insurance allocable to Tenant and the Leased Premises (relative to all the other applicable tenants).

12.1.3 Tenant Obligation to Reimburse. In the event Landlord elects to maintain some or all of the Required Insurance, Tenant shall pay to Landlord, as Additional Rent, Tenant's Share of the premiums for all Required Insurance maintained by Landlord within 10 days following the delivery to Tenant of each written statement setting forth the amount of such premiums and the applicable premium period.

12.2 Liability and Workers' Compensation Coverage. Tenant shall maintain in effect insurance protecting Tenant and, except with respect to workers' compensation coverage, each Landlord Party and against claims arising out of, resulting from or relating to the use or occupancy of the Leased Premises or the conduct of Tenant's business upon the Leased Premises, as follows:

12.2.1 General Liability Insurance. General liability insurance covering airport premises and operations liability, ground hangarkeeper's liability, personal injury liability, contractual liability, and products and completed operations liability, all written on an occurrence basis in an amount not less than \$25,000,000 per occurrence for bodily injury and property damage each occurrence, and, with respect to products and completed operations liability, in the annual aggregate, and, with respect to personal injury, not less than \$25,000,000 each occurrence and in the annual aggregate.

12.2.2 Aircraft Liability Insurance. Aircraft liability insurance with standard war risk writeback (and without terrorism exclusion) covering all owned, non-owned and hired aircraft, written on an occurrence basis in an amount not less than \$25,000,000 combined single limit for each occurrence for bodily injury, death (including passengers) and property damage.

12.2.3 Automobile Liability Insurance. Automobile liability insurance covering all owned vehicles, and all non-owned and hired vehicles, written on an occurrence basis in an amount not less than \$2,000,000 combined single limit for each occurrence for bodily injury, death and property damage. This requirement may be satisfied as part of the general liability insurance coverage under Section 12.2.1.

12.2.4 Workers' Compensation Insurance. Workers' compensation insurance written in accordance with California statutory limits.

12.2.5 Employer's Liability Insurance. Employer's liability insurance in amounts not less than the following:

- (i) Bodily injury by accident - \$2,000,000 - each accident

- (ii) Bodily injury by disease - \$2,000,000 - policy limit
- (iii) Bodily injury by disease - \$2,000,000 - each employee

12.3 Property Insurance. Tenant shall maintain in effect insurance protecting Tenant and Landlord, as their respective interests may appear, from and against claims arising out of damage or destruction to property as follows:

12.3.1 Fixtures and Equipment. All risk of direct physical loss or damage property insurance included within the classification "All Risk Property (Special Form)" covering: (i) all Former Lease Improvements and New Improvements made by Tenant; (ii) any fixtures and equipment and other personal property located in or on the Leased Premises in an amount not less than 100% of their replacement value; and (iii) all plate glass located in or on the Leased Premises. Except as provided in Section 14, the proceeds of such insurance shall be used to repair or replace the insured property and Landlord shall be named as a loss payee with respect to all Former Lease Improvements and New Improvements made by Tenant.

12.3.2 Aircraft Hull Insurance. Tenant shall, at all times and at its sole expense, maintain in effect Aircraft Hull Insurance (such coverage to include both ground and flight coverage and war risks and allied perils) in such limits as to cover the value of the aircraft hull for all aircraft operated by or on behalf of Tenant and any Tenant Party in its capacity as such. Tenant shall obtain from Tenant's insurers a written waiver of subrogation in favor of the Landlord Parties for any damage to the hulls of such aircraft whatsoever.

12.4 Business Interruption Coverage. Tenant shall maintain in effect business interruption insurance, insuring against damage or economic loss caused by any interruption of Tenant's business or operations at the Leased Premises due to an insured peril, in an amount at least equal to the then current Annual Rent.

12.5 Adjustment of Required Insurance. Tenant acknowledges that the types and amounts of Required Insurance may become inadequate. Tenant shall add such insurance or coverage and increase such minimum limits of liability by such amounts as may be required at any time by Landlord, if Landlord shall adopt a resolution or other written policy requiring such additional insurance coverage or limits of liability from all hangar and fixed base operator tenants at the Airport.

12.6 Policy Requirements.

12.6.1 Insurer Qualifications. Each policy of Required Insurance shall be obtained from an insurance company, or pool of multiple insurance companies, each authorized to conduct business in California and having a rating of not less than A-X in A.M. Best's Insurance Guide or otherwise acceptable to Landlord.

12.6.2 Blanket Policies. Policies of Required Insurance may be blanket policies covering multiple Tenant Parties or multiple properties owned or leased by a Tenant Party.

12.6.3 Insurance Certificates. No later than the Commencement Date and upon Landlord's request, Tenant shall deliver to Landlord certificates of insurance issued by the insurance companies evidencing that all Required Insurance has been obtained and is being maintained by Tenant, together with copies of endorsements, showing that the Required Insurance includes the following provisions:

(i) With respect to the general liability, automobile liability, aircraft liability and employer's liability insurance, naming (a) Tenant Parties as named insureds, and (b) except for employer's liability insurance, Landlord Parties as additional insureds.

(ii) Requiring the insurers to give to Landlord at least 30 days' prior written notice (or such lesser period as is customary as respects war risks writebacks) of the cancellation or non-renewal of some or all of the Required Insurance.

(iii) With respect to the general liability and aircraft liability insurance, an ACORD insurance certificate, or commercially standard certificate of insurance, shall be provided, together with copies of all endorsements.

(iv) With respect to each of general liability insurance, aircraft liability insurance and automobile liability insurance, severability of interest clause, so that the insurance coverage applies as though a separate policy were issued to each insured party.

(v) With respect to all Required Insurance, the insurer's waiver of set-off or counterclaim in favor of Landlord Parties.

The failure of Tenant to provide such certificates of insurance and endorsements or, if a notice of cancellation or non-renewal of any Required Insurance has been delivered to Tenant, the failure of Tenant to replace the Required Insurance which is the subject matter of such notice of cancellation or non-renewal prior to the effectiveness of such cancellation or non-renewal, shall in either case constitute a Default Event.

12.6.4 Primary Insurance. All Required Insurance shall be primary insurance without right of contribution of any other insurance carried by or on behalf of any Landlord Party and all policies shall be endorsed to this effect.

12.6.5 No Landlord Party Contribution. In no event shall any Landlord Party be responsible or liable for the payment of any premiums for the insurance required to be obtained and maintained by Tenant pursuant to this Section.

12.6.6 Deductibles. Tenant shall be responsible for paying all deductibles or self-insured retentions for each policy of Required Insurance. If the Lease Guaranty is no longer in effect or the Lease Guarantor is in default thereunder, deductibles or self-insurance retentions for each policy of Required Insurance shall not exceed \$25,000. Tenant's failure or inability to pay any deductibles or self-insured retentions shall not excuse Tenant of its obligations under this Lease.

12.7 No Limitation of Liability. The limits of liability provided in the Required Insurance shall in no event be considered as limiting the liability of Tenant under this Lease.

12.8 Waivers of Subrogation Rights. All policies of Required Insurance shall include, or be endorsed to provide, a waiver by the insurers of any rights of subrogation that the insurers may have at any time against any Landlord Party.

12.9 Independent Contractor Insurance Policies. For any independent contractor Tenant retains to work at or around the Leased Premises, Tenant shall require such independent contractor to add Landlord as an additional insured on the independent contractor's general liability insurance in connection with such work.

13. INDEMNIFICATION; EXCULPATION.

13.1 Indemnification.

13.1.1 Obligation to Defend and Hold Harmless. Tenant shall defend, indemnify, and hold harmless each Landlord Party from and against any and all Claims arising out of, resulting from, or relating to the following (except for any Claim that arises out of, results from, or relates to the gross negligence, willful misconduct, or material breach of this Lease by Landlord):

(i) The breach of this Lease by, or any negligent act or omission or willful misconduct of, any Tenant Party with respect to: (a) the use or occupancy of the Leased Premises, the Common Use Facilities, or any other areas of the Airport; (b) the conduct of Tenant's business; (c) Improvements made by Tenant, including any related failure to comply with the Prevailing Wage Law; or (d) any other matter relating to this Lease or the subject matter of this Lease.

(ii) Any Tenant Party violation of the Security Requirements, any other applicable laws relating to Airport security, or security-related guidelines, policies or procedures of the FAA or Landlord.

(iii) New Improvements constructed, installed or made to the Leased Premises by Tenant (regardless whether the Claim pertains to Landlord's review of plans and specifications relating thereto).

(iv) Payments (including charges, fees, taxes, assessments, penalties) owed by any Tenant Party to any government entity (other than Landlord), utility provider, vendor or other third party, including direct or indirect result of any contest of such payments.

(v) Any sublease of all or a portion of the Leased Premises (regardless of Landlord's consent to the sublease).

(vi) Breach of the Former Lease by, or any negligent act or omission or willful misconduct of, any Tenant Party under the Former Lease.

13.1.2 Notice of Claim. Tenant and Landlord shall promptly provide notice to each other of any Claims. Within seven days of receiving Landlord's notice, Tenant shall respond to Landlord in writing regarding Tenant's plan of action in response to such Claim.

13.1.3 No Settlement Without Consent. Tenant shall not settle, compromise any Claim, or admit liability or fault on the part of a Landlord Party without first obtaining such Landlord Party's written consent.

13.1.4 No Effect by Insurance. Maintaining the insurance required under this Lease shall not affect Tenant's indemnity obligations.

13.1.5 Survival. The indemnity obligations set forth in this Lease shall apply for the entire time that any third party can make a Claim against any Landlord Party and shall survive the expiration or termination of this Lease.

13.2 Exculpation of Landlord from Liability. Tenant, on behalf of itself and the Tenant Parties, waives any and all Claims against the Landlord Parties, and the Landlord Parties shall not be liable, for any injury or death to persons or any damage or loss to any property in, on or about the Leased Premises, arising out of, resulting from or relating to any cause whatsoever except to the extent the Claim arises from the gross negligence, willful misconduct, or material breach of this Lease by Landlord. Tenant waives its rights, if any, under California Civil Code Section 1542 which provides:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

Tenant Initials: M.S. / AD

14. DAMAGE AND DESTRUCTION.

14.1 Insured Damage. Subject to Section 14.5, in the event all or any part of the Leased Premises or any New Improvements are destroyed or damaged and (i) the estimated cost of repair of such destruction or damage does not exceed an amount equal to 100% of the insurance proceeds (after payment of any deductible or self-insured retention) payable on account of the destruction or damage pursuant to the terms of applicable insurance policies carried either by Landlord or Tenant, and (ii) such repair can, in Landlord's reasonable opinion, be made within one year after the occurrence of such destruction or damage, the following shall apply:

14.1.1 Prompt Repair. Tenant shall promptly repair such destruction or damage using insurance proceeds available for such restoration pursuant to Section 12.3.1 and Tenant shall pay any deficiency in restoration costs in excess of available insurance proceeds. Landlord shall use proceeds from insurance maintained by it pursuant to Section 4.3.2 to make repairs in accordance with its obligations under Section 10.4.

14.1.2 Abatement. This Lease shall continue in full force and effect; provided, to the extent that the damage or destruction was not caused by Tenant's negligence or misconduct, the Annual Base Rent and other charges payable as Rent under this Lease shall be abated on a pro rata basis for any portion of the Leased Premises that is rendered unusable by Tenant until the date that the repairs are completed and such portion of the Leased Premises is

usable by Tenant.

14.2 Long Term or Uninsured or Underinsured Damage. Subject to Section 14.3, in the event (i) all or any part of the Leased Premises or any New Improvements are destroyed or damaged and the repair cannot, in Landlord's reasonable opinion, be made within one year after the occurrence of such damage, or (ii) the estimated cost of repair of damage exceeds an amount equal to 100% of the insurance proceeds (after payment of any deductible or self-insured retention) payable on account of the damage pursuant to the terms of applicable insurance policies carried either by Landlord or Tenant, the following shall apply:

14.2.1 Right to Terminate. Subject to Section 14.2.2, Landlord and Tenant shall each have the right to elect to terminate this Lease effective as of the date of such destruction or damage by delivering to the other party written notice of the election within 30 days following the occurrence of such destruction or damage.

14.2.2 Landlord's Option to Repair. Upon the occurrence of any destruction or damage described in clause (ii) of the first sentence of Section 14.2 and Tenant's delivery of notice of Tenant's election to terminate, Landlord shall have the right, but not the obligation, to notify Tenant within 30 days of Tenant's notice, of Landlord's election to pay the cost to repair such destruction or damage to the extent that the amount of such cost exceeds 100% of the insurance proceeds (after payment of any deductible or self-insured retention) payable on account of such damage under the terms of the applicable insurance policy or policies, and in such case:

14.2.2.1 Continuation of Lease; Abatement. Subject to Section 4.6.1, this Lease shall continue in full force and effect; provided, to the extent that the damage or destruction was not caused by Tenant's negligence or misconduct, that Annual Base Rent and other charges payable as rent under this Lease for any portion of the Leased Premises that is rendered unusable by Tenant shall be abated on a pro rata basis until the date that the repairs are completed and such portion of the Leased Premises is usable by Tenant.

14.2.2.2 Landlord's Repair. Landlord shall repair promptly such damage using the sum of the insurance proceeds available either to Tenant or Landlord and Landlord's funds.

14.2.3 Termination in Absence of Election to Repair. In the event of Tenant's delivery of notice pursuant to Section 14.2.1 and Landlord does not elect to pay the excess costs as provided in Section 14.2.2, this Lease shall terminate and all insurance proceeds payable on account of damage to Eligible New Improvements shall be paid to Tenant up to but not exceeding the amount payable to Tenant pursuant to Section 3.3 following an early termination of this Lease. The balance of the insurance proceeds payable on account of damage to the Leased Premises shall be paid to Landlord. For clarification, insurance proceeds payable on account of damages payable to Tenant's personal property and equipment shall be paid to Tenant.

14.3 Damage Near End of Term. In the event all or any part of the Leased Premises are destroyed or damaged within 12 months of the Expiration Date, Tenant may, at its option, cancel and terminate this Lease by giving written notice to Landlord of its election to do

so within 30 days after the date of occurrence of such damage, in which event all insurance proceeds payable with respect to the Leased Premises shall be paid to Tenant in an amount equal to the Unamortized Cost of Eligible New Improvements calculated as of the date of destruction or damage, and the balance, if any, shall be paid to Landlord. In the event Tenant does not so elect to terminate this Lease, the repair of such damage shall be governed by Section 14.1 or Section 14.2, as the case may be.

14.4 Costs of Restoration or Repair; Use of Insurance Proceeds.

14.4.1 Repair Cost Estimates. The good faith determination by Landlord of the estimated cost of repair of any damage, based upon bona fide estimates received from at least three reputable general contractors, shall be conclusive for the purposes of this Section 14.

14.4.2 Insurance Proceeds. Regardless whether this Lease terminates or continues under Section 14.2 or, if applicable, Section 14.3, Tenant shall pay to Landlord all proceeds from the casualty insurance required to be carried by Tenant pursuant to Section 12.3.1 above except: (i) proceeds of casualty insurance for Tenant's personal property, plate glass, and (ii) Tenant's actual cost of reconstructing Improvements or fixtures.

14.5 Waiver by Tenant. Tenant waives the provisions of Civil Code Sections 1932, 1933, and 1941 through 1942, inclusive, and of any other law now or subsequently in effect that is contrary to the obligations of Tenant under this Section 14, or that relieves Tenant from such obligations or that places upon Landlord obligations to repair or restore the Leased Premises. Under no circumstances shall Landlord have any obligation to repair or replace any damaged or destroyed portion of the Leased Premises, except as expressly provided in this Lease.

15. ASSIGNMENT AND ENCUMBRANCES; SUBLET.

15.1 Assignment or Encumbrance Prohibited.

15.1.1 Generally. Tenant shall not voluntarily or by operation of law assign, transfer, or mortgage, hypothecate, grant a security interest in, or otherwise encumber all or any part of Tenant's rights or interest in or to this Lease, the Leased Premises, or any New Improvements without Landlord's prior written consent. Any attempted assignment, transfer, mortgage, hypothecation, grant of a security interest in, or other encumbrance in violation of this Section shall be void.

15.1.2 Change of Tenant Ownership. Without limiting the foregoing, the following shall be deemed to be a prohibited assignment, transfer, mortgage, hypothecation, grant of a security interest, or other encumbrance under this Section in the absence of Landlord's prior written consent:

(i) If Tenant is a corporation, any assignment, transfer, mortgage, hypothecation, grant of a security interest, or other encumbrance or other event that results, or upon foreclosure would result, in the reduction of the interest of the present shareholders of record to less than a majority of any class of voting stock of Tenant.

(ii) If Tenant is a partnership or limited liability company, any assignment, transfer, mortgage, hypothecation, grant of a security interest, or other encumbrance of a partnership or membership interest or interests or other event that results, or upon foreclosure would result, in the present general partner(s) or members being removed or replaced or, if the general partner(s) of the partnership or member(s) of the limited liability company is or are a corporation or other entity, or that results, or upon foreclosure would result, in the reduction of the interest of the present shareholders or other owners of record of the corporate or other entity general partner to less than a majority of any class of voting stock or member rights of such corporation or other entity.

(iii) If Tenant is a corporation, partnership, limited liability company, trust or other entity, any change in the direct or indirect ownership control, which control has the power to direct or cause the direction of the management and policies of such business or entity.

