

This Agreement may be used as a resource for customized contract development although it is recommended that this be supported by independent research on the suitability of its content for the specific requirements of implementers. It is not intended to provide legal advice and must not be relied upon as such. THIS LEASE IS PROVIDED “AS IS” AND WITHOUT WARRANTIES (WHETHER EXPRESS OR IMPLIED), AND ANY DAMAGES RESULTING FROM ITS USE ARE DISCLAIMED.

AIRCRAFT SHARED LEASE AGREEMENT

THIS AIRCRAFT SHARED LEASE AGREEMENT (“Lease”), dated as of _____, is made and entered into on the terms and conditions hereinafter set forth, by and between _____, a _____ corporation (“Lessor”), and _____, a _____ (“Lessee”).

FOR AND IN CONSIDERATION OF the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Lease of Aircraft. Subject to the terms and conditions contained in this Lease, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, on a non-exclusive basis, the hereinafter described aircraft, including its engine(s), propeller(s), avionics and accessories (collectively the “Aircraft”):

Manufacturer: _____ Model: _____ Year: _____
FAA Registration Number: _____ Airframe Serial Number: _____

Section 2. Term and Rent.

2.1. The term of this Lease (the “Term”) shall be for an initial period of one (1) year, commencing upon the date of execution of this Lease and ending at 11:59 p.m., Central time, on the day prior to the anniversary of this Lease (the “Expiration Date”) provided that this Lease may be terminated by either party without cause as provided in Section 18 hereof upon ninety (90) days’ written notice to the other party. This Lease shall automatically renew for subsequent one (1) year terms unless earlier terminated by either party as provided herein, and in the event that this Lease is so renewed, “Expiration Date” shall refer to the anniversary of the immediately preceding Expiration Date.

2.2. Lessee shall pay the following as rent hereunder:

(a) For each calendar day or portion thereof that Lessee takes possession of the Aircraft for Lessee’s use, Lessee shall pay to Lessor basic rent of _____ (\$_____) for each such calendar day or portion until the Aircraft is returned to Lessor’s home base of _____ (_____) (“Basic

Rent"). Basic Rent accrued during any calendar month shall be payable not later than the fifth day of the next succeeding calendar month.

(b) As consideration for Lessor's obligation to maintain the Aircraft as provided in this Lease, Lessee shall pay to Lessor additional rent in the amount of _____ (\$_____) for each hour during which the Aircraft is in operation (as measured on the Aircraft hour recording equipment, herein referred to as an "Operating Hour") by Lessee ("Additional Rent"). Additional Rent accrued during any calendar month shall be payable not later than the fifth day of the next succeeding calendar month.

(c) Lessee shall pay, when due, all sales and use taxes, assessments and other governmental charges (including penalties and interest, if any) ("Taxes") levied or assessed against Lessee, Lessor or the Aircraft in respect of:

(1) Lessee's interest in the Aircraft or the use or operation of the Aircraft by Lessee or any income accruing to Lessee therefrom; or

(2) The leasing of the Aircraft to Lessee and the Rent herein provided therefrom, excluding, however, any taxes assessed on the basis of the income of Lessor or any tax based on the value of the Aircraft to the Lessor (whether assessed as a "property tax," privilege tax, franchise tax, excise tax, registration tax, or otherwise).

2.3. All Basic Rent and Additional Rent (sometimes herein referred to collectively as "Rent") is payable in United States Dollars to Lessor at Lessor's address as specified herein, or to such other person or at such other place as Lessor from time to time may designate to Lessee in writing.

2.4. Any payment of Rent not paid within fifteen (15) days of the date due shall bear interest from the date due until paid at an annual percentage rate of interest equal to two percentage points (2%) in excess of the "Prime Rate" from time to time published in the Money Rates section of THE WALL STREET JOURNAL, which rate as published on the last publication day in any month shall be deemed to be the appropriate reference rate for the entire next succeeding calendar month; provided, however, that in no event shall such interest rate exceed the maximum contract rate of interest from time to time allowed to be charged under applicable law. Should THE WALL STREET JOURNAL cease the publication of its Prime Rate, Lessor shall have the right to designate a comparable reference rate.

