



**METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY**

**AIRPORT USE AGREEMENT
AND
PREMISES LEASE**

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**AIRPORT USE AGREEMENT AND
PREMISES LEASE**

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ARTICLE 1. - SCOPE OF AGREEMENT;
OBLIGATION TO LEASE PREMISES
DIRECTLY FROM THE AUTHORITY

1.01 This Agreement grants to the Airline certain rights to use facilities to conduct its Air Transportation Business at either National or Dulles, or both. This Agreement also provides for the lease to the Airline of certain Equipment and Premises at the Airport(s) for the same purpose. In consideration of these benefits, the Airline agrees to abide by all of the terms and conditions herein including the obligation to lease a substantial portion, if not all, of its Premises directly from the Authority, if such Premises are available, and to pay to the Authority the rentals, fees, and charges as established in this Agreement.

1.02 Signatory Airlines.

1.02.1 By executing this Agreement, the Airline becomes a Signatory Airline at both Airports if, and so long as, (i) the Airline is conducting its Air Transportation Business at both Airports, and (ii) except as provided in Sections 1.03, 1.04, and 1.05, the Airline leases and continues to lease for the Period of this Agreement directly from the Authority those Premises shown on Exhibits N-B and D-B, as they may be amended, for the conduct of its Air Transportation Business at each Airport.

1.02.2 By executing this Agreement, the Airline becomes a Signatory Airline at only one Airport if, and so long as, (i) the Airline is conducting its Air Transportation Business at that Airport, and (ii) except as provided in Sections 1.03, 1.04, and 1.05, the Airline leases and continues to lease for the Period of the Agreement directly from the Authority those Premises shown on either Exhibit N-B or D-B, as applicable and as such may be amended, for the conduct of its Air Transportation Business at that Airport.

1.02.3 Nothing in this Section 1.02 shall imply or be construed to confer upon the Airline a right to discontinue its lease of Premises.

1.03 If the Airline is conducting its Air Transportation Business as a Signatory Airline at one Airport (the original Airport), it may commence to conduct its Air Transportation Business as a Signatory Airline at the other Airport, provided that, no later than ninety (90) days after commencing the

conduct of its Business at the other Airport, the Airline agrees to lease for the then remaining Period of this Agreement a substantial portion, if not all, of its Premises at that Airport directly from the Authority, to the extent such Premises are available. After said ninety (90) days, if the Airline has not agreed to lease such Premises directly from the Authority, the Airline shall be considered a non-Signatory Airline at that Airport. Notwithstanding that the Airline is a non-Signatory Airline at the other Airport, it shall remain a Signatory Airline at the original Airport.

1.04 If at any time the Airline is operating at the Airport in one or more types of space that is not Premises, and space of that type or types that is adequate for the Airline becomes available for lease as Premises directly from the Authority at the Airport where the Airline is conducting its Air Transportation Business, and such Premises are offered for lease to the Airline, the Airline agrees that no later than thirty (30) days after notice from the Authority of the availability of such Premises, it shall lease for the then remaining Period of this Agreement on the terms and conditions then applicable to leases of such Premises to a Signatory Airline, a substantial portion, if not all, of its space of that type or types at that Airport directly from the Authority.

1.05 Notwithstanding Sections 1.01 through 1.04, if the Airline is a Low Volume Airline at an Airport, it may become a Signatory Airline without leasing Premises directly from the Authority.

1.06 The terms of this Agreement apply to the use of facilities and lease of Equipment and Premises at either Airport except to the extent that a particular provision is identified as applicable to only one of the Airports. If the Airline operates at only one of the Airports, it is subject to the provisions of this Agreement as they apply to the Airport at which it conducts its Air Transportation Business.

ARTICLE 2. - PERIOD OF AGREEMENT

2.01 Effective Date. The Effective Date of this Agreement shall be January 1, 1990, or if executed by the Airline after February 28, 1990, the date on which the Agreement is executed by both the Authority and the Airline.

2.02 Expiration Date. This Agreement shall expire on September 30, 2014, unless sooner terminated as provided in this Article 2, or Article 10, Article 13, or Article 14 of this Agreement.

2.02.1 This Agreement shall terminate as to all Signatory Airlines effective at midnight September 30, 1990, if, prior to August 1, 1990, at least fifty percent (50%) in number of major or national domestic airlines and foreign flag airlines at each Airport representing more than fifty percent (50%) of the true origin and destination passenger activity at each Airport for the twelve (12) month period ending September 30, 1989, have not become Signatory Airlines. Notwithstanding the foregoing, the Authority has the right to continue the Agreement in effect in accordance with its terms by giving notice thereof to the Airline. Notice, to be effective, must be in writing and mailed to all Signatory Airlines prior to August 31, 1990, provided, that in such event the Airline may elect to terminate this Agreement by notice to the Authority prior to October 1, 1990.

2.02.2 Notwithstanding any other provisions, the Authority may, in its sole discretion for any reason, terminate this Agreement effective at midnight December 31, 2004, or September 30 of any year thereafter during the Period of this Agreement, provided that the Authority gives one hundred eighty (180) days written notice to the Airline which states the Authority's reasons for the termination and, further, the Authority terminates the Agreement of all Signatory Airlines effective on the same date. The Authority shall not terminate the Agreement of any Signatory Airline under this provision unless similar and simultaneous action is taken and effected to terminate the Agreement of each Signatory Airline.

2.03 Prior Agreements and Leases.

2.03.1 At midnight, December 31, 1989, all Prior Agreements and Leases not then terminated or expired shall be deemed terminated as of that date, except that the Surviving Agreements, or provisions thereof, listed in Exhibits N-K and D-K shall continue in effect until they expire or are terminated by the Authority or the Airline in accordance with the provisions included in any such Surviving Agreements.

2.03.2 The joint lease agreement listed in Exhibit D-K, Item 2, (Amendments to Contracts DTFA15-85-C-50015, DTFA15-85-C-50006, and DTFA15-85-C-50020) shall expire on December 31, 1990, and the airlines who are parties thereto and the Authority shall have no further obligations thereunder.

2.03.3 The contract listed in Exhibit N-K, Item 3, (Contract No. DOT-FA-NA-5135, as amended) between the Authority and Eastern Air Lines, Inc., and all rights thereunder shall expire on the Substantial Completion Date of Eastern's Permanent Premises in the New North Terminal if not otherwise terminated as provided for therein.

ARTICLE 3. - DEFINITIONS AND INTERPRETATION

3.01 Definitions. Except as otherwise clearly indicated by the context, the following words, terms, and phrases wherever used in this Agreement shall for the purposes of this Agreement have the following meanings:

Additional Projects shall mean capital expenditures for construction, acquisitions, and improvements related to the Airports, other than small capital items includable as O&M Expenses in accordance with Authority policy and other than those Projects included in the Capital Development Program.

Administrative Cost Center shall mean the Cost Center described in Exhibits N-E and D-E.

Agreement shall mean this Airport Use Agreement and Premises Lease between the Authority and the Airline, as the same may be amended or supplemented from time to time.

Air Transportation Business shall mean that business of a Scheduled Air Carrier operated by the Airline at either or both of the Airports.

Air Transportation Company shall mean (i) a Scheduled Air Carrier or (ii) a company engaged in non-scheduled common carriage by air of persons, property, and/or mail.

Aircraft Parking Positions shall mean those portions of the Ramp Areas at each of the Airports, other than Dulles Jet Apron Positions, that are used for the parking of aircraft and support vehicles and the loading and unloading of passengers and cargo.

Aircraft Parking Position Charges shall mean those charges payable by the Airline, if applicable, for the preferential use of Aircraft Parking Positions as set forth in Section 8.04.

Airfield Cost Center shall mean the Cost Center described in Exhibits N-E and D-E.