For clarification, the foregoing provisions of this Section 15.1.2 do not apply to: (a) the sale and purchase of publicly traded stocks on an open securities market, or (b) the change of ownership interest in Tenant as a part of corporate restructuring, the result of which is that Tenant ultimately remains under the control of the same corporate parent or of the Lease Guarantor.

15.2 Sublet; License to Occupy.

15.2.1 Void If Done in Violation. Any attempted sublet or grant of license to occupy in violation of this Section shall be void.

15.2.2 No Grant of License to Occupy. Tenant shall have no right to grant any third party a license to occupy any portion of the Leased Premises.

15.2.3 Sublet. Any sublet by Tenant shall be subject to all of the following:

(i) Tenant shall have given Landlord a copy of the draft sublease at least 30 days before the proposed effective date and shall have received Landlord's written consent (granted at Landlord's sole discretion) before the sublease taking effect.

(ii) The sublease shall provide that subtenant may not take any action or inaction which, if done by Tenant, would constitute a violation under this Lease.

(iii) Upon receipt of Landlord's notice regarding subtenant's violation of the Security Requirements, the Noise Abatement Rules, or any other requirements pursuant to this Lease, Tenant shall take prompt enforcement actions under the sublease. Upon the subtenant's repeated or prolonged violations, at Landlord's request, Tenant shall institute appropriate legal proceedings to terminate the sublease and to evict the subtenant from the Leased Premises.

(iv) Landlord shall be a third-party beneficiary of the sublease. If Tenant does not take prompt enforcement action pursuant to Section 15.2.3(iii), Landlord shall have right to enforce against the subtenant for the sublease violation. Any Landlord enforcement against the subtenant shall not diminish Landlord's right to remedies against Tenant pursuant to this Lease.

(v) The sublease shall: (A) require the subtenant that owns, leases, stores, or maintains aircraft to obtain and maintain aircraft premises liability and physical damage and liability insurance meeting coverage and other requirements established by Tenant and reasonably approved by Landlord, (B) require all Landlord Parties and Tenant to be included as additional insureds under all liability policies required to be maintained by the subtenant; (C) require subtenant to waive any claims against each Landlord Party as a result of any loss or damage to aircraft owned, leased, stored, or maintained by the subtenant; and (D) require the subtenant to obtain from each insurer of each aircraft owned, leased, stored, or maintained by the subtenant a waiver of such insurer's rights of subrogation as to claims or causes of action against all Landlord Parties.

16. EMINENT DOMAIN.

16.1 Entire or Substantial Taking. Subject to Section 16.6, this Lease shall terminate upon a condemnation of either: (i) the entire Leased Premises, or (ii) such portion of the Leased Premises that the balance is not reasonably adequate for the Permitted Uses, as determined by Tenant's reasonable judgment. The termination shall take effect automatically as of the date that title to the condemned portion of Leased Premises vests in the condemnor.

16.2 Partial Taking. For any taking under the power of eminent domain that does not result in a termination of this Lease pursuant to Section 16.1, Annual Base Rent shall be reduced (effective as of the earlier of: (i) the date on which the condemnor obtains a right of possession of any portion of the Leased Premises or (ii) the date on which title vests with the condemnor) to an amount equal to the then current Annual Base Rent multiplied by a fraction, the numerator of which is the square footage of the Leased Premises remaining after such condemnation and the denominator of which is the total square footage of the Leased Premises immediately before the condemnation. Tenant, at Tenant's expense with respect to New Improvements and, Landlord, at Landlord's expense with respect to the balance of the Leased Premises, shall promptly restore the remaining portion of the Leased Premises to the condition existing immediately prior to such condemnation to the extent reasonably possible, and this Lease shall continue in full force and effect as to such remaining portion; provided, however, if the taking occurs during the last year of the term of this Lease, at Tenant's option, exercised by written notice to Landlord, Tenant shall have the right to terminate this Lease.

16.3 Awards. Except as provided below, any award or settlement proceeds for a taking under the power of eminent domain of all or any part of the Leased Premises shall be the property of Landlord, whether such award or payment is made as compensation for diminution in value of the leasehold or for the taking of the fee. Any award or settlement proceeds for any taking of all or any part of the New Improvements shall be the property of Tenant, up to but not exceeding the Unamortized Cost of Eligible New Improvements that would be payable to Tenant pursuant to Section 3.3 if Landlord had exercised its right to terminate the Lease as to all or the same part of the Leased Premises that was taken by eminent domain. Nothing in this Lease, however, shall be deemed to preclude Tenant from obtaining, or to give Landlord any interest in, any award to Tenant for loss of or damage to Tenant's possessory interest in the Leased Premises, trade fixtures and removable personal property or damages for cessation or interruption of Tenant's business or operations at the Airport; provided, however, that in determining the value of Tenant's business or operations, all goodwill attributable to the location of Tenant's business or operations at the Airport

shall belong to Landlord and any allocation of an award to Tenant representing compensation for diminution in the value of Tenant's business shall be based solely upon its historical operating results and any balance shall be paid to Landlord.

16.4 Sale Under Threat of Condemnation. A sale by Landlord to any government entity having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, shall be deemed a taking under the power of eminent domain for all purposes of this Section.

16.5 Condemnation by Landlord. Nothing in this Lease shall impair, limit or otherwise affect Landlord's power of eminent domain, its exercise of such power, or its obligation to pay just compensation, should Landlord exercise its power of eminent domain with respect to the Leased Premises or New Improvements.

16.6 Landlord's Exercise of Right Not a Taking. The termination of this Lease as to all or a portion of the Leased Premises by Landlord pursuant to any right of Landlord to do so set forth in this Lease, including under Section 3.3.1 (early termination) or after an uncured Default Event under Section 18, shall not be a taking under this Section 16.

17. SUBORDINATION.

17.1 Subordination. This Lease is subject and subordinate to all mortgages, deeds of trust, bond indentures, liens, encumbrances and other security interests now or subsequently affecting Landlord's interest in the Leased Premises or the Airport, and to all renewals, modifications, replacements, consolidations and extensions thereof ("Senior Lien" and the holder thereof being a "Senior Lienholder"). Tenant shall execute and deliver to Landlord or any other party requiring confirmation of such subordination, within 10 business days following receipt of a request, any and all documents which may be required to confirm such subordination; provided that, in connection with Landlord's grant of security interest or encumbrance affecting Landlord's interest in the Leased Premises related to a borrowing from a private lender after the Commencement Date, Tenant's subordination shall not take effect until Tenant receives a non-disturbance agreement duly executed by such Senior Lienholder in the form reasonably acceptable to Tenant. Tenant further agrees that this Lease shall be amended, altered or modified in accordance with the reasonable requirements of a Senior Lienholder, so long as such amendment, alteration or modification does not materially alter the rights or duties or increase the obligations or liabilities of Tenant under this Lease, and that Tenant's written consent to any such amendment, alteration or modification shall not be unreasonably withheld or delayed. Tenant shall give prompt written notice to each Senior Lienholder, of which Tenant has written notice, of any default of Landlord, and Tenant shall allow such Senior Lienholder a reasonable length of time (in any event, not less than 30 days from the date of such notice) in which to cure such default.

17.2 Attornment. In the event that any Senior Lien is foreclosed, Tenant, with and at the election of the purchaser or, if there is no purchaser, with and at the election of the holder of the fee title to the Leased Premises, shall: (i) enter into a new lease covering the Leased Premises for the remainder of the term of this Lease, on the same provisions; or (ii) attorn to the purchaser (or fee holder) and recognize the purchaser (or fee holder) as Landlord under this Lease, provided

such purchaser (or fee holder) agrees to assume in writing all obligations of Landlord under this Lease.

18. DEFAULTS AND REMEDIES.

18.1 Default Events. After the expiration of any applicable cure period, each of the following shall constitute a "Default Event" under this Lease:

18.1.1 Insolvency and Creditor Protection. (i) The commencement by Tenant of a voluntary case under any federal or state bankruptcy, insolvency or similar laws; (ii) involuntary appointment of a receiver, trustee or liquidator to take possession of the Leased Premises, New Improvements or all or substantially all of the assets of Tenant when such appointment is not terminated or vacated and possession of the Leased Premises is not restored to Tenant within 60 days; (iii) a general assignment by Tenant for the benefit or protection of creditors; (iv) Tenant's written admission of its inability to pay its debts as they become due; or (v) any action taken against or suffered by Tenant under any statute relating to insolvency, bankruptcy, reorganization, arrangement, composition, liquidation, dissolution or other relief for debtors; unless, in the case of an involuntary petition filed to have Tenant adjudged a bankrupt or for reorganization or arrangement, the petition is dismissed within 60 days.

18.1.2 Attachment, Execution or Other Levy. Any attachment, execution, distraint, judicial seizure, or other process of law pursuant to which Tenant's interest or estate in the Leased Premises, the New Improvements or this Lease may be taken, occupied or used by anyone other than Tenant, when such attachment, execution, distraint, judicial seizure or other process of law shall not be released, dismissed or stayed within 60 days.

18.1.3 Assignment, Transfer, Sublease or Encumbrance. A purported assignment, sublease, transfer, mortgage, grant of security interest, hypothecation or other encumbrance of Tenant's interest or estate in the Leased Premises, the New Improvements or this Lease in violation of Section 15 or any other provision of this Lease.

18.1.4 Vacation or Abandonment. The vacation or abandonment of the Leased Premises by Tenant.

18.1.5 Non-Compliance by Subtenants. The failure by Tenant to institute and to prosecute diligently to completion appropriate legal proceedings to terminate a subtenant's sublease and to evict the subtenant from the Leased Premises as provided in Section 15.2.3(iii).

18.1.6 Violation of Security Requirements. The failure by Tenant to cure a violation of the Security Requirements within the 30 days of Landlord's notice (or such shorter period specified in Landlord's notice given under Section 9.10.5).

18.1.7 Failure to Pay. The failure by Tenant to pay any amount, where such failure to pay continues for 10 days following Tenant's receipt of Landlord's notice that the payment is past due.

18.1.8 Failure to Maintain Insurance. (i) Failure to obtain the Required Insurance, or any cancellation or lapse of insurance policies providing Required Insurance to be

provided by Tenant pursuant to Section 12 (except with respect to any insurance maintained by Landlord pursuant to Landlord's election under Section 12.1.2), or (ii) failure to pay within 10 days after Landlord's delivery of the statement under Section 12.1.3 (pertaining to insurance premium paid by Landlord), or (iii) any other failure by Tenant to comply with the provisions of Section 12, where such other failure to comply continues for 10 days following Tenant's receipt of written notice from Landlord regarding such violation.

18.1.9 Failure to Maintain Security Deposit. If no Lease Guaranty is then in effect, failure to deliver or restore the Security Deposit pursuant to Section 23, or failure to deliver a renewed or replacement letter of credit within 30 days after receipt of Landlord's demand provided under Section 23.5

18.1.10 Other Defaults; Failure to Cure. The default, breach or non-performance of any covenant or provision of this Lease not otherwise described above, where Tenant fails to cure such default, breach or non-performance within 30 days after the delivery to Tenant of written notice of such default, breach or non-performance; provided that in the event of a curable default (as determined by Landlord) and Tenant has commenced to diligently cure the default within such 30-days, then Landlord may, in writing, extend such cure period to a duration determined by Landlord.

18.2 Remedies. Upon the occurrence of any Default Event, Landlord, at its option and election, and without further demand or notice, shall have all of the following rights and remedies:

18.2.1 Termination of Lease. Landlord shall have the right to declare this Lease, including Tenant's leasehold estate, terminated. Upon such declaration:

18.2.1.1 Ownership of New Improvements. Tenant's ownership of the New Improvements shall end automatically and Landlord shall succeed to ownership of the New Improvements free and clear of any and all liens or encumbrances upon Tenant's leasehold estate, the Leased Premises or upon the New Improvements.

18.2.1.2 Landlord's Right to Re-enter. Landlord shall have the right to re-enter the Leased Premises and the New Improvements to remove and eject all persons, to take possession, and to use and enjoy the Leased Premises and the New Improvements. In addition, Landlord shall have all of the rights and remedies of a landlord provided in Civil Code Section 1951.2.

18.2.1.3 Landlord's Damages. In computing Landlord's damages pursuant to Civil Code Sections 1951.2(1) and (2), the "worth at the time of award" shall be computed by allowing interest at a rate of 10% per annum. The amount of damages that Landlord may recover in the event of such termination shall include the worth at the time of the award of the amount by which the unpaid amounts required to be paid by Tenant pursuant to Section 4, including Annual Base Rent, for the balance of the term after the time of award exceeds the amount of such losses that Tenant proves could be reasonably avoided, computed in accordance with Civil Code Section 1951.2(4)(b), plus reasonable attorneys' fees and leasing commissions.

18.2.2 Preservation of Termination Right. If Landlord exercises its right to reenter the Leased Premises and the New Improvements after a Default Event without having declared this Lease terminated, Landlord shall continue to have the right at any time thereafter to elect to terminate this Lease, as well as all of the rights and remedies in and to the Leased Premises and the New Improvements as provided in this Section.

18.2.3 Continuation of Lease Without Termination. In lieu of terminating this Lease, Landlord may also pursue any other remedy, including the remedy provided in Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject to reasonable limitations). In this regard, Landlord shall have the right to continue this Lease and enforce all rights and remedies, after Tenant has breached this Lease. In such event, this Lease shall continue in effect for so long as Landlord chooses not to terminate Tenant's right of possession and Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to collect and receive Annual Base Rent and any and all other amounts payable by Tenant to Landlord under this Lease as the same shall come due.

18.2.4 Collection of Subrents on Behalf of Tenant.

18.2.4.1 Grant of Right to Collect Subrents. Tenant grants to Landlord the right to collect, receive and apply on behalf of Tenant all rents, issues, profits, royalties, income and other monetary benefits derived by Tenant from the Leased Premises under any lease, license, franchise, concession or other agreement entered into by Tenant now existing or subsequently created and affecting all or any portion of the Leased Premises or the use or occupancy thereof (the "Subrents"), which right may be exercised by Landlord upon the occurrence of a Default Event and at any time thereafter during the continuance of the Default Event and prior to termination of this Lease.

18.2.4.2 Subrents Payment Notice. Upon Landlord's election to exercise such right, Landlord shall send to each subtenant, licensee, franchisee, concessionaire or other party from whom Subrents may be collected a notice, accompanied by a copy of this Section, to the effect that a Default Event has occurred and that such subtenant, licensee, franchisee, concessionaire or other party is directed to make all payments of Subrents to Landlord or as Landlord shall direct (the "Subrents Payment Notice").

18.2.4.3 Landlord Collection of Subrents. From and after giving the Subrents Payment Notice, Landlord, in the stead and on behalf of Tenant, shall collect and receive all Subrents and shall apply the Subrents toward the cure of the Default Event and, at Landlord's election, exercised in Landlord's sole discretion, toward the payment or discharge of any other obligation, performance of any duty of Tenant under this Lease or under any other agreement between Landlord and Tenant.

18.2.4.4 Release of Unused Subrents After Cure. If, through the application of the Subrents or otherwise, Tenant timely cures the Default Event, and provided that this Lease has not been terminated by Landlord, any and all unused Subrents held by Landlord shall be paid promptly to Tenant and Landlord shall send a notice to each subtenant, licensee, franchisee, concessionaire or other party rescinding the previous Subrents Payment Notice.

18.2.4.5 Application of Subrents After Termination. In the event that this Lease is terminated by Landlord, either as a result of or during the continuance of a Default Event, all Subrents held by Landlord shall be applied on behalf of Tenant by Landlord to pay any amounts owing to or damages incurred by Landlord under this Lease and, if no such amounts are owing or damages are known to exist or there are Subrents remaining after such application, the balance of the Subrents shall be paid to Tenant.

18.2.4.6 No Lien Created. All amounts collected, received and applied by Landlord pursuant this Section 18.2.4 prior to termination of this Lease shall be construed as and are agreed to be payments made by Landlord on behalf of Tenant and the parties do not intend, and expressly disclaim, that the provisions of this Section shall give or create in favor of Landlord any lien upon or security interest in or constitute a pledge of the Subrents for the performance of Tenant's obligations under this Lease.

18.3 Waiver of Claims. Tenant waives all claims and demands against Landlord for damages or loss arising out of or in connection with any lawful exercise by Landlord of any one or more of its rights and remedies under this Section.

18.4 Waiver of Rights of Redemption. In the event of the lawful exercise by Landlord of any one or more of its rights and remedies under Section 18.2, Tenant waives any and all rights of redemption or relief from forfeiture under Code of Civil Procedure Section 1174 or 1179, or granted by or under any present or future laws, and further releases Landlord, from any and all claims, demands and liabilities by reason of such lawful exercise by Landlord.

18.5 No Waiver by Landlord. Efforts by Landlord to mitigate the damages caused by Tenant's breach of this Lease shall not waive Landlord's right to recover damages under this Section 18.

18.6 Cumulative Remedies. The various rights, options, elections, powers and remedies reserved to Landlord shall be cumulative. Except as otherwise provided by law, Landlord may pursue any or all such rights and remedies, whether at the same time or otherwise, and no single right shall be deemed to be exclusive of any of the other or of any right or priority allowed by law or in equity. No delay or omission of Landlord to exercise any right or remedy shall be construed as a waiver of any such right or remedy or waiver of any Default Event. In addition to the foregoing, Landlord may exercise any other remedy now or subsequently available to a landlord against a defaulting tenant under the laws of the State of California.