Section 3. Covenant of Quiet Enjoyment;

Warranties. During the Term, and as long as no Event of Default has occurred and is continuing hereunder, Lessee's use of the Aircraft shall not be interrupted by Lessor or anyone claiming through or under Lessor. Lessee has conducted, or has had the opportunity to conduct, such inspections of the Aircraft as it desires to make and has found the Aircraft to be acceptable to it as of the date of this Lease, and hereby accepts the Aircraft, for lease hereunder; provided, however, that Lessor is obligated to maintain the Aircraft in accordance with Section 5 below.

Section 4. Tax Benefits.

It is intended that Lessor will be entitled to claim all available tax benefits of ownership with respect to the Aircraft, based upon the entire cost thereof, under the Internal Revenue Code of 1986, as amended (the "Code"), and Lessee agrees that it will not claim any tax benefits of ownership with respect to the Aircraft under the Code. All income, gain, loss and deductions shall be treated as income, gain, loss and deductions derived from or

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allocable to sources within the United States. All rights and benefits with respect to the ownership of the Aircraft not expressly granted to Lessee hereunder shall be and hereby are reserved to Lessor.

Section 5. Use and Operation; Maintenance; Inspections; Costs and Expenses.

5.1. During the Term, the Aircraft shall be based at _____ (____), _____ (the "Aircraft Base"). The location of the Aircraft Base may not be changed without the express written consent of both Lessor and Lessee, Lessee's consent not to be withheld unreasonably. Upon the conclusion of each use of the Aircraft by Lessee or by Lessor (as contemplated by Section 5.9 hereof), the party using the Aircraft shall return it to the Aircraft Base with the fuel tanks not less than one-half (1¹/₂) full. In addition, upon the expiration or termination (whether voluntary or as the result of an Event of Default or otherwise) of this Lease, Lessee, at its sole cost and expense, shall return the Aircraft to Lessor at the Aircraft Base in as good an operating condition as when the Aircraft was delivered to Lessee hereunder, ordinary wear and tear excepted.

5.2. Except as otherwise expressly provided in this Agreement, during the Term, Lessee shall pay all costs associated with the leasing, use and operation of the Aircraft such as hangar expense while the Aircraft is away from the Aircraft Base, fuel, airport fees, international fees, customs fees and all flight crew fees, costs and expenses.

5.3. Lessee shall have sole responsibility for the selection of flight crew members to operate the Aircraft; provided, however, that Lessee shall not permit the Aircraft to be operated by any flight crew member who has not been expressly approved for such purpose by Lessor in writing. Lessor's right to approve flight crew members is solely for the protection of Lessor and its interest in the Aircraft, and Lessor's approval of a flight crew member shall not constitute a representation or warranty of any kind regarding such flight crew member or give rise to any duty or responsibility of Lessor with respect to such flight crew member.

5.4. During the Term, Lessor shall, at its sole cost and expense:

(a) Maintain and keep the Aircraft in good order and repair in accordance with the requirements of, and perform all overhauls, checks, inspections, repairs, maintenance and service to the Aircraft and all parts thereof as are required under, all applicable manufacturer's maintenance standards, service manuals, service requirements

and service bulletins and all Federal Aviation Administration (“FAA”) airworthiness directives, and otherwise maintain and keep the Aircraft in such condition as is necessary to maintain the effectiveness of the standard airworthiness certificate for the Aircraft at all times during the Term;

(b) Replace in or on the Aircraft any and all parts, appliances, instruments or accessories that may be worn out, lost, destroyed, in excess of service limits or otherwise rendered unfit for use in accordance with the terms of this Lease;

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(c) Without limitation of the foregoing, cause to be performed on the Aircraft all procedures specified in all applicable Airworthiness Directives (ADs), Federal Aviation Regulations (FARs), Special Federal Aviation Regulations (SFARs) and manufacturer’s service bulletins affecting airworthiness, the compliance date of which shall fall during the Term; and

(d) Be responsible for all required inspections of the Aircraft and licensing or re-licensing the Aircraft in accordance with all applicable FAA and other governmental requirements.