Airfield Net Requirement shall mean at each Airport the Total Requirement attributable to the Airfield Cost Center, less (i) Aircraft Parking Position Charges and Dulles Jet Apron Fees, if any; (ii) direct utility or other

reimbursements attributable or allocable to the Airfield Cost Center; and (iii) Transfers, if any, allocable to the Airfield Cost Center.

Airline shall mean the Scheduled Air Carrier executing this Agreement.

Airline Funded Airfield Coverage shall mean for each Fiscal Year at each Airport, Debt Service Coverage allocable to the Airfield Cost Center for such Fiscal Year multiplied by a fraction, the numerator of which is the landed weight for all Signatory Airlines at that Airport for such Fiscal Year and the denominator of which is the total landed weight for all Air Transportation Companies and General Aviation at that Airport for such Fiscal Year. Airline Funded Airfield Coverage shall be calculated separately for Debt Service on Subordinated Bonds and Debt Service on Senior Bonds.

Airline Funded Coverage shall mean for each Fiscal Year at each Airport, the sum of Airline Funded Airfield Coverage for such Fiscal Year for that Airport and Airline Funded Terminal Coverage for such Fiscal Year for that Airport. Airline Funded Coverage shall not include Equipment Coverage.

Airline Funded Terminal Coverage shall mean for each Fiscal Year for each Airport for each Cost Center and Terminal Sub-Center within the Terminal Cost Center, Debt Service Coverage for such Fiscal Year allocated to such Sub-Center multiplied by a fraction the numerator of which is the amount of Premises leased to and the amount of space used as Common Use Premises by the Signatory Airlines in such Sub-Center and the denominator of which is the total amount of Rentable Space in such Cost Center and Terminal Sub-Center. The Airline Funded Terminal Coverage shall be calculated separately for Debt Service on Subordinated Bonds and Debt Service on Senior Bonds.

Airline Operating Facilities shall mean furniture, furnishings, special light fixtures, carpeting, draperies, wall coverings, decorations, decorating or other special finishing work, signs, appliances, trade fixtures and equipment that is owned, furnished, installed, and used by the Airline in its operations on the Airport.

Airline Representative shall mean that person designated by a numerical majority of the Signatory Airlines at each Airport to represent said Signatory Airlines in matters relating to the Capital Development Program and Additional Projects at that Airport.

Airline Supported Areas shall mean for each Airport the Airfield, Terminal and Equipment Cost Centers at that Airport and at Dulles shall also include the IAB, the AOB, and the Passenger Conveyance System Cost Centers.

Airline Transfer Account shall mean the account in the Revenue Fund created pursuant to Section 9.06.

Airport or Airports shall mean the real property including improvements constituting either or both Washington National Airport ("National" or "National Airport"), located in Arlington County, Virginia, and Washington Dulles International Airport ("Dulles" or "Dulles Airport"), located partially in Fairfax County and partially in Loudoun County, Virginia, as depicted in Exhibits N-A and D-A attached hereto, and as each may be subsequently improved, enlarged, or otherwise modified. Washington Dulles International Airport shall include the Washington Dulles International Airport Access Highway.

Airside Operations Buildings (or "AOB") shall mean the facilities (other than the Existing or New Midfield Concourses) located on the Dulles Jet Apron and used to support the servicing of aircraft.

Airside Operations Buildings (or "AOB") Rentals shall mean those rentals payable by the Airline for its use, if any, of the Airside Operations Buildings in accordance with Paragraph 8.08.3.

Airside Operations Buildings (or "AOB") Cost Center shall mean the Cost Center described in Exhibit D-E.

Amortization Requirements shall mean the repayment of capital costs as principal and interest, in substantially equal annual installments over a fixed term for a capital expenditure which is not debt financed, and for which Amortization Requirements are to be included in rentals, fees, and charges pursuant to Section 10.06. The Amortization Requirement for each such capital expenditure shall be computed using an amortization period as reasonably determined by the Authority, and an interest component equal to the Thirty-Year Revenue Bond Index, published by the "Bond Buyer," on the date nearest the date on which said capital expenditure is placed in service; provided, however, if the asset in question could not legally be financed with the proceeds of tax-exempt Bonds, the interest component shall be fifty (50) basis points above the then current yield for a United States Government obligation with a maturity comparable to the period of amortization.

Authority shall mean the Metropolitan Washington Airports Authority.

Authority Capital Fund shall mean that fund created pursuant to Section 9.06.

Authority's Architects and Engineers shall mean the architects and engineers employed by the Authority, or who are under contract to the Authority.

Aviation Cost Center shall mean the Cost Center described in Exhibits N-E and D-E.

Base-of-the-Tower Facilities shall mean the facilities for the conduct of business by an Air Transportation Company appurtenant, as of January 1, 1990, to Aircraft Parking Positions A-1 through A-18.

Board shall mean the Board of Directors of the Metropolitan Washington Airports Authority.

Bonds shall mean Senior Bonds, Subordinated Bonds, and Other Indebtedness.

Capital Charges shall mean (i) Debt Service, (ii) Depreciation Requirements, and (iii) Amortization Requirements.

Capital Development Program shall mean the construction, acquisitions and improvements to the Airports, as more particularly described in Exhibits N-I and D-I attached hereto, including the Dulles Stage II Development Plan.

Cargo Cost Center shall mean the Cost Center described in Exhibit D-E.

Chargeable Landings shall mean those aircraft landings for which landing fees shall be due and payable by the Airline, as set forth in Section 8.02. Such landings shall include all landings of aircraft that come to a complete stop on the Airport, with the exception of emergency landings.

Common Use Charges shall mean those charges, if any, payable by the Airline to the Authority for the use of Common Use Premises at each Airport, determined in accordance with Paragraph 8.03.5.

Common Use Premises shall mean those areas at the Airport which two or more Scheduled Air Carriers are authorized to use, as shown on Exhibits N-B and D-B attached hereto. For purposes of calculating rentals, fees, and charges hereunder, such Common Use Premises shall be deemed Rentable Space; provided, however, no leasehold interests shall accrue to or be acquired by any authorized user thereof.

Construction Documents shall mean those plans and specifications prepared for inclusion in construction bid documents for the Capital Development Program.

Contract Security shall mean a security for payment as set forth in Section 8.13.

Cost Centers shall mean those areas or functional activities established by the Authority at each Airport, as set forth in Exhibits N-E and D-E attached hereto, and as may be amended by the Authority.

Current Cost Estimate shall mean, as of any date of calculation, the projected total costs in then current dollars of one or more or all of the Projects in the Capital Development Program (as the context shall determine) as estimated by the Authority's Program Manager. Any Current Cost Estimate shall incorporate actual costs for completed Projects; substitute bid amounts for estimates when available; include the financial impacts of change-orders accepted by the Authority; and, reflect any other changes that the Authority reasonably believes will change said projected total costs from the amounts shown in Exhibits N-I and D-I.

Debt Service shall mean, as of any date of calculation for any Rate Period, the amounts required pursuant to the terms of any Indenture to be collected during said period for the payment of Bonds, plus fees and amounts payable to providers of any form of credit enhancement used in connection with Bonds.

Debt Service Coverage shall mean, as of any date of calculation for any period, an amount equal to twenty-five percent (25%) of the portion of Debt Service attributable to Senior Bonds and Subordinated Bonds, plus such other amounts as may be established by any financing agreement or arrangement with respect to Other Indebtedness.

Debt Service Reserve Fund shall mean any fund of that name created and established pursuant to any Indenture.

Deplaning Passenger shall mean any revenue passenger disembarking at the Airports, including any such passenger that shall subsequently board another aircraft of the same or a different Air Transportation Company.