18.7 Performance of Tenant's Covenants by Landlord.

18.7.1 Landlord Election to Perform (at Tenant's Cost). In the event that Tenant at any time fails to make any payment or perform any other act under this Lease, and such failure continues for the applicable cure period specified herein, or if no cure period is specified herein, for at least five business days after written notice thereof is delivered to Tenant (or immediately upon oral notice in case of an emergency) and Landlord determines that the continuation of such failure may negatively impact Landlord or Airport operation, Landlord shall have the right, at Tenant's cost, but not the obligation, immediately or at any time thereafter, without further notice or demand and without waiving any right or releasing Tenant from any

obligation to Landlord, to make such payment or perform such other act for the account of Tenant, to the extent Landlord may deem desirable. In connection therewith, Landlord may pay reasonable expenses and employ counsel in instituting, prosecuting or defending any action or proceeding under this Lease.

18.7.2 Tenant Obligation to Repay. All sums so paid by Landlord and all expenses incurred in connection with Section 18.7.1, together with interest thereon at the annual rate specified in Section 4.4 shall be deemed Additional Rent and shall be payable to Landlord on demand. In the event such additional amounts remain unpaid within 10 days following the delivery to Tenant of a written demand therefor, Landlord shall have the same rights and remedies as for the nonpayment of Rent.

18.8 Excuse of Performance by Landlord. Landlord shall be under no obligation to observe or perform any covenant of this Lease on its part to be observed or performed for the benefit of Tenant, which accrues after the date of any Default Event by Tenant, unless and until such Default Event is cured by Tenant or waived by Landlord.

18.9 Default by Landlord. Landlord shall not be deemed to be in default in the performance of any obligation unless and until it has failed to perform such obligation for 30 days following the delivery by Tenant to Landlord of written notice specifying the obligation Landlord has failed to perform; provided, however, in the event that the nature of Landlord's obligation is such that more than 30 days are required for its performance, Landlord shall not be deemed to be in default if it shall commence such performance within such 30 day period and thereafter diligently prosecutes the same to completion. (By way of clarification, the foregoing provisions of this Section 18.9 shall not impact Tenant's abatement rights to the extent expressly set forth in this Lease.)

19. SURRENDER AT END OF TERM.

19.1 Peaceable Surrender. No notice to quit possession on the termination date of this Lease shall be given by Landlord. On the Expiration Date or earlier termination of this Lease, Tenant shall peaceably surrender possession of the Leased Premises in good order and condition (reasonable wear and tear, acts of God, fire, and other casualties excepted), with all debris removed and safely capped all utilities, and Landlord shall have the right to take possession.

19.2 Handling of New Improvements.

19.2.1 Removal Generally. Except for the Retained New Improvements designated under Section 19.2.2, promptly upon the expiration or sooner termination of this Lease, Tenant shall remove: (i) all Former Lease Improvements and (ii) New Improvements constructed or installed by Tenant during the term of this Lease.

19.2.2 Retained New Improvements.

19.2.2.1 Landlord Election to Retain. At least 30 days before the expiration or termination of this Lease (or such shorter period as Landlord deems reasonable under the circumstances), Landlord and Tenant shall conduct a walk-through of the Leased Premises.

Within three days after such walk-through, Landlord may, at its discretion, designate by written notice to Tenant that some or all of the New Improvements and Former Lease Improvements need not be removed at Lease expiration or termination. In such case, the New Improvements and Former Lease Improvements that Landlord elects to retain (“Retained New Improvements”) shall be peaceably surrendered with the Leased Premises. Landlord shall have the right to inspect any item on the list of Retained New Improvements and, if Landlord determines that such item is not in good and working condition, Landlord may by written notice remove the item from the list before the expiration or earlier termination of this Lease.

19.2.2.2 Inclusion of Eligible New Improvements. In the event of an early termination pursuant to Section 3.3, all Eligible New Improvements shall be deemed Retained New Improvements, unless Landlord elects otherwise in writing.

19.2.2.3 Title, Warranties. As of the Expiration Date or earlier termination of this Lease, Retained New Improvements shall be part of the Leased Premises and ownership title shall pass to Landlord automatically, free and clear of all liens and encumbrances without payment of any consideration. Tenant assigns to Landlord any and all warranties, guaranties or indemnities of contractors, subcontractors and suppliers furnishing labor, materials, equipment, and services in connection with the Retained New Improvements, which assignment shall be effective upon the expiration or earlier termination of this Lease.

19.3 Removal of Personal Property. Tenant shall remove trade fixtures, equipment, and other personal property installed or placed by it in, on, or about the Leased Premises and the Airport by the Expiration Date (or any earlier termination), subject, however, to any valid lien that Landlord may have for unpaid rents or fees.

19.4 Duty to Repair Damage; Removal and Repair Cost. Upon any removal of any property (including any New Improvement pursuant to Section 19.2 or other property pursuant to Section 19.3), Tenant shall promptly repair any and all damage to the Leased Premises caused thereby. Tenant shall be responsible for the cost of all such removal and repair. Tenant shall reimburse Landlord for Landlord’s costs and expenses in removing any such property not removed by Tenant and repairing any such damage not repaired by Tenant.

19.5 Waiver; Property Not Removed. Any property not removed from the Leased Premises pursuant to Section 19.2 or 19.3 may be stored by Landlord at Tenant’s cost or disposed of by Landlord in any manner without liability to Landlord. Notwithstanding the foregoing, with respect to any Tenant personal property clearly and visibly marked as “proprietary property” and further identified on a list submitted to Landlord at least 30 days before the expiration or termination of this Lease, Landlord shall not dispose such marked property until Landlord has notified the Tenant and given Tenant an opportunity within 10 business days of such notice to retrieve the property (retrieval to occur after Tenant had paid the cost of storage of such property). The exercise by Landlord of its right shall not be construed as a taking by Landlord. Tenant waives all rights and benefits under Civil Code Section 1993 et seq. and any similar laws governing the disposal of lost or abandoned property.

19.6 Survival. The provisions of this Section shall survive the expiration or termination of this Lease.

20. HOLDOVER BY TENANT.

20.1 Month-Month Tenancy With Landlord Consent. In the event that Tenant shall holdover in the Leased Premises after the expiration or termination of the Lease term with the consent of Landlord, such holdover, in the absence of a written agreement executed by both parties, shall be deemed to have created a month-to-month tenancy with respect to the Leased Premises, terminable on 30 days' written notice by either party.

20.2 Rent Increase; Other Terms. Unless otherwise agreed to in writing by both parties: (i) Annual Base Rent for any such month-to-month tenancy shall be in an amount equal to 150% of Annual Base Rent for the last month of the Lease term (and shall be subject to adjustments as provided in Section 4.2.3), and Tenant shall continue to be responsible for Additional Rent, and (ii) such holdover tenancy shall be otherwise subject to the same provisions as contained in this Lease.

21. COMMON USE FACILITIES.

21.1 Common Use Facilities. As an appurtenance to Tenant's leasehold estate in the Leased Premises, Tenant is granted, for itself and for the benefit of its permitted subtenants and invitees, the non-exclusive right to enter upon or make customary and reasonable use of the Common Use Facilities. Such rights shall be in common with Landlord and with other persons authorized by Landlord from time to time to use the Common Use Facilities, including members of the general public, and shall be exercised by Tenant and its subtenants and invitees subject to the Noise Abatement Rules, the Airport Rules and Regulations, applicable laws, and to the uniform rules and procedures adopted by Landlord from time to time governing the use of the Airport and the Common Use Facilities.

21.2 Reservation of Right to Make Changes. Subject to Section 4.6.1, Landlord reserves the right, in its sole and absolute discretion, to make changes, at any time and from time to time, in the size, shape, location, number and extent of the Common Use Facilities and specifically further reserves the right to designate portions of the Common Use Facilities for the exclusive or non-exclusive use of certain tenants, licensees, concessionaires and other vendors or users of the Airport so long as such designation(s) do not unreasonably interfere with the ability of Tenant and Tenant's aircraft to access the Leased Premises, or result in the complete and permanent closure of the runways such that Tenant's aircrafts cannot take off and land at the Airport.

21.3 Passenger Terminal Facilities Excluded. This Lease does not grant Tenant any right to use passenger terminal facilities, holdroom space or baggage claim space, whether on a non-exclusive basis or otherwise.

21.4 Damages Caused by Tenant. If a Tenant Party causes damage (beyond normal wear and tear) to any Airport Common Use Facilities or any facilities in other areas of the Airport, Landlord shall be reimbursed by Tenant for the related repairs or replacements. Tenant shall pay such reimbursement, on demand, pursuant to Landlord's invoice.

21.5 Vehicle Parking.

21.5.1 Parking Spaces. Landlord shall provide to Tenant at no additional rent 33 automobile parking spaces as shown in Exhibit B for use by Tenant and Tenant's invitees, contractors, agents and employees. Tenant shall comply with Landlord's written instructions regarding the use of the parking spaces. Landlord reserves the right to relocate such parking spaces if deemed necessary by Landlord for any reason related to the operation, management or development of the Airport and will provide reasonably located substitute parking. Landlord shall have no obligation to provide any other parking facilities, or to tow or remove vehicles parked in the parking areas.

21.5.2 Tenant Installed Parking Space Improvements. Tenant shall obtain Landlord's approval before installing any improvements at the parking spaces. All work for such improvements shall be subject to the procedures and requirements of Section 11, and shall be deemed "New Improvements" for purposes of this Lease (including with respect to insurance requirements relating to New Improvements). Tenant, at Tenant's expense, shall be responsible for complying with all applicable permit and other legal requirements with respect to the installation and maintenance of improvements installed by Tenant at such parking spaces (including those installed during the term of this Lease and during the term of the Former Lease).

21.6 Hangar 43-45 Access Way. Tenant is granted the non-exclusive right to use the Hangar 43-45 Access Way for ingress and egress between the Leased Premises and Clybourn Avenue. Landlord shall have the right to install and maintain security gates at the Hangar 43-45 Access Way, and shall provide Tenant access through the security gates, subject to Tenant's compliance with Landlord's reasonable rules and conditions regarding such use. Subject to Landlord's prior consent, Tenant may, at its sole expense, install and maintain a security access control keypad to operate the security gates, provided that Tenant shall remove such keypad and restore any affected Airport property to its original condition upon the expiration or earlier termination of this Lease. Tenant shall not use the Hangar 43-45 Access Way in any manner that interferes with its use by other tenants to whom Landlord has granted similar access.

22. TRANSFER OF LANDLORD'S INTEREST. In the event of any transfer of Landlord's interest in the Leased Premises, the transferor automatically shall be relieved of any and all obligations and liabilities accruing from and after the date of such transfer, provided that the transferee assumes all of the liabilities and obligations of Landlord under this Lease from and after the date of such transfer. The transferor shall not be released from any obligations or liabilities accruing prior to the date of such transfer.

23. SECURITY FOR PERFORMANCE. The requirements of this Section shall not be effective, so long as the Lease Guarantor has neither rescinded nor defaulted under the Lease Guaranty.

23.1 Security Deposit. The sum required to be held by Landlord for security for performance is referred to as the "Security Deposit." Landlord shall not be required to maintain the Security Deposit in any separate account. Tenant shall not be entitled to any interest earnings on the Security Deposit.

23.2 Amount. As security for the full and faithful performance of each and every provision of this Lease to be performed by Tenant, Tenant shall deposit either cash, or a negotiable irrevocable and unconditional letter of credit, in the amount of three monthly installments of Annual Base Rent payable by Tenant to Landlord as provided in Section 4.

23.3 Letter of Credit. If Tenant elects to deliver a letter of credit to satisfy the Security Deposit requirement, then any such letter of credit shall be in a form acceptable to Landlord and shall be issued by a financial institution acceptable to Landlord. The letter of credit shall provide that, in case of a draw, Landlord may submit the draw request by email, fax or other telephonic or electronic means, without the need for in-person presentation at the issuing bank's offices.

23.4 Additional Deposits Per Rent Adjustments. Upon each adjustment in the amount of Annual Base Rent, Tenant shall deposit additional cash, or cause the letter of credit to be re-issued or amended, as necessary to keep the Security Deposit in the amount of three monthly installments of Annual Base Rent as so adjusted.

23.5 Landlord Draw Upon Failure of Timely Renewal. By the business day before the letter of credit that then serves as the Security Deposit expires, if Tenant fails to deliver to Landlord a renewed or replacement letter of credit (or letter of credit overdraft) in the requisite amount, Landlord shall be entitled to present the existing letter of credit for payment and hold the proceeds paid under the letter of credit as security for performance of Tenant's obligations until Tenant provides the renewed or replacement letter of credit or amendment (and all letters of credit shall so provide). Thereafter, Tenant shall deliver to Landlord a renewed or replacement letter of credit in the requisite amount within 30 days following Tenant's receipt of a written demand from Landlord. Upon delivery of the renewed or replacement letter of credit, Landlord shall return to Tenant the sum previously drawn from the expired letter of credit pursuant to this Section, less any amount used pursuant to Section 23.6 to cure default or to repair or pay for damages.

23.6 Draw Upon Default. If any amount payable to Landlord under this Lease is 10 days past due, or if any other default on Tenant's part has occurred and is continuing (and Tenant has not promptly implemented an effective cure within 10 days of Landlord's notice of such default), Landlord may draw on the Security Deposit for the payment of any amount in default, to cure any default or to repair any damage to the Leased Premises or other areas of the Airport caused by Tenant and to pay any and all damages to which Landlord is otherwise entitled as a result of such default.

23.7 Replenishment. After any draw on the Security Deposit, Tenant shall, immediately upon Landlord's written demand, amend or replace the letter of credit or deposit cash in order to restore such deposit to the then-required amount.

23.8 Tenant Waiver. TENANT WAIVES ANY RIGHTS IT MAY HAVE UNDER CIVIL CODE SECTION 1950.7 WITH RESPECT TO THE SECURITY DEPOSIT. No trust relationship is created between Landlord and Tenant with respect to the Security Deposit.

23.9 Release Upon Termination. Within 30 days following the expiration or earlier termination of this Lease for any reason other than a Default Event, Landlord shall return

the unused portion of any cash deposit made by Tenant and surrender to Tenant any letters of credit and amendments thereto.

24. COMPLIANCE WITH ENVIRONMENTAL LAWS.

24.1 Use of Toxic Materials Prohibited. Tenant shall not cause or permit any "Toxic Materials" (as defined in Section 24.15) to be brought onto, stored, used, generated, recycled, or disposed of (collectively, "Use of Toxic Materials") in, on, under or about the Leased Premises, the Improvements, or any other part of the Airport, by any Tenant Party; provided, however, that Tenant shall be permitted to store and use in the ordinary course of maintaining aircraft stored in the Leased Premises Toxic Materials so long as Tenant demonstrates to Landlord's reasonable satisfaction that such Toxic Materials, and the quantities thereof, are necessary or useful to Tenant's business and that such use of Toxic Materials is at all times subject to and in compliance with all Environmental Laws. Landlord shall not cause any Toxic Materials to be brought onto, stored, used generated, recycled or disposed of in, on, under or about the Leased Premises unless requested to do so by Tenant. Tenant shall demonstrate that such Toxic Materials are necessary or useful by submitting information to Landlord in accordance with Section 24.3.

24.2 Compliance with Environmental Laws. Tenant and Landlord shall each comply, at their respective sole expense, with all Environmental Laws, applicable to their respective premises and their use thereof and operation of their respective businesses at the Airport and, with respect to any use of Toxic Materials permitted under Section 24.1; provided, unless caused by a Tenant Party, Tenant's obligations under this Section 24.2 shall exclude any discharge or release migrating to the Leased Premises from other land. Tenant shall not release or dispose of any Toxic Material in the drains, storm drains, sewers, plumbing or any other drainage facility that will cause or contribute to a violation of any Environmental Law or any contamination of any portion of the Airport. The off-site disposal of Toxic Materials shall be in strict compliance with all Environmental Laws.

24.3 Disclosure. Prior to or upon the Commencement Date, and prior to the end of January during each year this Lease is in effect, Tenant shall submit to Landlord the following documents: (i) an inventory or list of all compounds or products that contain Toxic Materials which were used, stored or disposed of by each Tenant Party on or about the Leased Premises (including the New Improvements) during the prior year; (ii) all Material Safety Data Sheets for such compounds or products containing Toxic Materials; (iii) an estimate of the quantity or volume of such products or compounds used, stored or disposed of on or about the Leased Premises during the prior year; and (iv) copies of all hazardous waste manifests for wastes generated on the Leased Premises and sent offsite for treatment, storage, disposal or recycling.

24.4 Business Plan. If any Tenant Party's business conducted or to be conducted in, on, under or about the Leased Premises requires the establishment and implementation of a business plan pursuant to Health and Safety Code Sections 25500 et seq., Tenant shall immediately notify Landlord that the Tenant Party's business is subject to such requirement and that the business is in compliance. A copy of the plan shall be delivered to Landlord with such notification.