5.5. All inspections, maintenance, modifications, repairs and overhauls of the Aircraft (including any components, appliances, accessories, instruments or equipment) shall be performed by personnel authorized to perform such services by the FAA. Each replacement part shall be lawful for use in the Aircraft and equal in utility and value to the original utility and value of the part being replaced, and shall be free and clear of all liens, encumbrances and rights of others. Any part at any time removed from the Aircraft shall remain property of Lessor and subject to this Lease until a replacement part complying with the requirements of this Lease has been installed or attached. Immediately upon the installation thereof, any such replacement part shall become property of Lessor and subject to this Lease and be deemed an original part of the Aircraft for all purposes.

5.6. Lessee shall only use the Aircraft for the service and in the manner for which it was designed and in the regular course of its business, within its normal capacity, without abuse, and in accordance with the manufacturer’s directives, all of which shall be made available to Lessee for Lessee’s inspection upon Lessee’s request. Lessee shall save and protect the Aircraft from and against damage and deterioration arising from operation of the Aircraft by Lessee, other than normal wear and tear. Without limiting the foregoing, in the event of any damage to the Aircraft arising from operation of the Aircraft by Lessee that results in a claim on the insurance covering the Aircraft, Lessee shall be responsible for the payment of any applicable deductible.

5.7. Except as otherwise specifically set forth in this Section 5, the costs and expenses of all repairs, maintenance and replacements for the Aircraft shall be paid by Lessor.

5.8. Either party shall have the right from time to time during reasonable business hours, upon reasonable prior notice to the other party, to enter any hangar or other place where the Aircraft is located and to examine and inspect the Aircraft in order to confirm the existence,

condition and proper maintenance of the Aircraft; provided that Lessor's specific permission shall be required for Lessee to enter Lessor's hangar facilities.

5.9. Notwithstanding anything herein to the contrary, this Lease is non-exclusive, and Lessor and other lessees shall have the right to use the Aircraft for their own purposes from time to time during the Term, subject to the provisions of this Section 5.9. During any such period of use by Lessor or another lessee, the provisions of this Lease (other than this Section 5.9) shall temporarily be of no force or effect, and Lessor (or such other lessee, as the case may be) will be in operational control, and shall have possession, command and control, of the Aircraft for all

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such periods of use by Lessor or such other lessee, as applicable. Lessor and Lessee will coordinate and schedule the use of the Aircraft through Lessor's office, and each party will use its best efforts to provide at least forty-eight (48) hours' advance notice of its desire to use the Aircraft. Subject to the foregoing, the Aircraft will be scheduled on a "first come, first served" basis; provided, however, that Lessor and Lessee agree to cooperate in good faith in scheduling the use of the Aircraft in an effort to avoid conflicts. When Lessor uses the Aircraft, (i) Lessor will be responsible for and will pay directly to the vendors or other providers the costs and expenses of all fuel, crew and trip expenses, and (ii) none of the Operating Hours associated with Lessor's use of the Aircraft shall be taken into account for purposes of determining Additional Rent, Taxes pursuant to Section 2.2 hereof or additional rent under any other provision of this Agreement.

Section 6. Indemnification.

6.1. Lessee hereby assumes liability for, and hereby agrees to indemnify and hold Lessor, its assignees, successors or transferees and their respective employees, members, managers, officers, directors and agents ("Indemnified Persons"), harmless from and against any and all liabilities, damages, penalties, claims, suits, costs, expenses and disbursements, including reasonable legal fees and expenses, of any kind and nature ("Claims"), imposed on, incurred by or asserted against any Indemnified Person arising out of the storage, possession, leasing, subleasing, use, operation, of the Aircraft by Lessee during the Term, or any accident or occurrence in connection therewith, except as otherwise expressly provided in this Lease; provided, however, that Lessee shall not be required to indemnify an Indemnified Person for: (a) any Claim covered by the insurance maintained by Lessor as pursuant to Section 8 hereof, to the extent of such coverage (but Lessee shall remain responsible for any deductible as provided in Section 5.6 hereof), (b) if Lessor has failed to maintain insurance as provided in Section 8 hereof, any Claim that would have been covered by such insurance had such insurance been in effect, (c) any Claim with respect to the Aircraft arising solely from acts or events occurring after possession of the Aircraft has been redelivered to Lessor in accordance with the requirements of this Lease, or (d) any Claim resulting from acts that result from the willful misconduct or negligence of such Indemnified Person. Likewise, Lessor hereby assumes liability for, and hereby agrees to indemnify and hold Lessee and its officers, members, governors/directors and agents, harmless from and against any and all Claims related to items (b) and (c) above. If any Claim is made against Lessee or Lessor, the party receiving notice of such Claim shall promptly notify the other.