Depreciation Requirements shall mean the annual amount charged by the Authority to recover its remaining investment in certain vehicles and equipment acquired by the Authority during the period from June 7, 1987, through September 30, 1989.

Direct Cost Centers shall mean those areas or functional activities established by the Authority at each Airport as set forth in Exhibits N-E and D-E, and as may be amended by the Authority.

Dulles Cargo Apron shall mean those areas provided by the Authority at Dulles for the loading and unloading of all-cargo flights, as shown in Exhibit D-A attached hereto.

Dulles Jet Apron shall mean that portion of the Dulles Ramp Areas identified as such and shown in Exhibit D-A.

Dulles Jet Apron Fees shall mean those amounts payable by the Airline, if applicable, for the use of the Dulles Jet Apron positions, including hard stands, as set forth in Paragraph 8.04.4.

Dulles Main Terminal shall mean a Terminal Sub-Center at Dulles as more particularly described in Exhibit D-E.

Dulles Rate Credit Amortization Requirements shall mean the amounts to be included in the Total Requirement to reimburse certain Scheduled Air Carriers for terminal improvements completed and paid for by said Scheduled Air Carriers prior to October 1, 1989, as set forth in the Surviving Agreements.

Dulles Stage II Development Plan (or "Dulles Stage II") shall mean specific Projects identified as such in Exhibit D-I, which Projects shall generally include the initial New Midfield Concourse(s), Passenger Conveyances, and other related improvements at Dulles.

Early Program shall mean those Projects of the Capital Development Program funded from the proceeds of Subordinated Bonds issued prior to January 1, 1990.

Effective Date shall mean the date set forth in Article 2 for the commencement of this Agreement.

Emergency R&R Fund shall mean that fund created by the Senior Indenture for emergency repair and rehabilitation of the Airports.

Enabling Legislation shall mean the District of Columbia Regional Airports Authority Act of 1985 (D.C. Law 6-67), as amended, and Chapter 598, Virginia Acts of Assembly of 1985, as amended.

Enplaning Passenger shall mean any revenue passenger boarding at the Airports, including any such passenger that previously disembarked from another aircraft of the same or a different Air Transportation Company.

Equipment shall mean that equipment and devices owned by the Authority and leased to the Airline, which may include but shall not be limited to, baggage make-up and baggage claim conveyors and devices, loading bridges, 400 Hz, and preconditioned air units.

Equipment Charges shall mean those amounts payable by the Airline, if applicable, for the use of Equipment in accordance with Section 8.05.

Equipment Coverage shall mean for each Fiscal Year for each Airport, Debt Service Coverage for such Fiscal Year included in Equipment Charges.

Equipment Sub-Centers shall mean those individual facilities at each Airport that are included in the Equipment Cost Center at that Airport, as described in Exhibits N-E and D-E.

Exclusive Use Premises shall mean those Premises leased exclusively to the Airline, as shown on Exhibits N-B and D-B attached hereto. Except as may otherwise be agreed to, Exclusive Use Premises shall include ticket counters, associated offices, and baggage make-up area and Equipment reasonably necessary for the use thereof.

Existing Airport Facilities shall mean those Airport areas available for beneficial use and occupancy on January 1, 1990.

Existing Midfield Concourses shall mean a Terminal Sub-Center at Dulles as more particularly described in Exhibit D-E.

Existing North Terminal shall mean a Terminal Sub-Center at National as more particularly described in Exhibit N-E.

Extraordinary Coverage Protection Payments shall mean those payments, if any, required pursuant to Paragraph 9.07.3.

FAA shall mean the Federal Aviation Administration, or its authorized successor(s) other than the Authority.

Federal Lease shall mean the Agreement and Deed of Lease, dated March 2, 1987, between the United States of America, acting through the Secretary of Transportation, and the Authority, as the same may be amended or supplemented.

Fiscal Year shall mean the annual accounting period of the Authority for its general accounting purposes which, at the time of entering into this Agreement, is the period of twelve consecutive months beginning with the first day of October of any year.

Fixed Base Operators (or "FBOs") shall mean those commercial businesses at the Airports authorized by the Authority to sell aviation fuels and provide other aviation-related services, but shall not mean the Fueling Agent.

Fueling Agent shall mean, for each Airport, that agent selected to operate and maintain the Fueling System for that Airport and deliver fuel through the Fueling System.

Fueling System shall mean (i) at Dulles, the Authority-owned hydrant fueling system, if any, and the Authority-owned fuel farm; and (ii) at National, the Authority-owned hydrant fueling system, if any, and the Authority-owned fuel farm.

General Aviation shall mean an operator of (i) private or corporate aircraft not used in the common carriage of passengers, cargo, or freight; or (ii) aircraft as a non-scheduled air taxi.

General Manager shall mean the General Manager of the Authority and shall include such person or persons as may from time to time be authorized by the General Manager to act for the General Manager with respect to any or all matters pertaining to this Agreement.

General Purpose Fund shall mean that fund created by the Senior Indenture.

Ground Transportation Cost Center shall mean the Cost Center described in Exhibits N-E and D-E.

Indenture shall mean the Senior Indenture, Subordinated Indenture, or Other Indenture, including amendments, supplements, and successors thereto.

Indirect Cost Centers shall mean those functions and related facilities, not within a Direct Cost Center, established by the Authority at each Airport as set forth in Exhibits N-E and D-E, and as may be amended by the Authority.

Interim Hangar 11 Terminal shall mean a Terminal Sub-Center at National as more particularly described in Exhibit N-E.

International Arrivals Building ("IAB") shall mean those facilities provided by the Authority at Dulles for the processing by U.S. Customs and Immigration Services of international Deplaning Passengers requiring such processing and shall include the IAB to be constructed at Dulles pursuant to the Capital Development Program.

International Arrivals Building (or "IAB") Charges shall mean those charges payable by the Airline for the use, if any, of the International Arrivals Building in accordance with Section 8.07.

International Arrivals Building (or "IAB") Cost Center shall mean the Cost Center described in Exhibit D-E.

Joint Use Premises shall mean those Premises leased on a joint use basis to the Airline and one or more other Signatory Airlines, as shown on Exhibits N-B and D-B attached hereto.

Landing Area shall mean those portions of each Airport provided for the landing, taking off and taxiing of aircraft, including without limitation, approach and turning zones, avigation or other easements, runways, taxiways, runway and taxiway lights, and other appurtenances in connection therewith.

Landing Fees shall mean those fees, calculated in accordance with Section 8.01, payable by the Airline for the use of the Airfield.

Low Volume Airline shall mean a Scheduled Air Carrier operating under Part 135 of the FAA Regulations, eligible to pay Low Volume Common Use Fees for the use of Common Use Premises, as described in Paragraph 8.03.6.

Low Volume Common Use Fees shall mean those fees payable by a Low Volume Airline, if applicable, for the use of Common Use Premises, as set forth in Paragraph 8.03.6.

Main Terminal shall mean a Terminal Sub-Center at National as more particularly described in Exhibit N-E.

Maintenance Cost Center shall mean the Cost Centers described in Exhibits N-E and D-E.

Majority-in-Interest shall mean, at each Airport, for the Airfield Cost Center, fifty percent (50%) in number of all Signatory Airlines and Signatory Cargo Carriers at such Airport which together landed more than sixty percent (60%) of Signatory Airlines' and Signatory Cargo Carriers' landed weight at that Airport during the most recent six (6) full month period for which the statistics are available, and for the Airline Supported Areas (excluding the Airfield Cost Center), fifty percent (50%) in number of Signatory Airlines at such Airport which together were obligated to pay more than sixty percent (60%) of the sum of Terminal Rentals, Common Use Charges, IAB Charges, AOB Rentals, Passenger Conveyance Charges, and Equipment Charges at such Airport during the most recent six (6) full month period for which statistics are available.