24.5 Tenant's Indemnity. Tenant shall defend, indemnify, and hold harmless each of the Landlord Parties from and against any and all Liabilities arising out of, resulting from

or caused by the Use of Toxic Materials by any Tenant Party; provided, unless such contamination is caused by a Tenant Party, Tenant's obligations under this Section shall exclude any discharge or release migrating to the Leased Premises from other land. In the event of any indemnification under this provision, Tenant shall pay promptly upon demand all reasonable expenses incurred by Landlord for attorneys' fees, environmental consultants, and other amounts incurred for remediation or otherwise because of Tenant's violation of the terms of this Lease with respect to Toxic Materials or failure to comply with any Environmental Laws. Tenant acknowledges that Landlord shall have complete control (which control shall be exercised in a reasonable manner) over any litigation, settlement discussion or regulatory compliance or remediation with respect to any indemnity claim under this Section and that Tenant shall cooperate fully with Landlord including by executing any instruments, affidavits or other documents necessary in the reasonable judgment of Landlord. This indemnity shall survive expiration or termination of this Lease.

24.6 Landlord's Indemnity. Landlord shall defend, indemnify, and hold harmless each of the Tenant Parties from and against any and all Liabilities arising out of, resulting from or caused by the Use of Toxic Materials on the Clybourn Complex by any Landlord Party; provided, Landlord's obligations under this Section shall exclude any discharge or release caused by any tenant or customer of Landlord or such tenant's or customer's agents, employees, contractors or licensees. In the event of any indemnification under this provision, Landlord shall pay promptly upon demand all reasonable expenses incurred by Tenant for attorneys' fees, environmental consultants, and other amounts incurred for remediation or otherwise because of Landlord's violation of the terms of this Lease with respect to Toxic Materials or failure to comply with any Environmental Laws. Tenant acknowledges that Landlord shall have complete control (which control shall be exercised in a reasonable manner) over any litigation, settlement discussion or regulatory compliance or remediation with respect to any indemnity claim under this Section and that Tenant shall cooperate fully with Landlord including by executing any instruments, affidavits or other documents necessary in the reasonable judgment of Landlord. This indemnity shall survive expiration or termination of this Lease.

24.7 Landlord's Representation and Warranty. Landlord represents and warrants to Tenant that, to Landlord's actual knowledge, except for information in reports of the Regional Water Quality Control Board, the Leased Premises are in compliance with Environmental Laws. Notwithstanding the foregoing, any breach of any representation or warranty of Landlord shall be subject to the limitations of Landlord's liability set forth in Sections 18.9 and 24.14 and other provisions of this Lease.

24.8 Notice. If any Tenant Party is required by statute or regulation to give notice to any Agency about any spilling, discharging, releasing or disposing of Toxic Materials on, in, under or about the Leased Premises, Tenant shall immediately give Landlord's Director of Noise and Environmental Affairs the same notice by telephone at (818) 840-8840, which shall be confirmed by written notice not later than the next business day. This obligation to notify Landlord shall also extend to any personal injuries or property damage to third parties resulting directly or indirectly from such spilling, discharging, releasing or disposing of Toxic Materials on, in, under or about the Leased Premises. If Tenant becomes aware of the presence of or use of any Toxic Materials not authorized in accordance with the terms of this Lease, or of any spilling, discharging, releasing or disposing of Toxic Materials on, in, under or about the Leased Premises not subject to the notification provisions of the first sentence of this Section, Tenant shall immediately give

written notice of such condition to Landlord to the extent required by Health and Safety Code Section 25359.7.

24.9 Storage and Use of Toxic Materials. Any and all Toxic Materials permitted in, on, under or about the Leased Premises pursuant to this Lease shall be stored and used in strict compliance with all Environmental Laws. There shall be no ponding or uncovered surface storage whatsoever of Toxic Materials in, on or about the Leased Premises. No underground storage tanks shall be constructed, installed or used without Landlord's prior written consent, which consent may be withheld by Landlord in its absolute discretion. If Tenant is not in substantial compliance with Environmental Laws concerning underground storage tanks or has failed to take necessary action when required to do so, Landlord shall have the right to enter the Leased Premises for the purpose of removing any underground storage tank, if any, at Tenant's sole expense in accordance with a closure plan approved by regulatory agencies.

24.10 Disposal of Toxic Materials. Notwithstanding anything to the contrary contained in this Section, Tenant shall not release or dispose of any Toxic Materials in the drains, storm drains, sewers, plumbing, or any other drainage facility within the Leased Premises or the Airport that will cause or contribute to a violation of Environmental Laws or contamination.

24.11 Safety. Tenant shall maintain Material Safety and Data Sheets for each and every item or product containing any regulated amount of Toxic Material brought onto the Leased Premises. Such information shall be kept current at all times.

24.12 Fees, Taxes and Fines. Tenant shall pay, prior to delinquency, any and all fees, taxes (including excise taxes) and fines which are charged upon or incident to Tenant's activities related to Toxic Materials. Tenant shall have the right to contest the validity or amount of any such fees, taxes or fines, so long as (i) Tenant establishes a reserve in the amount thereof on its financial statements, and (ii) shall not allow such obligations to become a lien or charge against the Leased Premises, the New Improvements, the Airport, or Landlord.

24.13 Delivery of Documentation. Tenant shall deliver to Landlord true and correct copies of the following documents related to compliance with Environmental Laws concurrently with the receipt from or submission to a regulatory agency: (i) permit applications; (ii) permits and approvals; (iii) notices of violations of Environmental Laws and Tenant's responses; (iv) environmental assessments, and (v) any other documents related to compliance with Environmental Laws that Landlord may reasonably request from time to time.

24.14 Annual Site Investigation. In addition to Landlord's right of access to the Leased Premises set forth in Section 2.6, Landlord shall have the right, but not the obligation, to conduct annually an environmental inspection and assessment of the Leased Premises, either alone or in conjunction with other areas of the Airport, and to utilize the services of an environmental consultant or consulting firm for such inspection and assessment. Tenant shall pay, as Additional Rent, Tenant's Share (as defined in Section 4.3) of the cost of such environmental inspection and assessment.

24.15 Limitation on Liability of Landlord. Without limiting any other rights or remedies of any Landlord Party or any other obligation of Tenant pursuant to this Lease or

applicable laws, Tenant assumes the risk of, waives, releases and forever discharges Landlord Parties from and against, and covenants not to bring any action or proceeding against, Landlord Parties as a result of, any delay in construction, prevention of construction, increase in the cost of improvements, loss or adverse effects upon Tenant's financing (if any), loss of rental income or subtenants (if any), diminution in the value of the Leased Premises or improvements, or any and all other Claims arising out of or resulting from the discovery or presence on, in, under or about the Airport of any spilling, discharging, releasing, or disposing of Toxic Materials. Landlord's sole obligation and liability arising out of the presence of any such spilling, discharging, releasing or disposing of Toxic Materials, irrespective of the theory of liability or the facts supporting any such theory, shall be to take, or cause any person legally obligated to take, any and all action that any regulatory agency lawfully requires of Landlord to be taken to investigate, clean-up, remediate or remove such spilling, discharging, releasing or disposing of Toxic Materials.

24.16 Definitions.

24.16.1 Environmental Laws. The term "Environmental Laws" means any and all laws, rules, regulations, judgments, orders, permits, licenses, agreements, covenants, restrictions, requirements, policies or the like enacted now or subsequently relating to or governing in any way the environmental condition of soil, air, water, groundwater or the presence of Toxic Materials in or affecting all or any portion of the Leased Premises or other parts of the Airport, including, without limitation, the statutes described in the definition of Toxic Materials.

24.16.2 Toxic Materials. The term "Toxic Materials" means any hazardous or toxic materials, pollutants, effluents, contaminants, radioactive materials, flammables, explosives, pesticides, chemicals known to cause cancer or reproductive toxicity, emissions, wastes or any other chemicals, materials or substances, whose handling, storage, release, transportation or disposal is or becomes prohibited, limited or regulated by any federal, state, county, regional or local agency or, even if not so regulated, is or becomes known to pose a hazard or potential threat to the health and safety of any person or to the environment. The term "Toxic Materials" includes the following compounds: (i) asbestos; (ii) petroleum, petroleum by-products, and petroleum degradation products; (iii) polychlorinated biphenyls; (iv) all substances now or subsequently defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, Section 101 (14), 42 U.S.C. Section 9601(14), including petroleum, crude oil, and any fractions thereof; (v) all substances now or subsequently defined as "extremely hazardous substances" pursuant to the Emergency Planning and Community Right-to-Know Act of 1986, Section 302(a), 42 U.S.C. Section 11002(a); (vi) all substances now or subsequently defined as "hazardous waste" by Health and Safety Code Section 25117; (vii) all substances now or subsequently designated by the Governor of the State of California as substances known to the state to cause cancer or reproductive toxicity pursuant to Health and Safety Code Section 25249.8; (viii) all substances now or subsequently defined as an "economic poison" pursuant to Health and Safety Code Section 12753; and (ix) all substances now or subsequently defined as "extremely hazardous waste" pursuant to Health and Safety Code Section 25115.

24.16.3 Liabilities. The term "Liabilities" means any and all Claims arising out of, resulting from or caused by the release, discharge, storage, handling, use,

accumulation, transportation, generation, migration, disposal, investigation, clean-up, remediation or removal of any Toxic Materials caused by any Tenant Party or any of their respective licensees, permittees or invitees, including the following: (i) diminution in value of the Airport, the Leased Premises, or any improvements thereon; (ii) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Airport, the Leased Premises, or any improvements thereon; (iii) damages arising from any adverse impact on marketing of space at the Airport, the Leased Premises, or any improvements thereon; (iv) sums paid in settlement of Claims (including attorneys' fees, consultant fees and expert fees); (v) damages caused by the breach or nonperformance by Tenant of any covenant or other provision of this Lease related to Toxic Materials; and (vi) costs incurred in connection with any investigation of site conditions and any cleanup, remediation, removal or restoration work related to the violation of this Lease or any Environmental Law, and (vii) any liabilities of Landlord under any statute, law or regulation.

25. OFFSET STATEMENT.

25.1 Delivery. Tenant, from time to time upon not less than 10 business days' notice from Landlord, shall execute, acknowledge and deliver to Landlord a statement in writing: (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect); (ii) setting forth the dates to which the rent, fees and other charges, if any, are paid; and (iii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder (or specifying such defaults if any are claimed).

25.2 Reliance. Any such statement may be relied upon by any encumbrancer of the Leased Premises or any Senior Lienholder or underwriter of debt financing for all or any portion of the Airport. Tenant's failure to deliver such statement within such time shall be conclusive evidence upon Tenant that: (i) this Lease is in full force and effect, without modification except as may be represented by Landlord; (ii) there are no uncured defaults in Landlord's performance; and (iii) not more than one month's installment of rent has been paid in advance.

26. MISCELLANEOUS.

26.1 Lease Interpretation.

26.1.1 Incorporation of Prior Agreements. This Lease contains the entire agreement between the parties, and no prior or contemporaneous agreement or understanding shall be effective for any purpose, all of which, if any, are terminated or rescinded, except as to provisions which are expressly stated to survive termination and any indemnity or insurance obligations in favor of Landlord.

26.1.2 Amendments. Except as otherwise expressly provided herein, no provision of this Lease may be amended or added to, except by an agreement in writing signed by the parties or their respective successors in interest. Tenant shall not unreasonably refuse to execute any amendment of or supplement to this Lease that Landlord determines is necessary or advisable in order to comply with applicable laws or Landlord's uniform policies reflected in resolutions in effect from time to time; provided Tenant shall not be required to execute any amendment of or

supplement to this Lease that materially impairs the rights and benefits of Tenant or materially increases the obligations and liabilities imposed on Tenant under this Lease.

26.1.3 “Leased Premises”. Nothing in this Lease shall be deemed to imply that the term “Leased Premises” includes other than interior space and any interior equipment, interior partition walls, windows and doors, office space, exterior equipment, interior plumbing and ducting, and electrical lines and panels that are located within or adjacent to such interior space.

26.1.4 No Representations by Landlord. Tenant acknowledges that no Landlord Party has made any representations, warranties or promises with respect to the Leased Premises or the Airport, except as expressly set forth. Tenant acknowledges that it has not executed this Lease in reliance upon any representations, warranties or promises of any Landlord Party with respect to the Leased Premises or the Airport.

26.1.5 Examination of Lease. Submission of this Lease for examination or signature by Tenant does not constitute a reservation of or option for a lease, and it is not effective as a lease or otherwise until its execution and delivery by both Landlord and Tenant.

26.1.6 Severability. In the event that any one or more of the provisions contained in this Lease shall be determined to be invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in other respect and the remaining provisions of this Lease shall not be in any way impaired.

26.2 Further Assurances. Tenant and Landlord each agree to perform any further acts and execute and deliver any additional documents which may be reasonably necessary to carry out the provisions of this Lease, or which may be reasonably requested by the other party.

26.3 Contractor Warranties. Tenant shall have the non-exclusive benefit of any third-party contractor warranties related to the Leased Premises to the extent such warranties inure to the benefit of Landlord.

26.4 Disclaimer of Partnership or Agency. Neither Landlord nor Tenant are the legal representatives or agents of the other party for any purpose whatsoever and neither party shall have the power or authority to assume or create, in writing or otherwise, any obligation or responsibility of any kind, express or implied, to transact business, to make any warranty or otherwise to act in any manner in the name of or on behalf of the other party. This Lease shall not be construed as constituting or creating a partnership between Landlord and Tenant or as creating any other form of legal association between Landlord and Tenant which would impose liability upon one party for the act or the failure to act of the other party.

26.5 Waivers. The waiver by either party of any provision of this Lease shall not be deemed to be a waiver of any other provision hereof or of any subsequent breach of the same or any other provision. Landlord’s consent to any act by Tenant requiring Landlord’s consent shall not be deemed to render unnecessary the obtaining of Landlord’s consent to any subsequent act by Tenant, whether or not similar to the act so consented. The subsequent acceptance by Landlord of any amount due from Tenant hereunder shall not be deemed to be a waiver of any preceding breach

or Default Event by Tenant of any provision of this Lease, other than the failure of Tenant to pay the particular amount so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such amount. No waiver on the part of Landlord with respect to any provision of this Lease shall be effective unless such waiver is in writing.

26.6 Successors and Assigns. The provisions contained in this Lease shall bind and inure to the benefit of Landlord, Tenant and, except as otherwise provided in this Lease, their respective successors and assigns.

26.7 No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work as a merger, but shall, at the option of Landlord, either terminate all or any existing subleases or subtenancies, or operate as an assignment to Landlord of any or all such subleases or subtenancies.

26.8 Executive Director. The issuance of an Extension Confirmation shall require Authority Commission approval. For other cases where Landlord's approval or consent is required pursuant to this Lease, the Executive Director is authorized to give or withhold such approvals and consents on behalf of Landlord. The Executive Director, without additional Authority Commission action, is also authorized to execute amendments to this Lease that do not have a negative financial impact on Landlord.

26.9 Reasonable Exercise of Rights and Performance. Each party shall act reasonably in the performance of its obligations and the exercise of its rights under this Lease; provided this shall not limit a party's right to act within its discretion, if such discretion right is expressly stated in this Lease.

26.10 Exhibit Updates. Whenever information in an exhibit becomes outdated because of changes pursuant to this Lease, a change in law or Airport policy changes otherwise approved by the Authority Commission, the parties may make a substitution to update the exhibit. Such substitution shall not require Authority Commission approval.

26.11 Waiver of Jury Trial. Landlord and Tenant hereby waive the right of trial by jury to the maximum extent permitted by law.

26.12 Notices. Any notices, invoices, or other documents related to Lease shall be delivered as provided in this Section and shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail after the receiving party's regular business hours; or (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below or to such other addresses as the parties may, from time to time, designate in writing. Any notice delivered by e-mail that concerns breach or termination of this Lease shall concurrently be sent by deposit in the United States mail, postage prepaid but such notice shall be deemed received on the day of e-mail delivery.

Below, "RPT Opening Date" means the date on which the new passenger terminal (under construction as of the execution date of this Lease) at the northeast quadrant of the Airport

will be opened to the travelling public and serves commercial flights. As of the execution of this Lease, the RPT Opening Date is anticipated to be October 13, 2026.

To Landlord: Burbank-Glendale-Pasadena Airport Authority

Before RPT Opening Date:

2627 N. Hollywood Way
Burbank, CA 91505
Attention: Executive Director

On or after RPT Opening Date:

2827 N. Hollywood Way
Burbank, CA 91505
Attention: Executive Director

To Tenant: Earth Star, Inc.

If by US Mail (return receipt requested):

c/o DWSS Lease Administration
P.O. Box 10360
Lake Buena Vista, FL 32830-1000

If by overnight courier or personal delivery:

c/o DWSS Lease Administration
1180 Celebration Boulevard, Suite 201
Celebration, FL 34747
Attention: Lease Administration

In each case, with a copy to:

The Walt Disney Company
500 S. Buena Vista Street
Burbank, CA 91521-7841
Attention: Corp. Legal – Real Estate

If by DocuSign or email:

DWSS.DL-Lease.Admin@disney.com
CORP.Legal.Realestate@disney.com

26.13 Brokers. Tenant has retained Newmark Inc. as a real estate broker in connection with this Lease, pursuant to an agreement to which Landlord is not a party. Landlord has no responsibility for any compensation, commission or other charges due to such broker. Each party warrants that it has not had any dealings with any real estate broker or agent other than Newmark Inc. in connection with this Lease.