6.2. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, LESSEE AGREES THAT LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY CLAIM CAUSED DIRECTLY OR INDIRECTLY BY THE INADEQUACY OF THE AIRCRAFT OR ANY PART THEREOF FOR ANY PURPOSE OR ANY DEFICIENCY OR DEFECT THEREIN OR ANY DELAY IN PROVIDING OR FAILURE TO PROVIDE ANY REPAIRS, SERVICING OR ADJUSTMENTS THEREOF OR ANY INTERRUPTION OR LOSS OF SERVICE OR USE THEREOF ANY INTERRUPTION OR LOSS OF SERVICE OR USE OF THE AIRCRAFT OR ANY LOSS OF BUSINESS, ALL OF WHICH SHALL BE THE SOLE RISK AND RESPONSIBILITY OF LESSEE, EXCEPT IN THE CASE OF CLAIMS

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ARISING OUT OF THE NEGLIGENCE OR WILLFUL MISCONDUCT OF OR BREACH OF THE TERMS OF THIS AGREEMENT BY ANY INDEMNIFIED PERSON.

6.3. Notwithstanding any expiration or termination (whether voluntary or as the result of an Event of Default or otherwise) of this Lease, the liability of either party to indemnify the other party pursuant to this Section 6 shall continue to exist until such indemnity payments are made by the indemnifying party to, and received in full by, the Indemnified Persons.

Section 7. Liens.

Nothing contained in this Lease shall be construed to convey to or create in Lessee any right, title or interest in or to the Aircraft except those rights and interests of a lessee created under this Lease. Lessee will not, directly or indirectly, voluntarily or involuntarily, create, incur, assume or suffer to exist any mortgage, lien, security interest, charge, encumbrance or claim arising out of the acts or omissions of Lessee ("Lien") on or with respect to the Aircraft, or any part thereof, or any interest of Lessee therein.

Section 8. Risk of Loss; Insurance.

8.1. The risk of loss, damage or destruction with respect to the Aircraft shall be and remain with Lessor.

8.2. Lessor shall maintain throughout the Term (a) all-risk ground and flight coverage with respect to the Aircraft, (b) all-risk coverage with respect to any engine, propeller or other component or part while removed from the Aircraft, and (c) war-risk and allied perils (including hijacking, confiscation and expropriation) coverage. All such physical damage insurance shall be in an amount not less than the fair market value of the Aircraft, unless otherwise approved by Lessee in writing, with no deductible.

8.3. Lessor shall maintain with respect to the Aircraft throughout the Term, broad-form aircraft liability insurance coverage with respect to the ownership, use and operation of the Aircraft in an amount not less than \$_____.

8.4. All insurance carried in accordance with this Section 8 shall be placed with insurers of recognized reputation and responsibility, shall be in full force and effect throughout the geographical area described in Section 10.2 hereof and shall be payable in lawful currency of the United States in the United States. All policies carried in accordance with this Section 8 and

any policies taken out in substitution or replacement for any such policies (a) shall be on forms of policies satisfactory to Lessee, (b) shall name Lessor as owner of the Aircraft, as loss payee and as the primary insured, as appropriate, (c) shall name Lessee as an additional insured with respect to liability coverage, (d) shall be made payable, in the case of policies covering loss or damage to the Aircraft, to Lessor, and (e) shall contain provisions reasonably satisfactory to Lessee for the giving of notice to Lessee prior to the cancellation or any material modification of the policy or policies.