Maximum Certificated Gross Landed Weight shall mean the maximum gross certificated landing weight in one thousand pound units, as stated in the Airline's flight operations manual, at which each aircraft operated at the Airports by the Airline is certificated by the FAA.

Net Remaining Revenue shall mean that amount set forth in Paragraph 9.05.2.

New Midfield Concourse(s) shall mean a Terminal Sub-Center at Dulles and particularly the building(s) and related facilities for the conduct of business by an Air Transportation Company and for appurtenant Aircraft Parking Positions to be constructed as part of the Capital Development Program.

New North Terminal shall mean a Terminal Sub-Center at National and particularly the buildings and related facilities for the conduct of business by an Air

Transportation Company and for appurtenant Aircraft Parking Positions to be constructed as part of the Capital Development Program.

Non-Aviation Cost Center shall mean the Cost Center described in Exhibits N-E and D-E.

Operation and Maintenance Expenses ("O&M Expenses") shall mean for any period all expenses of the Authority paid or accrued for the operation, maintenance, administration, and ordinary current repairs of the Airports. Operation and Maintenance Expenses shall not include (i) the principal of, premium, if any, or interest payable on any Bonds; (ii) any allowance for amortization or depreciation of the Airports; (iii) any other expense for which (or to the extent to which) the Authority is or will be paid or reimbursed from or through any source that is not included or includable as Revenues; (iv) any extraordinary items arising from the early extinguishment of debt; (v) rentals payable under the Federal Lease; and (vi) any expense paid with amounts from the Emergency R&R Fund.

Operation and Maintenance Fund ("O&M Fund") shall mean that fund created by the Senior Indenture.

O&M Reserve shall mean that reserve for O&M Expenses required by the Senior Indenture.

Original Cost Estimate shall mean for one or more or all of the Projects in the Capital Development Program (as the context shall determine) the amount specified for such Project in Exhibits N-I and D-I.

Other Indebtedness shall mean any financing instrument or obligation of the Authority, except the Federal Lease, payable from Revenues on a basis subordinate to the Authority's obligation to pay Subordinated Bonds.

Other Indenture shall mean any indenture, loan agreement, credit arrangement, or other agreement which specifies the terms of the Authority's obligation to pay Other Indebtedness.

Outstanding shall mean, with respect to any series of Bonds, the definition of "Outstanding" in the Indenture under which said series of Bonds were issued.

Passenger Conveyances shall mean the Dulles mobile lounges, buses, or other ground transportation devices, including any underground people mover systems provided by the

Authority at Dulles for the movement of passengers and other persons (i) between aircraft, on the one hand, and the Dulles Main Terminal or the IAB, on the other, (ii) between and among the Existing or New Midfield Concourses and the Dulles Main Terminal, and (iii) between and among the Dulles Main Terminal and IAB at Dulles.

Passenger Conveyance Charges shall mean those charges payable by the Airline pursuant to Section 8.09.

Passenger Conveyance System Cost Center shall mean the Cost Center described in Exhibit D-E.

Passenger Security Reimbursements shall mean those amounts payable by the Airline for the law enforcement officers stationed at the passenger screening facilities pursuant to Federal Aviation Regulations Parts 107 and 108, as they may be amended, and for any cost incurred pursuant to any future regulations, as set forth in Section 8.06.

Pavement Structural Maintenance shall mean the maintenance, rehabilitation, and keeping in good repair of asphalt, concrete, or other improved surfaces.

Period shall mean the period of time during which the Airline's activities at the Airport shall be governed by this Agreement, as set forth in Article 2 herein.

Permanent Premises shall mean those Premises designated as such in Exhibits N-B and D-B.

Plateau Amount shall mean, at National, the amount of eight million dollars (\$8,000,000) in Fiscal Year 1990, and at Dulles the amount of twelve million dollars (\$12,000,000) in Fiscal Year 1990. Both amounts shall be subject to annual escalation in accordance with changes in the U.S. Implicit Price Deflator Index. The base date for such adjustment shall be the index for October 1, 1989.

Preferential Use Premises shall mean those Premises leased on a preferential use basis to the Airline, as shown on Exhibits N-B and D-B attached hereto. Except as may otherwise be agreed upon by the parties hereto, Preferential Use Premises shall include the holdrooms and Aircraft Parking Positions leased by the Airline hereunder, if any, and all Equipment reasonably necessary for the use thereof.

Premises shall mean areas at the Airports, whether Permanent Premises or Temporary Airline Premises, leased by the Airline pursuant to Article 6 of this Agreement. Premises shall include Exclusive, Preferential, and Joint Use Premises.

Prior Agreements and Leases shall mean an agreement or contract, if any, between the Authority or its predecessor-in-interest, and an airline or its predecessor-in-interest for the use and lease of facilities at the Airports which was entered into prior to January 1, 1990. This shall not be construed to include prior agreements between the Authority and the Airline or other airlines, or the agent thereof, for the use, operation, and maintenance of the Fueling Systems, for the provisions of crew transportation and skycap services, or for the operation of in-flight kitchens.

Priority 2 Projects shall mean those Projects so designated in Exhibits N-I and D-I.

Program Manager shall mean the firm or individual employed by the Authority to provide overall construction and project management services for the Capital Development Program.

Project shall mean any discrete, functionally complete portion of the Capital Development Program identified as a separate project in Exhibits N-I and D-I, as revised from time to time.

Public Safety Cost Center shall mean the Cost Center described in Exhibits N-E and D-E.

Rail System shall mean any rail system designed to transport persons to and from Dulles. A Rail System shall not include a Passenger Conveyance. For purposes of this definition, Dulles shall not include the Dulles Access Highway.

Ramp Area shall mean the aircraft parking and maneuvering areas adjacent to the Terminals and shall include within its boundaries all Aircraft Parking Positions and the Dulles Jet Apron positions; provided, however, it shall not include the Dulles Cargo Apron.

Ramp Area Charges shall mean the Dulles Aircraft Parking Position Charges and Dulles Jet Apron Fees, as set forth in Section 8.04.

Rate Period shall mean that period for which rates for rentals, fees and charges are applicable, as set forth in Articles 8 and 9.

Regional/Commuter Air Carrier shall mean a Scheduled Air Carrier that is operating under a Part 135 of the FAA Regulations.

Rentable Space shall mean, for each Terminal Sub-Center at each Airport, and for the AOB, the total of all areas in that Terminal Sub-Center, or the AOB, which constitute Premises, Common Use Premises, or areas otherwise available for lease to airlines or non-airline tenants, except for any Premises required to be excluded from the Terminal Rentals calculation pursuant to a Surviving Agreement.

Requesting Airline shall mean a Scheduled Air Carrier requesting the lease or use of Premises, as set forth in Section 17.03.

Revenue Fund shall mean that fund created by the Senior Indenture.

Revenues shall mean all revenues of the Authority received or accrued except (i) interest income on, and any profit realized from, the investment of moneys in any fund or account to the extent that such income or profit is not transferred to, or retained in, the Revenue Fund or the Bond Fund created by the Senior Indenture or the Bond Funds created by the Subordinated Indenture; (ii) interest income on, and any profit realized from, the investment of moneys in any fund or account funded from the proceeds of Special Facility Bonds; (iii) amounts received by the Authority from, or in connection with, Special Facilities, unless such funds are treated as Revenues by the Authority; (iv) the proceeds of any passenger facility charge or similar charge levied by, or on behalf of, the Authority, unless such funds are treated as Revenues by the Authority; (v) grants-in-aid, donations, and/or bequests; (vi) insurance proceeds which are not deemed to be revenues in accordance with generally accepted accounting principles; (vii) the proceeds of any condemnation awards; and (viii) any other amounts which are not deemed to be revenues in accordance with generally accepted accounting principles or which are restricted as to their use.