26.14 Recording. No copy, short form or memorandum of this Lease shall be recorded.

26.15 Governing Law; Venue. This Lease shall be governed by and construed pursuant to the Law of the State of California applicable to contracts made and to be performed fully within such state. The venue for litigation arising out of this Lease shall be a court of appropriate jurisdiction in Los Angeles County, California.

26.16 Attorneys' Fees. In the event of any action or proceeding (including, without limitation, any bankruptcy proceeding) to enforce or construe any of the provisions of this Lease, the prevailing party in any such action or proceeding shall be entitled to reasonable attorneys' fees and costs.

26.17 Force Majeure. If either party shall be delayed in or prevented from the performance of any act required hereunder by reason of acts of God, labor troubles, inability to procure materials, restrictive governmental laws or regulations, delays arising from environmental remediation (except to the extent caused by the party obligated), or other causes without fault and beyond the control of the party obligated (financial inability excepted), 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; provided, however, nothing in this Section shall delay or excuse Tenant from the prompt payment of any rent or other charge required of Tenant.

26.18 Tenant Confidential Information, Names and Trademarks.

26.18.1 Confidentiality. Landlord, its agents and representatives, may, during lease discussions and the term of this Lease, have access to and acquire knowledge from material or other information about Disney which constitutes confidential information not accessible or known to the general public. Tenant shall clearly identify, in writing, its confidential nature when transmitting the information. Any such information shall not be used, published, or divulged by Landlord (or its officer, employee, or agent, or persons hired by Landlord) to any other person, firm, or corporation without first having obtained Disney's written permission, which permission Disney may withhold in its sole discretion. Notwithstanding the foregoing, Landlord may divulge any of the foregoing information to the extent such information is required to be disclosed by: (a) subpoena or court order, or (b) any taxing entity or other governmental authority having jurisdiction over Landlord and its records, the Leased Premises or the property of which the Leased Premises are a part. For the avoidance of doubt, nothing in this section is intended or will be construed to prevent Landlord from meeting its obligations under the California Public Records Act ("PRA") or similar state or federal laws. If Landlord is presented with a PRA or similar request for information related to these discussions or the Agreement, Landlord will notify Disney of such request promptly and in advance of the PRA timeframe for disclosure, permitting Disney to state its view on Landlord's PRA disclosure decision; and will participate as nominally necessary in any litigation that Disney opts to pursue on the issue of whether one or more records in the Authority's possession containing Disney confidential information are exempt from disclosure under the PRA. The costs of any such litigation will be solely at Disney's expense.

26.18.2 Names and Trademarks. Landlord acknowledges that Landlord has not acquired, by virtue of this Lease, any right to use the names "Disney," "ABC," "ESPN," "Pixar," "Marvel," "HULU," "Lucasfilm," "National Geographic Partners", "FX," "Searchlight" or "20th Century Studios" (either alone or in conjunction with or as a part of any other word, mark

or name) or any registered trademarks or any service marks, fanciful characters or designs of Tenant or Tenant's affiliates (including The Walt Disney Company or any of its affiliates). Without Tenant's prior written consent (given at Tenant's sole discretion), Landlord shall not use any such names, registered trademarks or service marks, characters or designs in a manner that would violate the trademark, service mark or other proprietary rights of Walt Disney Company or any of its affiliates, including: (i) in any of Landlord's advertising, publicity or promotion; (ii) to express, or in any manner that would be reasonably construed as, an endorsement by Tenant of Landlord's goods or services. The provisions of this subparagraph shall survive the expiration, or earlier termination of this Lease. For avoidance of doubt, Landlord shall be permitted to use the name "Earth Star, Inc." to identify the Tenant as tenant of Landlord.

26.19 Hangar 43. If, before April 30, 2027, the current tenant of Hangar 43 decides to vacate and Landlord desires to continue to make Hangar 43 available for rent to another commercial tenant, Landlord shall notify Tenant of Hangar 43's availability. This notification does not bind either party in any way regarding an eventual lease for Hangar 43.

26.20 Exhibits. Exhibits A through H are incorporated into this Lease by reference. In the event of any material discrepancy between the express provisions of this Lease and the provisions of Exhibit E, the provisions of Exhibit E shall prevail. In the event of any material discrepancy between the express provisions of this Lease and the provisions of any other exhibit, the provisions of this Lease shall prevail.

26.21 Authority of Person Signing for Tenant. Tenant and the person executing this Lease on behalf of Tenant hereby represent and warrant to Landlord that such person has the legal power and authority to execute this Lease on behalf of Tenant and bind Tenant to the terms of this Lease, and that this Lease and the execution hereof has been duly authorized by Tenant.

26.22 Electronic Signature. Each party agrees, and affirms its intent, that if it signs this Lease using an electronic signature, such party is signing, adopting, and accepting this Lease and that signing this Lease using an electronic signature is the legal equivalent of having placed its handwritten signature on this Lease on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Lease in a usable format.

26.23 Counterparts. This Lease may be executed by each party on separate counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Lease has been executed by the undersigned as of
on the date first set forth above.

"TENANT"

Earth Star, Inc.

By: Mark Sklow

Print Name: Mark Sklow

Chairperson President Vice President

By: Deanna W. Detchemendy

Print Name: Deanna W. Detchemendy

Secretary Asst. Secretary
 Chief Finance Officer Asst. Treasurer

"LANDLORD"

Burbank-Glendale-Pasadena Airport Authority

By: _____

Print Name: _____

Title: _____

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

Exhibit A

Leased Premises Description

The Leased Premises shall consist of the space within Hangar 44 and Hangar 45 at the Clybourn Complex of the Airport, and all interior equipment, interior partition walls, windows and doors, office space, interior and exterior equipment, interior plumbing and ducting, and electrical lines and panels in such hangars.

A diagram of the Clybourn Complex is set forth in Exhibit A-1. A diagram of Hangar 44 and Hangar 45 is set forth in Exhibit A-2.

Hangar 44 is comprised of 16,250 square feet of hangar space, 1,650 square feet of office space, and 2,100 square feet of workshop space. Hangar 45 is comprised of 20,800 square feet of hanger space and 4,800 square feet of office space.

The premises shall not be subject to re-measurement during the term of the Lease.

Exhibit A-1

Clybourn Complex Diagram

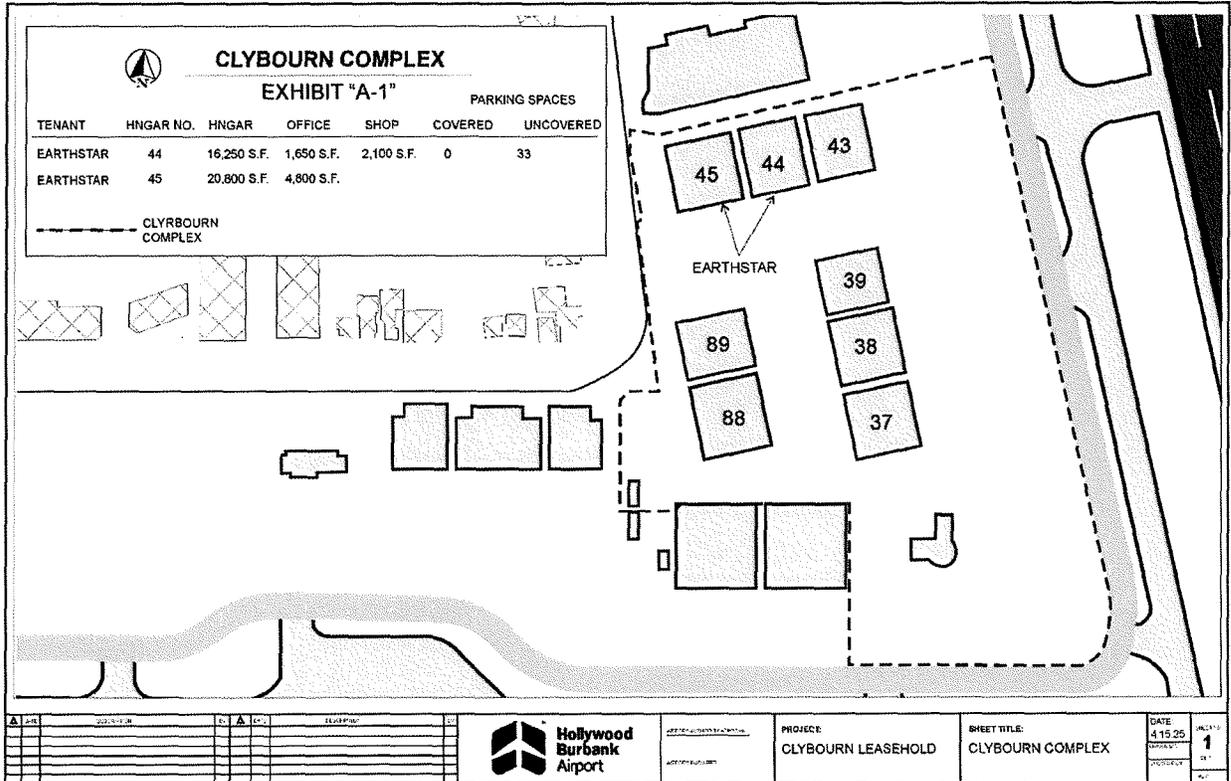


Exhibit A-2

Leased Premises Diagram

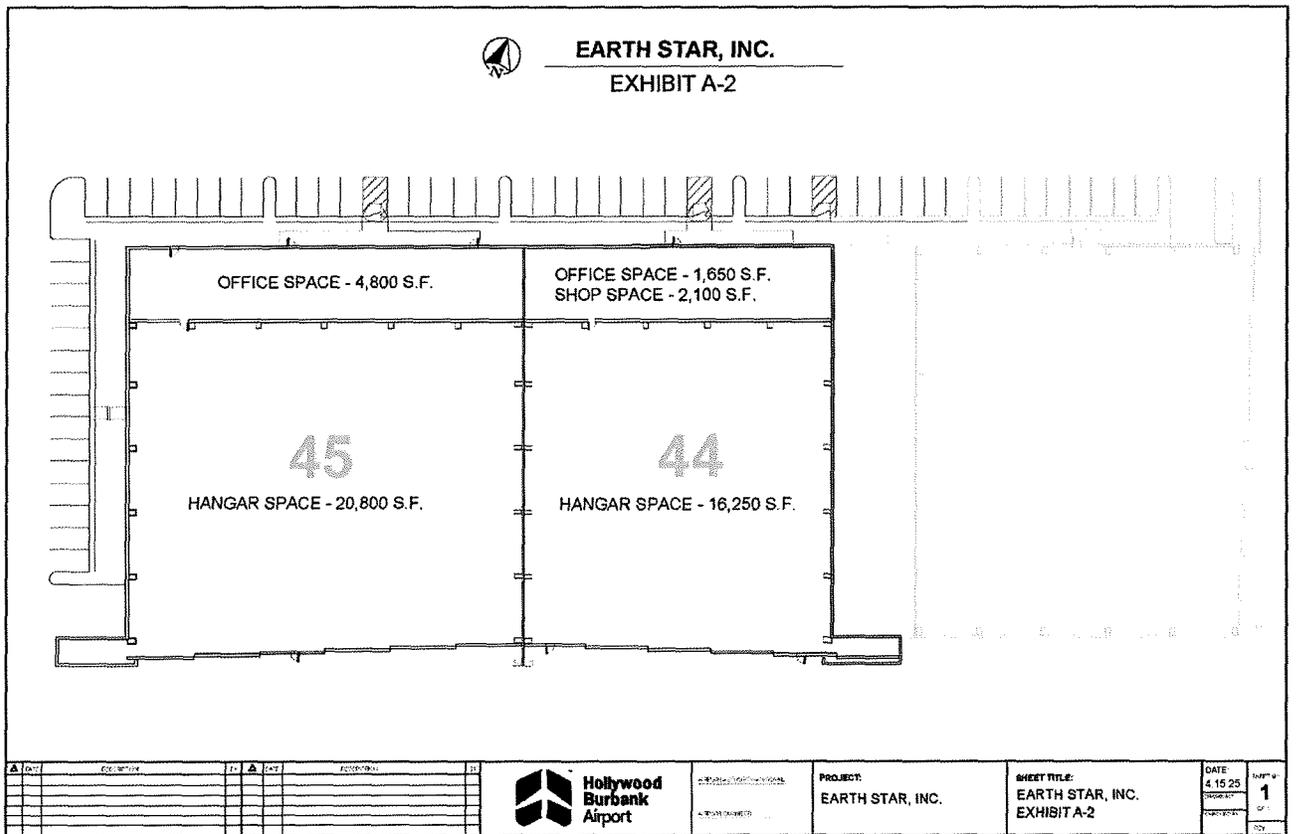


Exhibit B

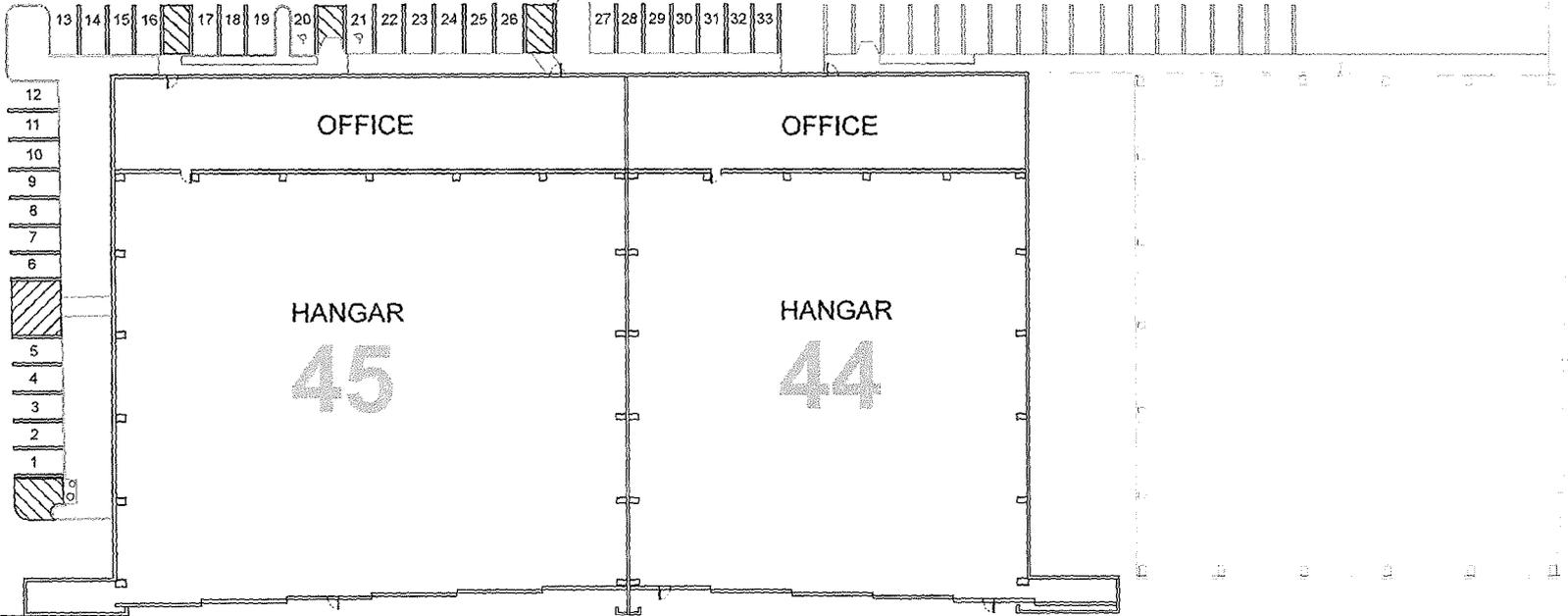
Parking Spaces Diagram

Exhibit B



CLYBOURN COMPLEX
EXHIBIT "B"

CLYBOURN AVENUE



Δ	DATE	DESCRIPTION	BY	Δ	DATE	DESCRIPTION	BY



AIRPORT AUTHORITY APPROVAL _____
AIRPORT ENGINEER _____

PROJECT:
CLYBOURN LEASEHOLD

SHEET TITLE:
CLYBOURN COMPLEX
EXHIBIT A

DATE:	4.15.25	SHEET No: 1 OF 1
DRAWN BY:		
CHECKED BY:		REV:

Exhibit C-1

Tenant Lease Extension Request

[Date]

Burbank-Glendale-Pasadena Airport Authority
2827 Hollywood Way
Burbank, California 91505
Attention: Executive Director

Re: Request for Lease Extension

Reference is made to the Aviation Hangar Lease, dated as of _____, 202__ (“Lease”), between Burbank-Glendale-Pasadena Airport Authority (“Landlord”) and Earth Star, Inc. (“Tenant”). Undefined capitalized terms shall have the meanings ascribed in the Lease.

This letter serves as Tenant’s request for term extension pursuant to Section 3.2.1 of the Lease. Upon Landlord’s grant of such extension, the new Expiration Date under the Lease shall be February 29, 2048.

Tenant represents and warrants that, as of the date of this letter, there is no on-going uncured Default Event under the Lease.

EARTH STAR, INC.

By: _____

Print Name: _____

Title: _____

Exhibit C-2

Landlord Lease Extension Confirmation

[Date]

Earth Star, Inc.