8.5. From time to time upon the reasonable request of Lessee, Lessor shall deliver or cause to be delivered to Lessee appropriate certificates of insurance evidencing the coverages

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required by this Lease and disclosing that Lessee is named as an additional insured with respect to liability coverage.

Section 9. Records.

During the Term, Lessor shall maintain, in compliance with all applicable laws and government regulations and directives, all logbooks and other records pertaining to the Aircraft that are required by the FAA to be maintained by Lessor. Upon the termination of this Lease, or upon the occurrence of a Lessee Event of Default or repossession of the Aircraft by Lessor, Lessee shall deliver to Lessor any and all manuals, logbooks, records or other documents pertaining to the Aircraft that are in the possession of Lessee or its employees or agents. All such logbooks and records shall at all times be and remain the property of the Lessor, and any additional records created by or for Lessee during the time that it shall have possession of the Aircraft pursuant to this Lease shall become the property of Lessor immediately upon receipt thereof by Lessor. Upon not less than three (3) business days' prior written notice, at all times during the Term reasonably consistent with Lessee's use of the Aircraft under this Lease, Lessee, upon request of Lessor, shall make any and all such logs and records available to the Lessor or its designee for inspection and copying.

Section 10. Compliance with Law; Areas of Operation.

10.1. Lessee shall comply with all laws, regulations (including FARs and SFARs) and orders of any state, Federal or local, foreign or domestic, governmental authority or agency that relate to the use, possession and operation of the Aircraft. If applicable, Lessor shall comply with all laws, regulations (including FARs and SFARs) and orders of any state, Federal or local, foreign or domestic, governmental authority or agency that relate to the maintenance and repair of the Aircraft.

10.2. Lessee agrees that: (a) the Aircraft will be based in the continental United States, (b) at no time will the Aircraft or any part thereof be operated in or relocated to any jurisdiction other than the continental United States, Canada, Mexico, Bermuda or any country in the Caribbean basin (excluding Cuba); provided that the Aircraft shall not be operated in, located in or located to any authorized country if such country is experiencing, widespread civil unrest, anti-American activity or the introduction of a Communist government; (c) the Aircraft shall not be used predominantly outside the United States for purposes of Section 48 of the Code and any successor provision thereof and (d) at no time shall the Aircraft be operated in any area (whether authorized or not) excluded from coverage by any insurance required pursuant to Section 8

hereof Lessee may apply to Lessor for authority to operate the Aircraft in other jurisdictions and shall be authorized to operate in such other jurisdictions only upon receiving the prior written consent of Lessor. The foregoing authority to use the Aircraft to the contrary notwithstanding, at no time shall the Aircraft be operated in or over any area if to do so would expose Lessor to any penalty, fine, sanction or other liability, whether civil or criminal, under any applicable law, rule, treaty or convention, or used in any trade, business or transaction that shall have been declared to be illegal and that thereby shall or may render the Aircraft liable to confiscation, seizure, detention or destruction. In all events, however, Lessee will comply with laws of countries having jurisdiction with respect to the Aircraft.

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10.3. Lessee shall not use or permit the Aircraft to be used in any manner or for any purpose excepted from or contrary to any insurance policy or policies required to be carried and maintained hereunder, or do any other act or permit anything to be done that could reasonably be expected to, invalidate or limit any such insurance policy or policies or that would in any way render or cause the title of the Lessor or the lien rights of the Lessor to be in any way jeopardized, made unenforceable or unperfected or in any way invalid as against the Lessee or any third parties.

Section 11. Default.

11.1. A Lessee Event of Default shall have occurred under this Lease, and Lessor shall have the rights and remedies conferred on Lessor under Section 12 hereof, if:

(a) Lessee fails to make any payment of Rent or other sums to be paid under this Lease within five (5) days of the date on which such payment is due and payable; or

(b) Lessee shall have made any representation in this Lease, or in any document or certificate executed by Lessee incident to this Lease, that is, at any time during the Term, found to have been false in any material respect at the time such representation was made or deemed made; or

(c) Lessee fails to perform or observe any other covenant, term or condition of this Lease to be performed or observed by Lessee under this Lease, and in the case of a failure that is susceptible of cure or correction, such failure shall continue unremedied for a period of twenty (20) days; or