Scheduled Air Carrier shall mean any company performing, pursuant to published schedules, commercial air transportation of persons, property, and/or mail over specified routes to and from the Airport and holding the

necessary authority from the appropriate Federal or state agencies to provide such air transportation services.

Senior Bonds shall mean any bonds or other financing instrument or obligation issued pursuant to the Senior Indenture.

Senior Indenture shall mean the Master Indenture of Trust dated as of February 1, 1990, securing the Authority's Airport System Revenue Bonds, as such may be amended or supplemented.

Signatory Airline shall mean a Scheduled Air Carrier which has an agreement with the Authority substantially similar to this Agreement.

Signatory Cargo Carriers shall mean those scheduled all-cargo Air Transportation Companies, if any, signatory to an agreement with the Authority providing for the calculation of Landing Fees on substantially the same basis as this Agreement.

Special Facility shall mean any facility, improvement, structure, equipment, or assets acquired or constructed on any land or in or on any structure or building at the Airports, the cost of construction and acquisition of which are paid for (i) by the obligor under the special facility agreement, or (ii) from the proceeds of Special Facility Bonds, or (iii) both.

Special Facility Bonds shall mean revenue bonds, notes, or other obligations of the Authority, issued to finance any Special Facility, the payment of principal of, premium, if any, and interest on which are payable from and secured by the proceeds thereof and rentals, payments, and other charges payable by the obligor under the Special Facility Agreement.

Stage II shall mean the Dulles Stage II Development Plan.

Sub-Center shall mean either a Terminal or Equipment Sub-Center.

Subordinated Bonds shall mean any bonds or other financing instrument or obligation issued pursuant to the Subordinated Indenture.

Subordinated Indenture shall mean the Master Indenture of Trust dated March 1, 1988, securing the Authority's General Airport Subordinated Revenue Bonds, as such may be supplemented or amended.

Substantial Completion Date (and "Substantially Complete") shall mean the date that any Premises are ready to be moved into and occupied by the Airline, or any Project is substantially complete, as certified by the Authority's Architects and Engineers.

Surviving Agreements shall mean those Prior Agreements and Leases between the Authority and any airline, or provisions thereof, which continue in effect after the Effective Date, if any, and which are described in Exhibits N-K and D-K.

Systems and Services Cost Center shall mean the Cost Center described in Exhibits N-E and D-E.

Temporary Airline Premises ("TAP") shall mean those Premises that are temporarily occupied by the Airline pursuant to Article 5 during the course of the Capital Development Program.

Terminal Cost Center shall mean the Cost Center as described in Exhibits N-E and D-E.

Terminal Rentals shall mean those amounts payable by the Airline, calculated in accordance with Paragraph 8.02.4, for the lease of its Exclusive, Preferential, and Joint Use Premises.

Terminal Sub-Centers shall mean those individual facilities at each Airport that are included in the Terminal Cost Center at that Airport, as described in Exhibits N-E and D-E. At National, Terminal Sub-Centers shall mean the Main Terminal (which shall also include the Existing North Terminal), the Interim Hangar 11 Terminal, and the New North Terminal. At Dulles, Terminal Sub-Centers shall mean the Dulles Main Terminal, the Existing Midfield Concourses, and the New Midfield Concourse(s).

Terminal Sub-Center Net Requirement shall mean, for each Terminal Sub-Center at each Airport, the Total Requirement attributable or allocable to each such Terminal Sub-Center, less direct utility or other reimbursements attributable or allocable to said Terminal Sub-Center.

Total Passengers shall mean the total of Enplaning Passengers and Deplaning Passengers.

Total Requirement shall mean, with respect to any Direct Cost Center or Terminal or Equipment Sub-Center, that portion of the sum of (i) O&M Expenses; (ii) required deposits under the Senior Indenture to maintain the O&M Reserve; (iii) Capital Charges; (iv) Debt Service Coverage; (v) required deposits to any Debt Service Reserve Fund; (vi) Federal Lease payment; (vii) Dulles Rate Credit Amortization Requirements (at Dulles only); (viii) required deposits to the Emergency R&R Fund; and (ix) Extraordinary Coverage Protection Payments, if any, properly attributable or allocable to each said Direct Cost Center or Sub-Center.

Transfers shall mean the amounts to be transferred by the Authority to reduce Signatory Airline rentals, fees, and charges as set forth in Section 9.05.

U.S. Implicit Price Deflator Index shall mean the then most recently issued year-to-year U.S. GNP Implicit Price Deflator Index, issued by the United States Department of Commerce, or, if such index shall be discontinued, a successor index as designated by the United States Government.

Utility Production and Delivery System shall mean the utility production and main line transportation components for electrical, water, sewage, heating and air conditioning or natural gas service up to a main distribution panel, reduction station, shut-off valve, or other point of connection with Terminal buildings.

Additional words and phrases used in this Agreement but not defined herein shall have the meanings set forth in the Indenture, if defined therein.

3.02 Interpretation. In this Agreement, unless the context otherwise requires:

3.02.1 Divisions of Articles with one decimal point are Sections, e.g., 1.01. Divisions of Sections with two decimal points are Paragraphs, e.g., 1.01.1.

3.02.2 All Article, Section, and Paragraph references, unless otherwise expressly indicated, are to Articles, Sections, and Paragraphs of this Agreement.

3.02.3 The terms "hereby," "herein," "hereof," "hereto," and "hereunder" and any similar terms used in this Agreement refer to this Agreement.

3.02.4 Words importing persons shall include firms, associations, partnerships, trusts, corporations, and other legal entities, including public bodies, as well as natural persons.

3.02.5 Any headings preceding the text of the articles and sections of this Agreement, and any table of contents, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

3.02.6 Words importing the male gender shall include the female gender and vice versa.

3.02.7 Words importing the singular shall include the plural and vice versa, unless the context clearly indicates otherwise.

ARTICLE 4. - USE OF THE AIRPORTS

4.01 Airline Rights and Privileges at Both Airports. The Airline, together with others so authorized, shall have the following rights to use the Premises and Equipment leased to the Airline pursuant to Article 6, and certain other facilities at the Airports, including, but not limited to, Common Use Premises, all as shown in Exhibits N-B and D-B, but not including Premises leased Exclusively, Preferentially, or Jointly to others, for the operation of the Airline's Air Transportation Business. These rights are subject to the terms of this Agreement, including the exclusions, reservations, and conditions set forth in Sections 4.02, 4.03, and 4.04 and the payment obligation set forth in Article 8. These rights are as follows:

4.01.1 To land upon, take off from, and fly over the Airports, and to taxi, park, load, unload, tow, and store the Airline's aircraft and support equipment on the Airport in areas designated for such purposes by the Authority, and, in all events, on the terms and conditions imposed by the Authority.

4.01.2 To enplane and deplane persons, mail, and/or property, along with food, beverages, and other supplies; to provide passenger handling services for the Airline's passengers, including the sale of air transportation tickets and services, and to process the Airline's passengers and their baggage for air travel; to sell, handle and provide mail, freight and package express services for the Airline's customers; to maintain, service and repair aircraft and ground support equipment operated by the Airline in areas designated for these purposes by the Authority; to provide porter/skycap services; to provide interline and lost baggage services for the Airline's passengers; to provide security screening services so long as the services meet the FAA requirements; to provide ground transportation on the Airport for employees, baggage, and, with the approval of the Authority, the Airline's passengers; and to provide ground transportation to and from the Airport for employees, lost baggage, and for passengers and baggage from diverted or cancelled flights of the Airline. In addition, the Airline may, in accordance with the provisions of Article 16 with regard to handling agreements, provide these services for other Air Transportation Companies either by itself or in conjunction with

other Signatory Airlines, if the Airline is performing these services for itself at the Airports.