[Address]

Attention: _____

Re: Lease Extension

Reference is made to the Aviation Hangar Lease, dated as of _____, 2026 (“Lease”), between Burbank-Glendale-Pasadena Airport Authority (“Landlord”) and Earth Star, Inc. (“Tenant”). Undefined capitalized terms shall have the meanings ascribed in the Lease.

In response to Tenant’s Extension Request dated _____, 20__, Landlord consents to requested Extension Term, which starts on 12:01 a.m. March 1, 2037, and ends on 11:59 p.m. February 29, 2048 (i.e., the new Expiration Date).

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY

By: _____

Print Name: _____

Title: _____

Exhibit D

**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

**NOISE ABATEMENT RULES
(amended and effective as of April 1, 2019)**

The daily operation of the Burbank-Glendale-Pasadena Airport is governed by a set of specific rules and regulation which have been established by the Airport Authority. One section of the Airport Rules and Regulations applies to noise abatement and is commonly called the Airport “noise rules.”

For legal or technical reasons, some of these rules are long and may be difficult to follow. For clarity, this booklet begins with a brief and-nontechnical summary of the noise abatement section. Although this summary may be useful as a quick reference, the complete and unabridged version is produced later in this booklet. Please refer to the complete version for specific information, exact details and any pertinent exceptions.



NOISE RULES

The Airport Noise Rules were originally adopted in the 1980s and have been enforced as follows since the late 1980s. This restatement and clarification is not intended to modify the enforceability of the Noise Rules under federal law.

Rule 1

All subsonic transport category airplanes and all subsonic turbojet powered airplanes regardless of category operating at the Burbank-Glendale-Pasadena Airport shall be in compliance with all Federal Air Regulations respecting noise, as the same may be amended from time to time.

This Rule has been and shall continue to be enforced by requiring all aircraft to be FAA certified under Part 36 (provision governing aircraft noise levels).

Rule 2

Each air carrier jet operator shall implement appropriate FAA approved takeoff and arrival procedures consistent with the standard of Case 9A as contained in the Final Environmental Impact Statement approved by FAA on September 12, 1977.

This Rule has been and shall continue to be enforced by requiring that all aircraft meet the noise performance levels of certified Stage 3 aircraft.

Rule 3

All other jet operators shall use the National Business Aircraft Association's noise abatement procedures established January 1978.

This Rule has been and shall continue to be enforced by requiring that all general aviation turbojet aircraft (including Stage 2 hush-kitted aircraft that are certified as Stage 3) use the applicable NBAA noise abatement procedures as amended from time to time.

Rule 4

Each air carrier that operates, for any reason, after 10:00 p.m. or before 7:00 a.m. shall pay the full amount of any costs charged to or incurred by the Authority for maintaining the crash rescue service on duty.

This Rule has not been enforced since the mid-1980s due to grant assurances adopted by the federal government in the 1980s that prohibit such enforcement, and shall not be enforced going forward.

Rule 5

This Rule was repealed in 1986 and shall not be enforced going forward. (It specified departure runways for flights to the east and south.)

Rule 6

Each aircraft operator and maintenance and repair facility shall adhere to the Authority Engine Test Run-up Policy as contained in the Airport Operations Manual, as the same may be amended from time to time.

This Rule has been and shall continue to be enforced by requiring all operators to comply with the run-up policy in the Airport's Operations Manual as amended from time to time.

Rule 7

No air carrier shall: (1) inaugurate any operations; (2) implement any increase in operations; (3) substitute aircraft types producing higher noise levels for aircraft already in service (except on a temporary basis because of emergency maintenance, weather, payload, or other unanticipated conditions beyond the carrier's control); or (4) substitute aircraft which do not comply with the Stage 3 requirements of F.A.R. Part 36 for aircraft which meet those requirements (except on a temporary basis because of emergency maintenance, weather, payload, or other unanticipated conditions beyond the carrier's control) without having first obtained the written approval of the Commission, which approval shall not be granted except upon a determination by the Commission that such proposed operations or increase will not result in or contribute to an increase in the noise impact area of the Airport from all aircraft operations based on the annual CNEL of 70 for the period ending June 30, 1978.

As used herein, the term "operations" shall mean takeoffs and landings other than emergency procedures or takeoffs or landings resulting from the use of the Airport as weather alternate. The term "weighted operations" shall mean operations weighted on the basis of time of occurrence as provided in Section 5006 of the California Noise Standards, 21 Cal. Admin. Code Section 5000 et. seq. As used herein, noise levels are defined as sound exposure levels measured at, or calculated for, Airport noise monitor system positions.

Any air carrier desiring to: (1) inaugurate any operations; (2) implement any increase in operations or weighted operations; (3) substitute aircraft types producing higher noise levels for aircraft types already in service (except on a temporary basis because of emergency maintenance, weather, payload, or other unanticipated conditions beyond the carrier's control); or (4) substitute aircraft which do not comply with the Stage 3 requirements of F.A.R. Part 36 for aircraft which meet those requirements (except on a temporary basis because of emergency maintenance, weather, payload, or other unanticipated conditions beyond the carrier's control) pursuant to Part (A) hereof shall, not less than 30 days prior to the proposed effective date of

such service apply in writing for permission to the Airport Operations Committee. Such application shall include information as to the nature of the proposed operations or increase, and the projected effect thereof on the Airport's June 30, 1978 noise impact area and other material which the applicant air carrier wishes to bring to the attention of the Operations Committee. Upon review of the application and such other information as it deems appropriate, the Operations Committee shall recommend to the Commission that it grant or deny the permission requested, or any portion thereof. The Commission shall consider the recommendation of the Operations Committee, together with any other additional information which the applicant air carrier desires to present to it, and act thereon at its next regularly scheduled meeting.

The Commission may approve an application, in whole or in part, for a period not to exceed one year from the commencement of such approved operations or weighted operations. Any air carrier desiring to continue such operations or weighted operations beyond such period shall have the burden of demonstrating to the Commission prior to the expiration thereof that such increase did not result in or contribute to an increase in the Airport's June 30, 1978 noise impact area.

Any air carrier violating the provision of this Rule may, in the discretion of the Commission and in addition to any other remedies, including injunctive remedies available, be subject to civil penalties in the amount of One Thousand Dollars (\$1,000) for each operation which has not been approved by the Commission pursuant to the provisions of this Rule.

This Rule has been and shall continue to be enforced by a public report by Airport Staff to the Commission of schedule changes and a report of the anticipated impact, if any, on the Airport's Noise Impact Area of those changes. No approval of the Authority has been or shall be needed by an air carrier for any changes as long as the Noise Impact Area incompatible land within the 70db CNEL contour of the Airport does not exceed the 403 acres existing in 1978. If the acreage of incompatible land within the Airport's 70db CNEL contour ever exceeds 403 acres, the Airport shall attempt to prevent the increase in operations. That effort may or may not be successful.

Rule 8

Between the hours of 10:00 p.m. and 7:00 a.m.:

1. No intersection takeoffs shall be permitted;
2. No maintenance engine run-ups shall be permitted, unless a delay of such maintenance engine run-up would cause an aircraft to arrive and/or depart after 10:00 p.m. in the succeeding 24 hour period; and
3. No flight training operations, including practice instrument approaches and touch-and-go operations, shall be permitted.

Any pilot in command or maintenance facility violating the provisions of these Rules may, in the discretion of the Commission, and in addition to other remedies (including injunctive remedies) available, be subject to civil penalties for each violation of this Rule as follows: (1)

For the first violation, one thousand five hundred fifty-five dollars (\$1,555); (2) For subsequent violations, two thousand two hundred fifty-eight dollars (\$2,258).

This Rule has been and shall continue to be enforced as written.

Rule 9

Except as provided in Parts (B) and (C) hereof, no aircraft may land at or take off from the Burbank-Glendale-Pasadena Airport between the hours of 10:00 p.m. and 7:00 a.m.

The following aircraft shall be permitted to land at and take off from the Burbank-Glendale-Pasadena Airport between the hours of 10:00 p.m. and 7:00 a.m.:

1. Public aircraft, military aircraft, aircraft owned or operated by the armed forces of the United States, and aircraft operated in support of military operations.
2. Aircraft operated by commercial air carriers whose schedules comply with Rule 7 of these Rules and Regulations.
3. Aircraft, other than those listed in FAA Advisory Circular 36-1B or 36-2C, whose total rated maximum brake or shaft horsepower is 200 or less.
4. Propeller-driven aircraft whose certificated takeoff weights are 12,500 pounds or less and whose measured or estimated flyover noise levels, as contained in FAA Advisory Circular 36-1H or 36-2C (as such Advisory Circulars may be revised, supplemented, or replaced from time to time), are equal to or less than 85.6 dBA.
5. Aircraft whose estimated sideline noise levels, as set forth in FAA Advisory Circular 36-3 (or in any revision, supplement, or replacement thereof listing sideline noise levels), are equal to or less than:
 - for aircraft whose noise levels have been determined at a sideline distance of 450 meters, 82.2 dBA;
 - for aircraft whose noise levels have been determined at a sideline distance 0.25 nautical miles, 82 dBA; and
 - for four-engine aircraft whose noise levels have been determined at a sideline distance of 0.35 nautical miles, 79.1 dBA.
6. Aircraft whose maximum noise levels, under normal operating conditions and procedures, have been determined by the Airport Authority, upon a showing by the aircraft manufacturer or operator, are equal to or less than either:
 - a. when measured or estimated at a sideline distance of 450 meters, 0.25 nautical miles, or 0.35 nautical miles pursuant to F.A.R. Part 36 Appendix C, 82.2 dBA, 82 dBA, or 79.1 dBA, as applicable respectively, or

when measured or estimated at a flyover altitude of 1,000 feet pursuant to F.A.R. Part 36 Appendix F, 85.6 dBA.

Aircraft other than those specified in Paragraph (B) shall be permitted to land at or take off from the Burbank-Glendale-Pasadena Airport between the hours of 10:00 p.m. and 7:00 a.m. only under the following circumstances:

7. in the event such landing and/or takeoff results from the existence of a declared emergency;

8. in the event such landing and/or takeoff results from the use of the airport as a weather alternate; and

9. in the event such landing and/or takeoff results from a weather, mechanical, or air traffic control delay; provided however, that this exception shall not authorize any landing or takeoff between the hours of 11:00 p.m. and 7:00 a.m.

Upon the request of the Airport Authority, the aircraft operator or pilot in command shall document or demonstrate the precise emergency conditions resulting in a landing and/or takeoff between the hours of 10:00 p.m. and 7:00 a.m. or the precise weather, mechanical, or air traffic control conditions resulting in a landing and/or takeoff between the hours of 10:00 p.m. and 11:00 p.m.

Any aircraft operator or pilot in command violating the provisions of this Rule may, in the discretion of the Commission, and in addition to any other remedies (including injunctive remedies) available, be subject to civil penalties in the amount of four thousand five hundred twenty-two dollars (\$4,522) for each unauthorized landing and each unauthorized takeoff.

This Rule has been and shall continue to be enforced consistent with the ongoing enforcement of Clarified Rule 7 with respect to aircraft other than public aircraft, military aircraft, aircraft owned or operated by the armed forces of the United States, and aircraft operated in support of military operations. In particular, this Rule has been and will be enforced by allowing Stage 3 certified aircraft to fly between 10 p.m. and 7:00 a.m. With respect to Stage 2 hush-kitted aircraft that are certified as Stage 3, such aircraft operating between 10 p.m. and 7:00 a.m. shall continue to have to demonstrate compliance with the Rule as written. Stage 2 aircraft not certified as Stage 3 are not permitted to fly at any time.

Rule 10

Except as provided in Parts (B) and (C) hereof, no aircraft operating pursuant to an Operating Certificate issued by the Federal Aviation Administration may land at or take off from the Burbank-Glendale-Pasadena Airport.

The following aircraft operated pursuant to an Operating Certificate issued by the Federal Aviation Administration shall, subject to all other applicable Rules and Regulations, be permitted to land at and take off from the Burbank-Glendale-Pasadena Airport:

10. Transport category large airplanes and turbojet powered airplanes certificated under F.A.R. Part 36 or ICAO Annex 16 whose certificated sideline noise levels are equal to or less than:

b. for aircraft whose certificated noise levels have been determined at a sideline distance of 0.25 nautical miles, 105.0 effective perceived noise decibels;

for aircraft whose certificated noise levels have been determined at a sideline distance of 450 meters, 105.1 effective perceived noise decibels; and

for four-engine aircraft whose certificated noise levels have been determined at a sideline distance of 0.35 nautical miles, 103.5 effective perceived noise decibels.

11. Aircraft whose average sound exposure levels (SEL) on takeoff from Runway 15, under normal operating conditions and procedures, as measured at Airport Monitoring Stations 1, 2, and 3, are equal to or less than 104.5 dB, determined as follows:

c. for aircraft types regularly operating at the Airport during the year ending June 30, 1981, the average level shall be determined from the energy average of the SEL values measured at Monitoring Stations 1, 2, and 3 during April, May, and June, 1981.

for aircraft types not regularly operating at the Airport during the year ending June 30, 1981, the aircraft operator shall submit estimates of the energy average SEL values expected at Monitoring Stations 1, 2, and 3, accompanied by noise level and takeoff performance calculations sufficient to show the basis for obtaining the estimates. Where the average combined noise level estimates fall within the range of 101.5 to 104.5 dB, the Airport shall have the option of allowing the aircraft to operate at the Airport for a demonstration period of 90 days. The noise levels measured at Stations 1, 2, and 3 during this 90-day demonstration period shall be the basis for determining whether or not the aircraft meets the noise limits under this Part. The permission granted under this Part (B) (3) (b) shall continue only for so long as the approved aircraft continues to be operated at an average combined noise level at or below 104.5 dB as set forth above.

Aircraft operated pursuant to an Operating Certificate issued by the Federal Aviation Administration, whose noise levels exceed the limits specified in Part (B) shall be permitted to land at and take off from the Burbank-Glendale-Pasadena Airport only under the following circumstances:

12. in the event such landing and takeoff results from the existence of a declared emergency;

13. in the event such landing and takeoff results from use of the Airport as a weather alternative; or

14. in the event such landing and takeoff occurs in connection with FAA certificated maintenance, repair and modification.

Upon request of the Airport Authority, the aircraft operator or pilot in command shall document or demonstrate the precise emergency conditions or FAA certificated maintenance, repair, or modification resulting in the landing and takeoff of an aircraft whose noise levels exceed those set forth in Part (B) above.

Any aircraft operator or pilot in command violating the provisions of this Rule may, in the discretion of the Commission, and in addition to any other remedies (including injunctive remedies) available, be subject to civil penalties in the amount of One Thousand Dollars (\$1,000) for each unauthorized landing and takeoff.

This Rule has been and shall continue to be enforced as written as all modern commercial and general aviation aircraft in service meet these standards.

Rule 11

Subject to the provisions of Rule 7 of these Rules and Regulations:

No air carrier shall inaugurate or reinstitute scheduled turbojet operations at the Burbank-Glendale-Pasadena Airport ("the Airport"), except as provided in Part C below, unless all turbojet operations of that carrier are to be conducted solely with aircraft which comply with the noise level criteria of F.A.R. Part 36 Stage 3 (section C36.5 (a) (3) of Appendix C), as the same may be revised, supplemented, or replaced from time to time ("Stage 3 aircraft").

Each air carrier that has continuously provided scheduled passenger service at the Airport using non-Stage 3 aircraft since March 1, 1982, shall:

15. Utilize only Stage 3 aircraft in increases in its scheduled turbojet operations above the number of such operations in effect on June 30, 1982;

16. Conduct at least twenty-five percent (25%) of its scheduled turbojet operations with Stage 3 aircraft until March 31, 1986; and

17. From April 1, 1986, to March 31, 1987, conduct at least fifty percent (50%) of its scheduled turbojet operations with Stage 3 aircraft.

Air carriers seeking to inaugurate or reinstitute scheduled passenger operations at the Airport between the effective date of this Rule and March 31, 1987, will be permitted to make use of non-Stage 3 aircraft to the extent such aircraft may be used during that period by air carriers that have continuously utilized such aircraft at the Airport in scheduled passenger service since March 1, 1982, if the air carrier seeking to inaugurate or reinstitute scheduled passenger service demonstrates that the non-Stage 3 aircraft sought to be utilized will produce, at the average gross weight reasonably expected in operations at the Airport, an energy average Sound Exposure Level ("SEL") no greater than 98 decibels at Airport Monitoring Stations 1, 2, and 3 for departures on Runway 15 and no greater than 93 decibels at Station 9 for arrivals on Runway 8.

After March 31, 1987, each air carrier providing scheduled passenger service at the Airport shall conduct one hundred percent (100%) of its scheduled turbojet operations with Stage 3 aircraft.

Air carriers may substitute higher noise level aircraft in operations required to be flown with lower noise level aircraft only if the required lower noise level aircraft is removed from service on a temporary basis for unanticipated conditions beyond the carrier's control, but only for so long as is necessary to correct such unanticipated conditions.

Each scheduled air carrier shall demonstrate, in writing, its intention and ability to fulfill the requirements of this Rule not less than 30 days prior to the commencement (including reinstatement) of scheduled passenger service or any proposed increase in operations at the Airport. Each such air carrier shall also, upon request of the Authority, provide written documentation of the reasons for and duration of any substitution of aircraft pursuant to Part E hereof.