(d) The Aircraft shall become encumbered by a Lien as a result of any act or omission by Lessee; or

(e) Lessee or any guarantor of this Lease (i) shall generally not pay or shall be unable to pay its debts as such debts become due, or (ii) shall make an assignment for the benefit of creditors or petition or apply to any tribunal for the appointment of a custodian, receiver or trustee for it or a substantial part of its assets, or (iii) shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect, or (iv) shall have had any such petition or application filed or any such proceeding

commenced against it in which an order for relief is entered or an adjudication or appointment is made, or (v) shall indicate, by any act or omission, its consent to, approval of or acquiescence in any such petition, application, proceeding or order for relief or the appointment of a custodian, receiver or trustee for it or a substantial part of its assets, or (vi) shall suffer any such custodianship, receivership or trusteeship to continue undischarged for a period of thirty (30) days or more.

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11.2. A Lessor Event of Default shall have occurred under this Lease, and Lessee shall have the rights and remedies conferred on Lessee under Section 12 hereof, if:

(a) Lessor shall have made any representation in this Lease, or in any document or certificate executed by Lessor incident to this Lease, that is, at any time during the Term, found to have been false in any material respect at the time such representation was made or deemed made; or

(b) Lessor fails to perform or observe any other covenant, term or condition of this Lease to be performed or observed by Lessor under this Lease, and in the case of a failure that is susceptible of cure or correction, such failure shall continue unremedied for a period of twenty (20) days, or in the case of a failure with respect to Lessor's maintenance and repair obligations, such failure shall not be remedied as quickly as is reasonably possible and the Aircraft is out of service for more than ten (10) consecutive days.

11.3. Whenever used in this Lease, (a) the term "Lessee Event of Default" shall mean any event described in Section 11.1 hereof, (b) the term "Lessee Default" shall mean an event that with the giving of notice or the lapse of time, or both, would constitute a Lessee Event of Default, (c) the term "Lessor Event of Default" shall mean any event described in Section 11.2 hereof, and (d) the term "Lessor Default" shall mean an event that with the giving of notice or the lapse of time, or both, would constitute a Lessor Event of Default.

Section 12. Remedies.

12.1. Upon the occurrence and during the continuation of a Lessee Event of Default, Lessor may exercise any one or more of the following remedies:

(a) Lessor, upon written notice to Lessee, may demand that Lessee pay to Lessor, through the date specified in such notice, the aggregate amount of any accrued and unpaid Rent and any other sums that are then accrued and unpaid hereunder as of such date.

(b) Lessor, upon written notice to Lessee, may terminate this Lease, whereupon all rights of Lessee to the possession and use of the Aircraft shall cease and terminate, but Lessee shall remain liable for the damages associated with or caused by the breach of its obligations pursuant to this Lease. Thereupon, Lessee, at its expense shall promptly return the Aircraft to Lessor as provided in Sections 5.1 and 9 hereof Lessor

and its representative(s) shall have the right to enter upon any premises where the Aircraft is located and take immediate possession of and remove the Aircraft without liability to Lessor except such as is occasioned by the willful misconduct of Lessor, its employees or agents.

(c) Lessor, without notice to Lessee, may exercise any other right or remedy available to Lessor hereunder or under applicable law to enforce this Lease or to recover damages.

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Lessee shall be liable for all damages, costs, charges and expenses, including reasonable attorneys' fees (whether or not suit is instituted) and disbursements, suffered or incurred by Lessor by reason of the occurrence of any Lessee Event of Default or the exercise of Lessor's remedies with respect thereto.

No remedy of Lessor referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity, and the exercise or commencement to exercise of one or more of such remedies by Lessor shall not preclude the simultaneous or later exercise of all or any such remedy. No delay or failure by Lessor in exercising any right, privilege or remedy hereunder shall operate as waiver of such or any other right, privilege or remedy.