4.01.3 To train personnel in the employ of or to be employed by the Airline at the Airports in the operation of the Airline's Air Transportation Business.

4.01.4 To sell, dispose of, or exchange the Airline's aircraft, engines, accessories, gasoline, oil, grease, lubricants, or other similar equipment or supplies, except aviation fuels, in areas of the Airports designated for this purpose by the Authority; provided, however, that this Paragraph shall not be construed to prohibit the Airline from selling or otherwise conveying aviation fuels or propellants to an Air Transportation Company which is a successor company to the Airline or to another Signatory Airline from time to time.

4.01.5 To select, together with the other Signatory Airlines, a single Fueling Agent for each Airport, and to receive, store and transmit fuel through the Fueling Systems at the Airports in accordance with the provisions of the separate fuel system agreement(s) between the Authority and the Fueling Agent selected by the Signatory Airlines and approved by the Authority, or between the Authority and the Fueling Agent selected in accordance with Paragraph 4.02.6.

4.01.6 To install and maintain in the Airline's Premises, at the Airline's sole cost and expense, identifying signs, posters, displays, and other materials which advertise the services offered by the Airline to the traveling public, consistent with the Authority's regulations and orders; provided, however, identifying signs, posters, displays, and other similar materials shall not be permitted on the Ramp Area, and provided, further, that only the corporate identifiers or "logos" of the Air Transportation Companies using the holdroom shall be permitted in a holdroom area. All such signs, posters, displays, and other similar materials must be approved in writing by the Authority prior to use at the Airport. The Authority reserves the right to place advertising displays in all areas of the Airport that are visible to the public excluding the Exclusive Use Premises and holdroom areas leased to the Airline. The Authority agrees not to allow the placement of advertising of competing route services in the Airline's Premises or common use areas.

4.01.7 To install, maintain and operate at no cost to the Authority, alone or in conjunction with any other Signatory Airline, radio communication, computer, meteorological and aerial navigation equipment and facilities on the Airline's

Premises; provided, however, that such installations shall be subject to the prior written approval of the Authority.

4.01.8 To install, maintain and operate customer relations, security and holdroom facilities and equipment, administrative offices, operations offices, and related facilities, and to install personal property, including furniture, furnishings, supplies, machinery and equipment, in the Airline's Premises.

4.01.9 To construct modifications, finishes and improvements in the Airline's Premises subject to the provisions of Section 10.09.

4.01.10 To have ingress to and egress from the Airports and the Airline's Premises for the Airline's officers, employees, agents, contractors, and invitees, including furnishers of services and supplies.

4.01.11 To use, for the benefit of the Airline's employees who perform substantially all of their work at the Airports, vehicular parking areas which will be designated by the Authority.

4.01.12 To install soft drink vending machines and snack vending machines in the Airline's non-public Premises for the sole use of the Airline's officers, employees and agents. Vending machines shall not be within the view of the general public and all machine locations are subject to the prior written approval of the Authority.

4.01.13 To furnish and operate a preferred customer or "VIP" club for the Airline's passengers in Premises designated for this purpose by the Authority. Further, such preferred customer or "VIP" club may be shared with one or more other Air Transportation Companies; provided, however, that the club is leased to the Airline only, and provided that the rights of all the Air Transportation Companies using the club terminate when such lease terminates.

4.01.14 To install telephones, telefax, and other telecommunications devices and conduit in the Airline's Premises that are not accessible to the public. The Authority retains the right to install all public telephones, telefax, and other telecommunications devices and conduit in all areas of the Airports accessible to the public, including the Premises leased to the Airline, and to collect the proceeds therefrom; provided, however, the Airlines may install telephones and telefax in the Airline's "VIP" club. If the Airline installs public telephones or telefax in its "VIP" club, it shall pay to the Authority a

monthly payment of fifty percent (50%) of the gross revenues received by the Airline from any source from the installation and operation of such telephones or telefax.

4.01.15 To install, operate and maintain, using the Airline's own employees or those of a wholly-owned subsidiary of the Airline or the Airline's parent company, an establishment for the cooking and preparation of food and beverages for consumption only by passengers and crews on the Airline's aircraft and in the Airline's "VIP" club, if any; provided that the Authority determines, in its discretion, that space is available on the Airports for this purpose and that, if such space is not included and designated in the Airline's Premises, the Airline enters into a separate agreement for such cooking and food preparation space with the Authority. Such food and beverages shall not be intended for consumption by any persons except the Airline's passengers and crews while on the Airline's aircraft, patrons of Airline's "VIP" club, and such employees directly engaged in the cooking and preparation of such food and beverages; provided, however, upon entering a separate agreement with the Authority, and subject to fees and conditions as set forth therein, the Airline may provide these services to one or more other Air Transportation Companies operating from the Airport, including another Signatory Airline.

4.01.16 To purchase prepared food and beverages for consumption by passengers and crews on the Airline's aircraft and in the Airline's "VIP" club, if any; provided, however, if the Airline purchases catering, not including beverages and complimentary packages of snack food to be consumed on the Airline's aircraft, from an off-Airport caterer including, but not limited to, an Air Transportation Company, for delivery of prepared food and/or beverages to the Airline on the Airport, said caterer will be required to have a contract with the Authority and to pay a fee to the Authority at a rate equal to the rate paid by the Authority's inflight food catering concessionaires located on that Airport. The Airline shall not purchase any prepared food or beverage from a caterer for delivery on the Airports unless and until the caterer is authorized by the Authority to do business on the Airports.

4.01.17 To acquire, by purchase or otherwise, any Air Transportation Business-related services and/or supplies from any agent, contractor, or other Signatory Airline subject to the conditions of Paragraph 4.02.5.

4.02 Exclusions, Reservations, and Conditions. The rights granted to the Airline under this Agreement shall be strictly construed, and may be exercised by the Airline only to the extent such rights are necessary or incidental to the conduct by the

Airline of its Air Transportation Business. Except with the prior written approval of the Authority, the Airline is prohibited from conducting any business on the Airport separate and apart from the conduct of its Air Transportation Business.

4.02.1 If the Airline receives notice from the Authority, or if the Airline reasonably should know: (i) that it is materially interfering with the use, operation or maintenance of the Airport, including but not limited to, the safe and efficient use of the Airfield and the effectiveness or accessibility of the drainage, sewerage, water, communications, fire protection, utility, electrical, or other systems installed or located from time to time at the Airport; (ii) that it is causing or contributing to a dangerous or hazardous condition; or (iii) that it is in violation of law or applicable rules or regulations; the Airline shall immediately cease such interference, or, where immediate elimination of said interference is not possible, the Airline shall immediately take corrective action and cause others under its control to take corrective action to eliminate the interference.

4.02.2 As soon as possible, after obtaining any necessary approval from appropriate governmental agencies, the Airline shall remove any of its disabled aircraft from the Landing Area and Ramp Area upon the request of the Authority. The Airline shall place any such disabled aircraft only in such storage areas as may be designated by the Authority, and shall store such disabled aircraft only upon such terms and conditions as at that time may be established by the Authority, consistent with any directives of the FAA and the National Transportation Safety Board.

(i) In the event the Airline shall fail to remove any of its disabled aircraft as expeditiously as possible, the Authority may, but shall not be obligated to, cause the removal of such disabled aircraft by any reasonable means; provided however, the Authority shall give the Airline prior notice of its intent to do so.

(ii) If the Authority removes, or causes another to remove the Airline's disabled aircraft, the Airline shall pay to the Authority, upon receipt of an invoice, the costs incurred for such removal, including the cost of labor. The Airline shall also pay any damages incurred by, or imposed upon the Authority as a result of the disabled aircraft.