Each scheduled air carrier violating the provisions of this Rule may, in the discretion of the Commission, and in addition to the other remedies (including injunctive remedies) available, be subject to civil penalties in the amount of Ten Thousand Dollars (\$10,000) for each day on which operations are conducted in violation of the provisions of this Rule.

This Rule has been and shall continue to be enforced by requiring all air carriers to use aircraft that are certified Stage 3 or quieter at the Airport.

Rule 12

In the event one or more clauses, sections or provisions of these Rules shall be held to be unlawful, invalid or unenforceable, the remainder of such Rule (or Rules) shall not be affected thereby.

This Rule has been and shall continue to be enforced as written.

Noise Rules Enforcement

The following procedures shall govern the enforcement of the Noise Abatement Rules.

18. Alleged violations of the Noise Abatement Rules shall be investigated by the Noise & Environmental Department or such other airport staff member as the Executive Director may designate.

19. In each instance of a potential violation identified by the Noise & Environmental Department, the Noise & Environmental Department staff shall notify the owner or operator of the aircraft in question. In the case of potential violations of Rules 8 or 9, or in any other instance in which a violation, if confirmed, would result in the imposition of a monetary fine or operational restriction, such notice shall be in writing and shall be delivered by certified mail or other form of registered delivery. Such written notice shall specify the nature of

the alleged violation, the time, date and location of its occurrence, the rule allegedly violated, and shall include a copy or description of these enforcement procedures.

20. The owner or operator shall have fifteen (15) business days from the date of such notice to: pay the proposed fine; contest in writing the finding of a violation; or request in writing an informal conference with the Director, Noise & Environmental Programs (“Director”). The Director shall, based upon information received in writing or through an informal conference, determine whether a violation has occurred and shall promptly give written notice of such determination to the owner or operator.

21. The owner or operator shall have ten (10) business days from the date of such notice of determination to appeal the determination of the Director to the Authority’s Operations Committee. Such appeal shall be in writing, submitted to the Noise & Environmental Department, and shall set forth all information the owner or operator believes necessary to support such appeal. The Operations Committee shall have the discretion to request further information from the owner or operator, either in writing or in person, and may affirm, overrule or modify the determination of the Director. The Operations Committee shall give written notice of its decision to the owner or operator.

22. The owner or operator may, within ten (10) business days of the date of the notice of decision of the Operations Committee, appeal that decision to the full Airport Authority Commission, by submitting a notice of appeal, together with such written information as it deems appropriate, to the Noise & Environmental Department. The Commission may request further information from the owner or operator, either in writing or in person, and may affirm, overrule or modify the decision of the Operations Committee. The Commission shall give written notice of its decision to the owner or operator.

Exhibit E

FEDERAL REQUIREMENTS

1. General Civil Rights Provisions

A. In all its activities within the scope of its airport program, Tenant agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

B. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

C. If Tenant transfers its obligation to another, the transferee is obligated in the same manner as Tenant. This provision obligates Tenant for the period during which the property is owned, used or possessed by Tenant and the airport remains obligated to the Federal Aviation Administration.

2. Civil Rights – Title VI Assurance

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

1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964) including amendments thereto;

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);

5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and Tenants, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

9. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

B. During the performance of this contract, Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Tenant”), agrees as follows:

1. Compliance with Regulations: Tenant will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: Tenant, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Tenant will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21 including amendments thereto.

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

4. Information and Reports: Tenant will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access

to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Tenant is in the exclusive possession of another who fails or refuses to furnish the information, Tenant will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Tenant's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

a. Withholding payments to Tenant under the contract until Tenant complies; and/or

b. Cancelling, terminating, or suspending a contract, in whole or in part.

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

3. Transfer of Real Property Acquired or Improved Under the Airport Improvement Program

A. Tenant for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (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 such facilities.

B. In the event of breach of any of the above Nondiscrimination covenants, the Authority will have the right to terminate the Lease and to enter, re-enter, and repossess such lands and facilities thereon, and hold the same as if the Lease had never been made or issued.

4. Construction/Use/Access to Real Property Acquired Under the Airport Improvement Program

A. Tenant for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the ground 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, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Tenant will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts and Authorities.

B. In the event of breach of any of the above Nondiscrimination covenants, the Authority will have the right to terminate the Lease and to enter, re-enter, and repossess such lands and facilities thereon, and hold the same as if the Lease had never been made or issued.

Exhibit F

Tenant Improvement Request

[To be Inserted]

**TENANT IMPROVEMENT
REQUEST FOR APPROVAL**



MUST BE SUBMITTED AND APPROVED PRIOR TO THE START OF WORK

1. GENERAL INFORMATION

Tenant _____ Date _____
Point of Contact _____ Phone # _____
Address _____ Email _____
Proposed Improvements* _____

Estimated Costs _____ Estimated Start Date _____ Estimated Completion Date _____

**Attached any supplemental information such as pictures, materials or equipment specifications, location map, site plans, architectural plans, drawings, project schedule.*

2. CONTRACTOR INFORMATION

Company Name _____ License# _____
Point of Contact _____ Phone # _____
Address _____
Email _____

**Contractor must submit required Certificate of Insurance, Material and Labor Bond. See Page 3.*

3. SIGNATURE

Signature _____ Date _____
Name _____ Company _____ Title _____

4. AIRPORT DEPARTMENT APPROVALS

Business & Property

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Operations

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Engineering

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

4. AIRPORT DEPARTMENT APPROVALS continued

Maintenance

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Noise & Environmental

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Fire

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Safety SMS

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Security/Police

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Parking/Ground Access

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

ICT

Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

**If marked yes, please reference the separate TI Supplement document for more information.*

5. FINAL APPROVAL

Airport Administration

Name _____ Signature _____ Date _____

INSTRUCTIONS FOR COMPLETING THIS FORM

The following procedures are to be followed by all Airport Tenants desiring to make improvements to their leasehold. Close adherence to the procedures and regulations outlined below will greatly aid in expediting the processing and approval of each Proposed Improvement.

1. Tenant shall complete Section 1, 2, and 3 of this form and submit to: Burbank-Glendale-Pasadena Airport Authority, Business, Property and Administrative Services Department, 2627 Hollywood Way, Burbank, CA 91505.
2. Upon receipt of this Request Form, the Business, Property and Administrative Services Department will review the Proposed Improvement and, if the proposal is considered to be basically acceptable, it will then be forwarded to Airport Engineering for further review and evaluation. However, if the proposal is not considered to be basically acceptable, the Request Form will be returned to the Tenant accompanied by a written statement from the Authority as to why the request is being denied at this stage or if additional information is required.
3. In addition to the submission of the Tenant Improvement Form, Tenant shall also provide final plans and specifications for the Proposed Improvement. The plans and specifications shall conform to the following requirements: five (5) sets of plans and specifications shall be submitted by the Tenant with this form to Business, Property and Administrative Services Department for review by all applicable Airport Departments with final review and approval by Airport Administration.
4. The Business, Property and Administrative Services Department and Engineering Department will determine any impact of the Proposed Improvement on the Airport Master Plan, Airport Facilities, Navigable Airspace Requirements of Federal Aviation Regulations Part 77, and/or if it conforms to the Airport Rules and Regulations.
5. Prior to the start of construction and after all insurance and bond requirements have been satisfied, an Indemnification & Defense Agreement has been submitted to the Authority, and Building permits and any other necessary permits are on file with the Authority, a pre-construction meeting must be held in the Authority Administrative offices. When all of these requirements have been satisfied, approval to begin construction will be granted on the Tenant Improvement Form and a copy returned to the Tenant. The form will indicate whether approval has been granted, and if not granted, the reason for denial.
6. All Tenants shall, within thirty (30) days after completion, submit to Business, Property and Administrative Services Department one set of "as built" plans. Also, an itemized summary of construction costs shall be forwarded to Business, Property and Administrative Services Department. The itemized summary shall be signed by the contractor and notarized.

NOTES: a.) For smaller projects costing less than \$5,000, the Authority may, at its discretion, waive any or all of the above requirements. b.) Airport approval does not constitute a substitution of approval from any other governmental agency having jurisdiction.

PLANS AND SPECIFICATIONS

Plans shall be drawn to scale and dimensioned on standard size drawing sheets for future reference and file retention, and shall be of sufficient clarity to indicate the nature and extent of the work proposed and show in detail that it conforms to the provisions of the governing codes, ordinances, rules and regulations. The minimum number of drawings normally acceptable with each set of plans submitted for final review and approval will generally consist of a plot plan, foundation plan, floor plan, elevations, framing section and details. Electrical, plumbing, heating and air conditioning plans and details shall be submitted when applicable. Foundation recommendations, including calculations and a soils investigation report shall be submitted when appropriate or requested by Airport Engineering. All design documents, including required calculations, shall be prepared, stamped, and signed by a licensed professional engineer or architect registered in the State of California. Engineers shall be licensed for the specific discipline required. Drawings/specifications and/or calculations prepared by contractors and/or fabricators will not be acceptable.

OTHER REQUIREMENTS INSURANCE REQUIREMENTS

Contractor shall take out and maintain during the period of the Contract the following insurance and amounts unless a larger amount is specified on the Approval Request Form. Comprehensive General Liability: \$1,000,000 single limit for combined Bodily Injury and Property Damage for each occurrence. \$1,000,000 for Personal Injury for each occurrence. Comprehensive Automobile Liability: \$1,000,000 single limit for combined Bodily Injury and Property Damage for each occurrence. Workers' Compensation: California statutory requirements. Liability policies shall name the Burbank-Glendale-Pasadena Airport Authority as an Additional Insured. Certificates of Insurance on all policies shall be filed with Business, Property and Administrative Services Department. Each of said insurance policies shall contain a provision requiring the insurer to notify the Burbank-Glendale-Pasadena Airport Authority ten (10) days prior to the cancellation or material change in the Policy.

BOND REQUIREMENT

The Tenant shall require the contractor to obtain a material and labor bond equal to the contract price of the work. A copy of said bond shall be forwarded to Airport Engineering.

INDEMNIFICATION & DEFENSE AGREEMENT

The Tenant and its Contractor agree to and do hereby indemnify, defend and hold harmless the Burbank-Glendale-Pasadena Airport Authority, and its officers, agents, employees and contractors from all claims, demands, liabilities, losses, damages, costs and expenses, of any nature whatsoever, caused by or arising from, directly or indirectly, any act or omission (including, without limitation, negligent acts, negligent omissions, willful misconduct and any violation of the terms of that certain Lease between Tenant and Authority in, on or near the Bob Hope Airport by Contractor, or its subcontractors, agents or employees (including without limitation work done by Contractor for Tenant on Tenant's leased premises).

PREVAILING WAGES

As part of Tenant's obligations under the terms of the Lease to comply with applicable law, Tenant acknowledges and agrees that if Tenant is provided improvement funds from the Burbank-Glendale-Pasadena Airport Authority, or a rent credit based on timely construction of improvements, then Tenant shall (and shall cause its contractors to) pay prevailing wages for such improvements and shall otherwise comply with California Labor Code Sections 1720 et seq. (including all recordkeeping and reporting requirements).

Exhibit G

Proposed New Improvements

(approved by Landlord's Business, Property and Administrative Services Department)

Description of Tenant Improvement	Estimated Cost
Covered Parking: A new 6,000 SF steel parking shade structure covering 33 spaces on the existing surface parking lot, including two (2) ADA compliant parking spaces and ramp.	\$670,170
TOTAL	\$670,170

Exhibit H
LEASE GUARANTY

(attached)

Exhibit H

LEASE GUARANTY

This LEASE GUARANTY, dated as of _____, 20__ (this "Guaranty"), is from **DISNEY ENTERPRISES, INC.**, a Delaware corporation ("Guarantor"), in favor of the **BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**, a California joint powers agency ("Landlord").

WHEREAS, Earth Star, Inc., a California corporation ("Tenant"), and Landlord entered into that certain Aviation Hangar Lease, dated _____, 20__ (the "Lease").

WHEREAS, pursuant to the Lease, Landlord has leased to Tenant certain premises consisting of aviation hangars and related space at Landlord's facility located at the Burbank-Glendale-Pasadena Airport, Burbank, California (collectively, the "Leased Premises"), as more particularly described in the Lease.

WHEREAS, Guarantor is the only shareholder of Tenant and has offered to execute this Guaranty to induce Landlord to enter into the Lease.

NOW THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged by Guarantor, Guarantor hereby agrees as follows:

1. Guaranty

Guarantor unconditionally and irrevocably guarantees that all sums payable by Tenant to Landlord as "Annual Base Rent" (as such term is defined in the Lease) pursuant to Section 3 of the Lease and all sums payable by Tenant to Landlord as "Additional Rent" (as such term is used in the Lease) pursuant to Section 4 of the Lease (the obligations hereby guaranteed are collectively referred to herein as the "Guaranteed Obligations") shall be promptly paid in full when due, in accordance with the terms and provisions of the Lease and applicable law. This Guaranty is irrevocable, unconditional, and absolute. If, for any reasons, any Guaranteed Obligation shall not be paid promptly when due, Guarantor, promptly after notice thereof, shall pay the same to the person entitled thereto pursuant to the provisions of the Lease regardless of: (a) any defenses or rights of set-off or counterclaims which Tenant may have or assert; (b) whether Landlord shall have taken any steps to enforce any rights against Tenant or any other remedy as a result of the default of Tenant, including enforcing any rights to any collateral curing the obligations of Tenant under the Lease, or other Guaranteed Obligation; (c) any other condition or contingency; or (d) any amendment, modification, extension, renewal or supplemental Lease. All sums owing Landlord hereunder shall be paid in immediately available funds to the account of Landlord at such locations Landlord may by notice specify.

2. Non-impairment of Guaranty

The obligations, covenants, agreements and duties of Guarantor under this Guaranty shall in no way be impaired or excused by reason of the happening from time to time of any of the following, although any of which may be without notice to or the further consent of Guarantor:

(a) the waiver by Landlord of the performance or observance by Tenant, Guarantor or any other party of any of the agreements, covenants, terms or conditions contained in the Lease, this Guaranty, or any other document or instrument (other than the express written excuse from such performance or observance signed by Landlord but only to the extent expressly stated in such writing);

(b) the extension, in whole or in part, of the time for payment by Tenant or Guarantor of any Guaranteed Obligation, or of any other obligations under or arising out of this Guaranty;

(c) any assignment of the Lease, other Guaranteed Obligation or the subletting of the Leased Premises or any part thereof;

(d) the modification or amendment (whether material or otherwise) of any of the obligations of Tenant, or Guarantor under the Lease, or this Guaranty;

(e) any failure, omission, or delay on the part of Landlord to enforce, assert, or exercise any right, power, or remedy conferred on or available to Landlord in or by the Lease or this Guaranty, or any other instrument, or any action on the part of Landlord or any other person or entity granting indulgence or extension in any form whatsoever;

(f) the voluntary or involuntary liquidation, dissolution, or sale of all or substantially all of the assets, marshalling of assets and liabilities, receivership, conservatorship, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting Tenant, Guarantor or any of their assets;

(g) the release of Tenant or Guarantor from the performance or observance of any of the agreements, covenants, terms or conditions contained in the Lease or this Guaranty by operation of law;

(h) the inability of Tenant, Landlord or Guarantor to enforce any provisions of the Lease for any reason; or

(i) the filing of or the existence of any grounds for the filing of a petition by or against Tenant or Guarantor under the Bankruptcy Code, as the same may be amended from time to time.

3. Waivers

(a) Guarantor, to the extent Guarantor may legally do so, waives any right now or subsequently existing requiring Landlord as a condition to proceeding against Guarantor hereunder, to (i) proceed against Tenant or to join Tenant in any proceeding, (ii) proceed against or exhaust any security held from Tenant, or any balance of any deposit account or credit on the books of Landlord in favor of Tenant or any other entity or person, (iii) proceed against any other surety prior to proceeding against Guarantor or to join any such surety in any such proceeding, or (iv) pursue any other remedy in Landlord's power. **GUARANTOR WAIVES ALL RIGHTS AND**

DEFENSES ARISING BY REASON OF ANY DISABILITY OR OTHER DEFENSE OF TENANT OR BY REASON OF THE CESSATION FROM ANY CAUSE WHATSOEVER OF

(b) THE LIABILITY OF TENANT OTHER THAN FULL PAYMENT OF ALL GUARANTEED OBLIGATIONS.

(c) GUARANTOR, TO THE EXTENT GUARANTOR MAY LEGALLY DO SO, WAIVES ANY RIGHTS AND DEFENSES GUARANTOR MAY OTHERWISE HAVE, WHETHER NOW OR SUBSEQUENTLY EXISTING, BASED UPON AN ELECTION OF REMEDIES BY LANDLORD THAT LIMITS OR DESTROYS GUARANTOR'S SUBROGATION RIGHTS (IF ANY) OR GUARANTOR'S RIGHTS (IF ANY) TO PROCEED AGAINST TENANT FOR REIMBURSEMENT.

(d) Until the payment in full of all Guaranteed Obligations and the full performance of all obligations of Tenant under the Lease, and other Guaranteed Obligations, Guarantor shall have no right of subrogation arising out of the payment of any Guaranteed Obligation. Guarantor further waives all rights to enforce any remedy which Landlord now has or may subsequently have against Tenant under the Lease, or other Guaranteed Obligations, and waives the benefit of, and all rights to participate in, any security now or subsequently held by Landlord from Tenant or any other tenant or subtenant under the Lease, or any other obligor under the Lease, or any other obligor of any Guaranteed Obligation.