12.2. Upon the occurrence and during the continuation of a Lessor Event of Default, Lessee may (a) return the Aircraft to Lessor as provided in Sections 5.1 and 9 hereof and immediately thereafter terminate this Lease, whereupon all rights of Lessee to the possession and use of the Aircraft shall cease and terminate (but Lessee shall remain liable for any damages associated with or caused by the breach of its obligations pursuant to this Lease), and (b) receive a refund of any prepaid Base Rent with respect to the remainder of the Term following the date of termination.

Section 13. Further Assurances.

Lessee, at the request of Lessor, shall execute and deliver to Lessor such financing statements or other instruments as may be necessary, or in the opinion of Lessor desirable, to evidence as a matter of public record Lessor's ownership of the Aircraft or the reserved rights of Lessor with respect to the Aircraft as set forth herein.

Section 14. Assignment; Subletting.

14.1. During the Term, Lessor shall have the right to assign or encumber its right, title and interest in, to and under this Lease without the prior written consent of Lessee. No such assignment shall affect the rights or obligations of either party under this Lease.

14.2. During the Term, Lessee shall not assign, sublet, transfer or part with possession of the Aircraft or any part thereof or any interest in this Lease to any person other than Lessor.

Section 15. Notices.

Unless otherwise expressly provided herein, any notices and other communications required or permitted by this Lease shall be in writing and personally delivered or sent by facsimile, certified mail, return receipt requested, or by express courier service such as Federal Express. All such notices shall be given to the addresses of the parties set forth below or to such other address as a party may hereafter specify by written notice given in accordance with this Section, and shall be deemed given on the date appearing on the return receipt therefor or upon receipt, as the case may be. For purposes of this Lease:

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The address of Lessor is, and all payments hereunder shall be made to:

Attention: _____

Facsimile Number: _____

The address of Lessee is:

Attn: _____

Facsimile No.: _____

Section 16. Lessor's Right to Cure.

In the event Lessee shall fail to perform any of its obligations hereunder, then Lessor, in addition, to all of its rights and remedies hereunder, may perform the same, but shall not be obligated to do so, at Lessee's cost and expense. In any such event, Lessee shall promptly reimburse Lessor for any such costs and expenses incurred by Lessor.

Section 17. Representations and Warranties of Lessor and Lessee.

17.1. Lessor represents and warrants to Lessee that: (a) the making of this Lease was duly authorized on the part of Lessor and that upon due execution thereof, this Lease will constitute a valid obligation binding upon and enforceable against Lessor in accordance with its terms; (b) neither the execution of this Lease, nor the due performance thereof by Lessor, will result in a violation of Lessor's organizational documents or any material agreement to which Lessor is a party; and (c) Lessor exists and is in good standing in its state of organization.

17.2. Lessee represents and warrants to and agrees with Lessor that: (a) the making of this Lease was duly authorized on the part of the Lessee and that upon due execution thereof, this Lease will constitute a valid obligation binding upon and enforceable against Lessee in accordance with its terms; (b) neither the execution of this Lease, nor the due performance thereof by Lessee, will result in violation of Lessee's organizational documents or any material

agreement to which Lessee is a party; and (c) Lessee exists and is in good standing in its state of organization.

Section 18. Termination Options.

18.1. Provided that no Lessee Default or Lessee Event of Default has occurred and is continuing, Lessee shall have the right to terminate this Lease upon ninety (90) days' written notice to Lessor and upon return of the Aircraft to Lessor as provided in Sections 5.1 and 9 hereof and payment to Lessor of any amounts then due and owing from Lessee hereunder and

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execution by Lessee of such instrument as Lessor shall reasonably request to evidence the termination of Lessee's rights under this Lease.

18.2. Provided that no Lessor Default or Lessor Event of Default has occurred and is continuing, Lessor shall have the right to terminate this Lease upon ninety (90) days' written notice to Lessor and payment to Lessor of any amounts then due and owing from Lessor hereunder. Upon any such termination, Lessee shall return the Aircraft to Lessor as provided in Sections 5.1 and 9 hereof and execute such instrument as Lessor shall reasonably request to evidence the termination of Lessee's rights under this Lease.

Section 19. Miscellaneous.