4.02.3 Except as may otherwise be authorized herein or in separate agreements between the Airline and the Authority, the Airline shall not provide to its passengers, other Air Transportation Companies, or other persons on the Airport food

or beverages, products or services of a kind normally provided by Airport concessionaires nor shall the Airline maintain or operate on the Airport a cafeteria, restaurant, bar, or cocktail lounge, stand, or any other facility for the purpose of providing food and beverages to the public or to the Airline's employees and passengers or to any other Air Transportation Company. This prohibition shall not apply to the Airline's "VIP" club to the extent the Airline provides, in such club, such food and beverage, products or services on a complimentary basis and such club is located and constructed in such a manner as to be separate and distinct from the space that is accessible by the public who are not members of the club and is physically separated by a wall or walls from the Airline's passenger holdroom or boarding area, where persons holding tickets to board the Airline's aircraft are congregating. Further, it shall not be construed to apply to the provision of food, beverages, products, or services aboard an aircraft.

4.02.4 The Airline shall not use, store, transport, or dispose of any fuels, oil, grease, lubricants, or other hazardous materials to, from, within, or upon the Airports in a manner which violates federal, state, local, or Authority laws and regulations.

4.02.5 If the Airline uses anyone other than its own employees, the employees of a parent or subsidiary company, or those of another Signatory Airline to perform the Air Transportation Business services and related activity authorized in this Article, the person or entity providing the service may be required to meet the Authority's reasonable qualifications for doing business on the Airports, and obtain an Authority permit, license, or contract if required to do so by the Authority. The Authority may also require the person or entity providing the services to pay reasonable fees or rents, except as otherwise provided in Section 8.10. The Airline shall provide the Authority with a copy of any contract or agreement between the Airline and the agent or contractor upon the Authority's request.

4.02.6 The Authority reserves the right to impose reasonable conditions on the use of the Fueling System at either Airport whenever a separate agreement on the use of the system is not in effect. In the event the Signatory Airlines fail to select a Fueling Agent by October 1, 1990, the Authority shall have the right to select its own agent to be responsible for the overall operation and maintenance of the Fueling System and to award a contract for a period not to exceed five (5) years to such agent; provided, however, that the Authority shall not select a Fueling Agent without first providing notice to the Signatory Airlines at the Airport (i) of the Authority's intent to select an agent, and (ii) of the anticipated date that the

agent will assume responsibility for the Fueling System, which date shall be at least ninety (90) days after the date of the said notice; and, provided, further, that if the Signatory Airlines thereafter select a different Fueling Agent, in accordance with Paragraph 4.01.5, the Authority shall, upon receipt of a written request from the Signatory Airlines, terminate its contract with the Fueling Agent selected by it at the earliest date upon which such contract may be terminated without penalty and shall thereupon enter into an agreement with such different Fueling Agent in accordance with Paragraph 4.01.5.

4.02.7 The Authority reserves the right to either temporarily or permanently restrict the use of any roadway, taxiway, or runway or other area at the Airport at any time, provided, that in the event of such restrictions, the Authority shall ensure the availability of reasonable ingress and egress, and shall not unreasonably restrict Airfield operations.

4.03 Operating Rights, Exclusions, and Conditions Applicable Only at National. In addition to the Airline's rights, privileges, and exclusions enumerated in Sections 4.01 and 4.02, the following rights, privileges, and exclusions are applicable to the Airline's operations at National:

4.03.1 The Airline may (i) use only those Aircraft Parking Positions at National shown on Exhibit N-B for enplaning and deplaning passengers, baggage, cargo and/or mail, and the servicing of aircraft; (ii) park an aircraft that is ready for immediate use as an extra section of a scheduled flight only at an area designated on Exhibit N-B; and (iii) park an aircraft overnight at a location at other than its Aircraft Parking Positions only with the express permission of the Authority and on reasonable terms and conditions, including payment of fees as set forth in Section 8.04.

4.03.2 Unless otherwise authorized by the Authority, the Airline must use the Fueling Agent to service its aircraft.

4.03.3 The Airline may not load or unload an all-cargo aircraft on the passenger Ramp Areas adjacent to the Terminal facilities.

4.04 Operating Rights, Exclusions, and Conditions Applicable Only at Dulles. In addition to the rights, privileges, and exclusions enumerated in Sections 4.01 and 4.02, the following rights, privileges and exclusions are applicable to the Airline's operations at Dulles:

4.04.1 The Airline may use only those hard stand or Dulles Jet Apron positions assigned by the Authority for

enplaning and deplaning passengers, baggage, cargo and mail, and for servicing of aircraft.

4.04.2 If the Airline leases space in the Airside Operations Building on the Dulles Jet Apron, the Authority, in its assignment of Dulles Jet Apron positions, will use its best efforts to assign the Airline those positions which are reasonably convenient to the Airline's Airside Operations Building space. The Airline may park aircraft overnight at a location other than the Airline's Aircraft Parking Positions, or assigned Dulles Jet Apron positions, if any, only with the prior permission of the Authority and on reasonable terms and conditions, including payment of fees as set forth in Section 8.04.

4.04.3 The Airline shall use only the Fueling Agent to fuel its aircraft, except that the Airline may use the Fixed Base Operators at Dulles to fuel the Airline's aircraft if the aircraft are on the FBO's own premises or on the Cargo Ramp, except as may be agreed to in a separate agreement between the Authority and the Fueling Agent.

4.04.4 The Airline may not load or unload cargo from all-cargo aircraft on the passenger Ramp Area adjacent to the Terminal or the Dulles Jet Apron positions.

ARTICLE 5. - TRANSITION PROVISIONS

5.01 Implementation of Capital Development Program.

The Authority and the Airline agree that completion of the Capital Development Program shown in Exhibits N-I and D-I entails (i) the physical modification or removal of some Existing Airport Facilities and (ii) the modification in the function or use of other Existing Airport Facilities (whether or not these facilities are physically modified) and, in particular, the reduction in the number of Aircraft Parking Positions used for aircraft of other than Regional/Commuter Air Carriers in the Existing Airport Facilities at National Airport. Notwithstanding the preceding two sentences, after construction of the Capital Development Program at National Airport, the number of Aircraft Parking Positions for aircraft of Scheduled Air Carriers (other than Regional/Commuter Air Carriers) at National where passengers enplane and deplane through a loading bridge shall be forty-four (44), the same as in the Existing Airport Facilities at National.

5.02 Temporary Airline Premises.

5.02.1 In order to implement the Capital Development Program in accordance with Section 5.01, the Airline agrees that the Premises leased to it pursuant to Section 6.01 will be deemed to be Temporary Airline Premises (TAP), and the Premises to be leased to it pursuant to Section 6.02 will be deemed to be the Airline's Permanent Premises. The implementation of the Capital Development Program may require the Airline to lease TAP on the Effective Date hereof. Further, the Airline may be required to relocate on a temporary or permanent basis, from TAP to Premises that are different from those that the Airline occupies on the Effective Date. Such relocation is anticipated by the Airline and the Authority but will occur only if it is reasonably necessary to accomplish the Capital Development Program. Further, such relocation may be from TAP into other TAP until the Airline relocates to Permanent Premises. However, at Dulles, the Airlines will not be required to relocate from the TAP initially leased under Section 6.01 into other TAP except as follows:

(i) To implement the expansion and rehabilitation of the Dulles Main Terminal;

(ii) To implement Dulles Stage II of the Capital Development Program; or

(iii) As part of a relocation required by Article 17.