(e) Guarantor, to the extent Guarantor may legally do so, waives the benefit of any statute of limitations affecting the liability of Guarantor hereunder.

(f) Guarantor shall not assert the bankruptcy of Tenant as a defense to Guarantor's obligations hereunder, and further agrees that in the event a bankruptcy court orders or causes a rescission or revision of the Lease, or any Guaranteed Obligation or releases Tenant from any of Tenant's obligations under the Lease or any Guaranteed Obligation, Guarantor shall remain fully liable hereunder; and in the event a bankruptcy court orders or causes a rescission or revision of the obligations of any other surety or releases any such surety from any obligations, Guarantor shall remain fully liable hereunder.

(g) Guarantor waives any right to require Landlord to make any presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of default, or delinquency, notices of nonpayment, notices of the amounts from time to time owing Landlord under the Lease, or any Guaranteed Obligation, or any other facts that may come to the attention of Landlord regarding the financial position of Tenant, or notice of acceptance of this Guaranty.

4. Bankruptcy

In the event of the rejection or disaffirmance or other invalidation of the Lease or any Guaranteed Obligation by Tenant or Tenant's trustee in bankruptcy pursuant to bankruptcy law or any other law affecting creditors' rights, Guarantor shall, upon Landlord's request, assume all Guaranteed Obligations, and Guarantor will confirm such assumption in writing at the request of Landlord upon or after such rejection or disaffirmance. The liability of Guarantor hereunder shall be reinstated and revived and the rights of Landlord to enforce all amounts owing to Landlord shall

continue with respect to any amount at any time paid on account of the obligations guaranteed hereby which shall thereafter be required to be returned or restored by Landlord to Tenant or any other tenant under the Lease, any successor in interest thereto, to any trustee in bankruptcy, or any other person or entity upon the insolvency, reorganization or bankruptcy of Tenant or other tenant under the Lease, all as if such amount had not been paid to Landlord.

5. Representations and Warranties

Guarantor represents and warrants (which representations and warranties shall survive the execution of this Guaranty) as follows:

(a) Guarantor has received a copy of the Lease executed by Tenant (and all exhibits and schedules thereto), and is familiar with the terms and conditions thereunder.

(b) Neither the execution of, nor the performance under, this Guaranty will render Guarantor insolvent.

(c) Guarantor is receiving fair consideration for this Guaranty.

(d) This Guaranty has been duly authorized, executed and delivered by Guarantor and constitutes legal, valid and binding obligations of Guarantor enforceable against Guarantor in accordance with its terms.

(e) Neither the execution, delivery or performance by Guarantor of this Guaranty, nor compliance with the terms and provisions hereof, will contravene or breach any applicable law, or any agreement or other instrument to which Guarantor is a party or by which Guarantor is bound or subject.

(f) Each of the waivers set forth in this Guaranty is made with Guarantor's full knowledge of its significance and consequences and, under the circumstances, each such waiver is reasonable.

(g) Guarantor has had the opportunity to consult with legal counsel regarding the consequences, meaning and effect of each waiver and other provision of this Guaranty.

6. Interest; Attorney's Fees

Any amount required to be paid by Guarantor to Landlord pursuant to the terms hereof shall bear interest from the date due (or originally due from the tenants under the Lease or other obligors under any Lease, or other Guaranteed Obligation, if applicable) at the rate specified in Section 3.6 of the Lease, but in no event more than the maximum rate permitted by law. If Landlord retains counsel to collect any amounts due hereunder, or pursues any collection procedures or judicial or non-judicial remedy against Guarantor hereunder, or against Tenant in connection with the Lease, or other Guaranteed Obligations, Guarantor shall pay to Landlord upon demand all fees and expenses or Landlord's counsel and all other related costs incurred by Landlord in connection therewith.

7. Notices

Any notices permitted or required under this Guaranty shall be delivered as provided in this Section and shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail after the receiving party's regular business hours; or (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below or to such other addresses as the parties may, from time to time, designate in writing. Any notice delivered by e-mail that concerns breach or termination of this Lease shall concurrently be sent by deposit in the United States mail, postage prepaid but such notice shall be deemed received on the day of e-mail delivery. Landlord's address is set forth in Section 26.12 of the Lease. Guarantor's address is as follows:

Disney Enterprise, Inc.

If by US Mail (return receipt requested):

c/o DWSS Lease Administration
P.O. Box 10360
Lake Buena Vista, FL 32830-1000

If by overnight courier or personal delivery:

c/o DWSS Lease Administration
1180 Celebration Boulevard, Suite 201
Celebration, FL 34747
Attention: Lease Administration

In each case, with a copy to:

The Walt Disney Company
500 S. Buena Vista Street
Burbank, CA 91521-7841
Attention: Corp. Legal – Real Estate

If by DocuSign or email

DWSS.DL-Lease.Admin@disney.com
CORP.Legal.Realestate@disney.com

8. Interpretation

This Guaranty is an irrevocable and continuing guaranty and is in addition to and not in substitution for any other security or rights of Landlord. This Guaranty may not be modified or amended except by a written agreement duly executed by Guarantor and Landlord. Except for the Lease, and other Guaranteed Obligations, this Guaranty embodies the Guarantor's entire agreement with respect to the subject matter hereof and supersedes all prior agreements with respect thereto. This guaranty shall be binding upon Guarantor and Guarantor's successors and assigns, and shall inure to the benefit of Landlord and Landlord's successors and assigns. This Guaranty shall be governed by and construed in accordance with the statutes, decisional, and other laws of the State of California.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed in its name and on its behalf by its duly authorized representative.

“GUARANTOR”
Disney Enterprises, Inc.

By: _____

Print Name: _____

Title: _____



Airport Revenue Bonds, 2026 Series Financing Schedule (draft as of January 14, 2026)

*** Target April 6th Commission Approval and May 12th for Closing ***

January							February							March							April							May						
S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su
				1	2	3	1	2	3	4	5	6	7	1	2	3	4	5	6	7				1	2	3	4						1	2
4	5	6	7	8	9	10	8	9	10	11	12	13	14	8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
11	12	13	14	15	16	17	15	16	17	18	19	20	21	15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
18	19	20	21	22	23	24	22	23	24	25	26	27	28	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
25	26	27	28	29	30	31								29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
																												31						

Commission/Committees	Key Deal Activity	Budget Activity
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Week of	Date	Event	Responsible Party
1/12	W, 1/14	• Kick-off meeting (2pm)	All
	Week of	• Begin drafting of documents/POS • Begin drafting of ROAC	BC/DC AC
1/19	M, 1/19	• MLK Day • Continue drafting of documents/POS • Continue drafting of ROAC	BC/DC AC
1/26	Week of	• Distribute 1st draft of documents/POS • Distribute 1st draft of BPA • Continue drafting of ROAC	BC/DC UC AC
2/2	M, 2/2	• F&A Committee considers rating agency engagement	F&A, Staff, MA
	Th, 2/5	• Review 1st draft of documents/POS/BPA	All
	Week of	• Continue drafting of ROAC	AC
2/9	Week of	• First draft rating presentation	MA
2/16	M, 2/16	• Presidents' Day	
	T, 2/17	• Budget schedule discussion • Commission considers rating agency engagement	F&A, Staff Authority, Staff, MA
	Week of	• Distribute 2nd draft of documents/POS • Distribute 2nd draft of BPA • Set initial completion bond sizing amount • Rating presentation review call • Draft staff report for Executive Committee approval • Distribute 1st draft of ROAC	BC/DC UC Staff, MA All MA AC
2/23	M, 2/23	• Review 2nd draft of documents/POS/BPA	All
	Th, 2/26	• Distribute form of documents/POS for approval	All
	F, 2/27	• Submit package on Executive Committee approval	Staff
	Week of	• Review 1st draft ROAC	All
3/2	W, 3/4	• Executive Committee considers approval of bonds	ExCo, Staff, MA
	Week of	• Distribute draft of rating presentation	SM
3/9	W, 3/11	• Submit package on F&A Committee approval	Staff
	F, 3/13	• Documents sent to Rating Agencies	MA
3/9	Week of	• Review rating presentation • Draft staff report for F&A Committee approval	All MA



Airport Revenue Bonds, 2026 Series Financing Schedule (draft as of January 14, 2026)

*** Target April 6th Commission Approval and May 12th for Closing ***

Week of	Date	Event	Responsible Party
3/16	M, 3/16	• Budget assumptions discussion	F&A, Staff
		• F&A Committee considers approval of bonds	F&A, Staff, MA
	T, 3/17	• Distribute revised rating presentation	SM
		• Distribute 2nd draft of ROAC	AC
	W, 3/18	• Review revised rating presentation	All
	Th, 3/19	• Incorporate 2nd draft of ROAC in POS	DC
	F, 3/20	• Updated POS/ROAC sent to Rating Agencies	MA
• Distribute draft of investor presentation		SM	
• Finalize rating presentation		SM	
3/23	M, 3/23	• Continue budget assumptions discussion	F&A, Staff
		• Rating agency discussions	Staff, MA, SM
	Week of	• Review investor presentation	All
		• Adjust bond sizing amount, if necessary	Staff, MA
		• Draft staff report for Commission approval	MA
3/30	T, 3/31	• Submit package on Commission approval of bond authorization and documents	Staff
	Th, 4/2	• Receive ratings	Staff, MA
	F, 4/3	• Good Friday (Municipal Bond Holiday)	
	Week of	• Distribute revised investor presentation	SM
		• Review 2nd draft of ROAC	All
4/6	M, 4/6	• Commission considers approval of bonds	Authority, Staff, MA
	Week of	• Review revised investor presentation	All
4/13	Week of	• Distribute final draft ROAC	AC
		• Finalize POS	DC
		• Finalize investor presentation	SM
		• Adjust bond sizing amount, if necessary	Staff, MA
		• Due diligence	All
	F, 4/17	• Publish POS	DC
		• Publish investor presentation	SM
		• Distribute documents/credit package for potential bond insurers	SM
4/20	M, 4/20	• Continue budget discussions	F&A, Staff
	Week of	• Premarket bonds	SM, CM
		• Distribute draft closing documents without numbers	BC
4/27	W, 4/29	• FOMC Meeting	
	Th, 4/30	• Provide comments on draft closing documents	All
		• Pricing	Staff, MA, SM, CM
5/4	M, 5/4	• Commission Meeting	Authority, Staff
		• Budget revenues & sources of funds assumptions	F&A, Staff
		• Update bond pricing at F&A Committee	F&A, SM, MA
		• Distribute closing documents	BC



Airport Revenue Bonds, 2026 Series Financing Schedule (draft as of January 14, 2026)

*** Target April 6th Commission Approval and May 12th for Closing ***

Week of	Date	Event	Responsible Party
	Tu, 5/5	<ul style="list-style-type: none"> Distribute draft of final OS Final comments on closing documents by noon Package closing documents 	DC All BC
	W, 5/6	<ul style="list-style-type: none"> Executive Committee meeting Execute closing documents (<i>wet signatures</i>) Final comments on final OS 	ExCo, Staff Authority All
	Th, 5/7	<ul style="list-style-type: none"> Post final OS 	DC
5/11	M, 5/11	<ul style="list-style-type: none"> Budget discussions placeholder Preclosing 	F&A, Staff All
	Tu, 5/12	<ul style="list-style-type: none"> Closing 	All
5/18	M, 5/18	<ul style="list-style-type: none"> Budget presentation 	Authority, Staff
5/25	M, 5/25	<ul style="list-style-type: none"> Memorial Day 	
	W, 5/27	<ul style="list-style-type: none"> Final review of proposed budget workbook 	Authority, Staff



Commercial Paper Program (February-April Issuances)

Financing Schedule (draft as of January 14, 2026)

*** Target Initial February 24th Closing ***

January							February							March							April							May						
S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su	S	M	T	W	Th	F	Su
				1	2	3	1	2	3	4	5	6	7	1	2	3	4	5	6	7				1	2	3	4						1	2
4	5	6	7	8	9	10	8	9	10	11	12	13	14	8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
11	12	13	14	15	16	17	15	16	17	18	19	20	21	15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
18	19	20	21	22	23	24	22	23	24	25	26	27	28	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
25	26	27	28	29	30	31							29	30	31				26	27	28	29	30			24	25	26	27	28	29	30		
																										31								

Week of	Date	Event	Responsible Party
1/12	Week of	<ul style="list-style-type: none"> Planning meeting(s) Begin work on ABT calculation Notify issuing and paying agent, dealer and LOC banks of pending issuance 	Authority, NC, MA, AC AC MA
1/19	M, 1/19	<ul style="list-style-type: none"> MLK Day 	
	Week of	<ul style="list-style-type: none"> File CDIAAC form for initial issuance of CP 	NC
1/26	Week of	<ul style="list-style-type: none"> Distribute drafts of closing certificates 	NC
2/2	Week of	<ul style="list-style-type: none"> Group coordination meeting Comments on drafts of other closing materials 	All NC
2/9	Week of	<ul style="list-style-type: none"> Receive RPT invoices Remit RPT invoices to tax counsel and MA Establish CP proceeds account(s) Distribute revised drafts of closing certificates 	Authority Authority Authority NC
2/16	M, 2/16	<ul style="list-style-type: none"> Presidents' Day 	
	Week of	<ul style="list-style-type: none"> Determine CP issuance size (net of grants, PFCs, and Authority funds, if any) Finalize issuance amount Provide draft of ABT calculation Finalize closing certificates except Exhibit C of IPAA and ABT certificate Pre-pricing discussions Execute closing certificates except Exhibit C of IPAA and ABT certificate 	Authority Authority AC NC Authority, MA, BD Authority
	F, 2/20	<ul style="list-style-type: none"> Confirm series, size, and maturity with dealer 	Authority, MA, BD
2/23	M, 2/23	<ul style="list-style-type: none"> Pricing Complete Exhibit C of IPAA Execute Exhibit C of IPAA Execute ABT calculation certificate 	Authority, MA, BD NC Authority, IPA AC
	Tu, 2/24	<ul style="list-style-type: none"> Closing 	All
	Week of	<ul style="list-style-type: none"> Pay RPT invoices File form 8038-G 	Authority NC
3/2		<ul style="list-style-type: none"> No CP-related activity 	



Commercial Paper Program (February-April Issuances)

Financing Schedule (draft as of January 14, 2026)

*** Target Initial February 24th Closing ***

Week of	Date	Event	Responsible Party
3/9	Week of	<ul style="list-style-type: none"> • Receive RPT invoices • Remit RPT invoices to tax counsel and MA • Establish CP proceeds account(s) • Group coordination meeting 	<ul style="list-style-type: none"> Authority Authority Authority All
3/16	Week of	<ul style="list-style-type: none"> • Determine CP issuance size (net of grants, PFCs, and Authority funds, if any) • Distribute drafts of closing certificates • Comment on closing certificates 	<ul style="list-style-type: none"> Authority NC All
3/23	M, 3/23	• Finalize issuance amount	Authority
	Tu, 3/24	<ul style="list-style-type: none"> • [Provide draft of ABT calculation] • Finalize closing certificates except Exhibit C of IPAA • Pre-pricing discussions • Execute closing certificates except Exhibit C of IPAA 	<ul style="list-style-type: none"> [AC] NC Authority, MA, BD Authority
	W, 3/25	• Confirm series, size, and maturity with dealer	Authority, MA, BD
	Th, 3/26	<ul style="list-style-type: none"> • Pricing • Complete Exhibit C of IPAA • Execute Exhibit C of IPAA • [Execute ABT calculation certificate] 	<ul style="list-style-type: none"> Authority, MA, BD NC Authority, IPA [AC]
	F, 3/27	• Closing	All
3/30	Week of	<ul style="list-style-type: none"> • Pay RPT invoices • File form 8038-G 	<ul style="list-style-type: none"> Authority NC
	F, 4/3	• Good Friday (Municipal Bond Holiday)	
4/6	M, 4/6	Commission considers approval of GARBs	
4/13	Week of	<ul style="list-style-type: none"> • Receive RPT invoices • Remit RPT invoices to tax counsel and MA • Establish CP proceeds account(s) • Group coordination meeting 	<ul style="list-style-type: none"> Authority Authority Authority All
	F, 4/17	Publish GARB POS	
4/20	Week of	<ul style="list-style-type: none"> • Determine CP issuance size (net of grants, PFCs, and Authority funds, if any) • Distribute drafts of closing certificates • Comment on closing certificates 	<ul style="list-style-type: none"> Authority NC All
	F, 4/24	• Confirm series, size, and maturity with dealer	Authority, MA, BD
4/27	M, 4/27	<ul style="list-style-type: none"> • Pricing • Complete Exhibit C of IPAA • Execute Exhibit C of IPAA • Execute ABT calculation certificate 	<ul style="list-style-type: none"> Authority, MA, BD NC Authority, IPA AC
	Tu, 4/28	• Closing	All
	Th, 4/30	GARB pricing	
	Week of	<ul style="list-style-type: none"> • Pay RPT invoices • File form 8038-G 	<ul style="list-style-type: none"> Authority NC



Commercial Paper Program (February-April Issuances) Financing Schedule (draft as of January 14, 2026)

*** Target Initial February 24th Closing ***

Week of	Date	Event	Responsible Party
5/4		<ul style="list-style-type: none">No CP-related activity	
5/11	Tu, 5/12		GARB closing
		Escrow established to defease CP	