19.1. Lessor and Lessee agree that if this Lease shall be have been filed for recordation with the FAA Aircraft Registry in Oklahoma City, then effective upon the expiration of this Lease or any termination of this Lease, Lessee hereby appoints Lessor as Lessee's irrevocable agent and attorney-in-fact to execute all documents deemed necessary to release, terminate and void Lessee's interest in the Aircraft leased hereunder and to file said documents for recordation with appropriate agencies.

19.2. This Lease constitutes the entire understanding between the Lessor and Lessee as to the leasing of the Aircraft, and all previous conversations, memoranda, and writings pertaining to the transactions contemplated hereunder not incorporated or referenced in this Lease are superseded hereby. Any modification hereto must be made by a separate written instrument signed by both parties. No officer, employee or representative of either party has the authority to make any representation or promise not already contained herein or made pursuant to the within provisions, and by executing this Lease and any other document required herein or caused to be executed hereby each party expressly agrees that it is not doing so in reliance upon any other representation or promise that is not set forth herein.

19.3. All the rights, privileges, remedies, obligations and options given to Lessor hereunder shall inure to the benefit of its successors and assigns, and all the terms, conditions, promises, covenants, rights, provisions and warranties of this Lease shall bind the representatives, successors and permitted assigns of Lessee. When used herein, "Lessor" shall be deemed to include the respective successors and assigns of Lessor, and "Lessee" shall be deemed to include the respective successors and permitted assigns of Lessee.

19.4. If any provision of this Lease or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the validity or enforceability of the remaining provisions of this Lease or the application of such provision to other persons or circumstances, and this Lease shall be construed and enforced as if such provision had never comprised a part hereof. Furthermore, in lieu of such provision there shall be added automatically as a part of this Lease a provision that is as similar in terms to such invalid provision as is legally permissible and that will give effect to the intentions of the parties.

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19.5. The validity of this Lease, its construction, interpretation and enforcement, and the rights of the parties hereunder shall be determined under, governed by and construed in accordance with the internal laws (and not the law of conflicts) of the State of _____

19.6. Captions used in this Lease are for ease of reference only and do not define or limit any provisions of this Lease.

19.7. Time is of the essence in all things pertaining to performance of this Lease.

19.8. RVSM — Lessee and Lessor agree that the FAA RVSM approval and the manual for operations of same shall be shared between the parties and serve to govern all parties' operations in RVSM airspace. A copy of said manual shall be placed on board the Aircraft and accessible to all parties as long as this Lease is in effect.

Section 20. Truth in Leasing

(FAR §91.23). DURING THE TWELVE (12) MONTHS PRECEDING THE DATE OF THIS LEASE, THE AIRCRAFT HAS BEEN MAINTAINED AND INSPECTED UNDER FAR § 91 .409(e) AND (f) AND OTHER APPLICABLE FEDERAL AVIATION REGULATIONS, AND THE AIRCRAFT IS IN COMPLIANCE WITH APPLICABLE MAINTENANCE AND INSPECTION REQUIREMENTS FOR THE OPERATIONS TO BE CONDUCTED HEREUNDER. DURING THE TERM OF THIS LEASE THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED UNDER PART 91 OR OTHER APPLICABLE PART OF THE FEDERAL AVIATION REGULATIONS. AT ALL TIMES DURING THE TERM OF THIS LEASE, LESSEE (ADDRESS: noted above), WILL BE RESPONSIBLE FOR OPERATIONAL CONTROL OF THE AIRCRAFT. EACH PARTY HEREBY CERTIFIES THAT IT UNDERSTANDS THEIR RESPECTIVE RESPONSIBILITIES FOR THE OPERATIONAL CONTROL OF THE AIRCRAFT AND FOR COMPLIANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS. LESSEE AND LESSOR UNDERSTAND THAT AN EXPLANATION OF FACTORS BEARING ON OPERATIONAL CONTROL AND PERTINENT FEDERAL AVIATION REGULATIONS MAY BE OBTAINED FROM THE NEAREST FAA FLIGHT STANDARDS DISTRICT OFFICE.

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IN WITNESS WHEREOF, the parties have caused this Lease to be executed by its duly authorized officer or other representative as of the date first above written.

LESSOR:

By: _____

LESSEE:

By: _____