5.02.2 Unless a different notice period and procedure is agreed to, the Airline's occupancy and use of TAP are subject to the notice and process provided in Paragraphs 5.02.3, 5.02.4, and 5.02.5 to vacate the TAP and to relocate to other TAP or to Airline's Permanent Premises. The Authority agrees to use its best efforts to (i) relocate the Airline to TAP suitable for the conduct of the Airline's Air Transportation Business, but not necessarily comparable in size, location, access, or other features of the Premises originally leased under Section 6.01, (ii) minimize operational disruptions to the Airline as a result of such relocations, and (iii) maintain a phasing schedule for implementation of the Capital Development Program, including the Substantial Completion Date of the Airline's Permanent Premises so as to not unreasonably interfere with the Airline's operation.

5.02.3 When, in the judgment of the Authority, implementation of the Capital Development Program requires the Airline to vacate TAP, the Authority shall give to the Airline not less than sixty (60) calendar days written notice to vacate any, or all, of the TAP, and the Authority shall then have the right to amend the Exhibits to this Agreement to reflect the deletion of the TAP from the Airline's Premises and in the Authority's sole discretion, to lease said TAP to another tenant or to close said TAP. The Airline agrees to vacate the TAP on the date specified in the said written notice, regardless of whether that date is the last day of the month; provided, however, that if the Airline notifies the Authority as promptly as is reasonably practicable upon receipt of such notice that it cannot reasonably prepare the TAP to which the Airline is being relocated within such notice period, and the reasons therefor, the Airline shall have additional time, not to exceed thirty (30) days, to vacate the TAP.

5.02.4 The Airline agrees that it will cooperate with the Authority in moving to TAP, in moving from TAP to other TAP, and in moving to Permanent Premises, and that it will move in such a manner so as not to interfere unreasonably with the Authority's planned Capital Development Program. The allocation of the Airline's costs associated with relocation to assist the Capital Development Program shall be in

accordance with the Authority policy attached hereto as Exhibit A-P.

5.02.5 The Airline, while occupying TAP, shall be subject to all of the other conditions and terms of this Agreement.

5.03 Transition to Permanent Premises.

5.03.1 The Authority shall give written notice to the Airline of the estimated Substantial Completion Date of the Airline's Permanent Premises, at least one hundred and twenty (120) days prior to said date. The Airline will be permitted to install its own equipment and furnishings in the Airline's Permanent Premises beginning sixty (60) days prior to such estimated Substantial Completion Date.

5.03.2 The Airline shall move into and occupy its Permanent Premises on or before the actual Substantial Completion Date of such Permanent Premises whereupon such Permanent Premises shall not be considered TAP subject to Section 5.02; provided, however, that if the Airline notifies the Authority as promptly as is reasonably practicable upon receipt of the notice specified in Paragraph 5.03.1 that it cannot reasonably prepare its Permanent Premises by the estimated Substantial Completion Date, and the reasons therefor, the Airline shall have additional time, not to exceed thirty (30) days, to move into and occupy its Permanent Premises. Unless a different payment is required by Section 8.14, the Airline shall be subject to, and shall pay, the rentals, fees, and charges for its Permanent Premises beginning on the actual Substantial Completion Date thereof regardless of whether the Airline occupies its Permanent Premises prior to, on, or after such actual Substantial Completion Date.

5.03.3 If the Airline's Permanent Premises are not completed by the estimated Substantial Completion Date that was contained in the written notice given by the Authority pursuant to Paragraph 5.03.1, the Authority shall not be liable to the Airline for failure to deliver possession or to complete said Permanent Premises by said date. The Authority will notify the Airline of any change in such estimated Substantial Completion Date.

ARTICLE 6. - LEASE

6.01 Lease of Temporary Airline Premises and Equipment. The Authority, as lessor, hereby leases to the Airline, and the Airline, as lessee, hereby leases from the Authority, commencing on the date hereof and subject to all of the terms and conditions herein, particularly the transition provisions of Article 5, the following Temporary Airline Premises and Equipment:

(i) The Exclusive Use Premises specifically described and identified as TAP in Exhibits N-B and D-B;

(ii) The Joint Use Premises specifically described and identified as TAP in Exhibits N-B and D-B;

(iii) The Preferential Use Premises specifically described and identified as TAP in Exhibits N-B and D-B; and

(iv) The Equipment specifically described and identified as TAP in Exhibits N-H and D-H.

6.02 Lease of Permanent Premises and Equipment. Commencing on the Substantial Completion Date of the Airline's Permanent Premises, the Authority, as lessor, shall, without any further action, lease to the Airline, and the Airline, as lessee, shall, without any further action, lease from the Authority, subject to all of the terms and conditions herein, the following Permanent Premises and Equipment:

(i) The Exclusive Use Premises described and identified in Exhibits N-B and D-B;

(ii) The Joint Use Premises described and identified in Exhibits N-B and D-B;

(iii) The Preferential Use Premises described and identified in Exhibits N-B and D-B; and

(iv) The Equipment described and identified in Exhibits N-H and D-H.

6.03 Changes. All of the Premises and Equipment described in Sections 6.01 and 6.02 are subject to modification in accordance with Article 5, this Article 6, Article 16, and Article 17 of this Agreement.

6.04 Allocation of Premises at Dulles. At Dulles, prior to the completion of the design of the westerly expansion of the Main Terminal, and subsequently, prior to the completion of the design of the easterly expansion of the Main Terminal, the Authority will determine the location of each Airline's Premises in the expanded Main Terminal. The following will be the primary, but not exclusive, considerations in establishing the priority order of allocation:

(i) The amount of space committed to by each Airline in an executed use and lease agreement;

(ii) The individual Airline's preference with respect to location of its leasable Premises, and the desirability of, and operational requirements for, contiguous space for related functions; and

(iii) The efficient phasing and implementation of the Main Terminal expansion, whereby relocations are minimized and flexibility for construction phasing is maximized.

6.05 Modification of Premises. In the event that the Authority and the Airline, by mutual agreement, add additional space or spaces to, or delete space or spaces from, the various Premises of the Airline, Exhibits N-B or D-B, as applicable, shall be revised accordingly to reflect such addition or deletion and the revised exhibits shall be incorporated into the Agreement. Space added to the Airline's Premises shall be subject to all of the terms, conditions, requirements, and limitations of this Agreement and the Airline shall pay to the Authority all rentals, fees, and charges applicable to such additional space in accordance with the provisions of this Agreement.

6.06 Addition of Equipment.

6.06.1 Subject to Paragraph 6.06.3, the Authority reserves the right to acquire and install Equipment in, upon, and adjacent to, the Airline's Premises but only in one or more of the following events:

(i) The acquisition and installation of the Equipment is identified as part of the Capital Development Program;

(ii) The acquisition and installation of Equipment is identified as part of any Additional Project;

(iii) In any Premises, whenever there is a change in tenants; or

(iv) Such acquisition and installation are agreed to between the Airline and the Authority.

6.06.2 The Airline agrees to facilitate the installation of the Equipment, including, upon reasonable notice from the Authority, the decommissioning and removal, at the Airline's expense, of the Airline's equipment, if any, that is to be replaced by Equipment pursuant to Paragraph 6.06.1.

6.06.3 Prior to the acquisition and installation of Equipment pursuant to Paragraph 6.06.1, the Authority shall consult with the Airlines with respect to the technical standards and requirements applicable to such Equipment. So long as such Equipment meets such standards and requirements, the Airline may select the vendor or supplier of Equipment for the Airline's Premises. At the request of the Airline, and provided that it would not adversely affect the tax-exempt status of the Bonds, the Authority may allow the Airline to initially purchase the Equipment and be subsequently reimbursed by the Authority.

6.07 Adjustment of Dimensions. After the Substantial Completion Date of each Airline's Permanent Premises, the actual square footage of the Airline's Premises shall be determined by the Authority from actual measurements, and incorporated into revised Exhibits N-B and N-C, and D-B and D-C. If measurements are to be taken, the Airline shall be notified in advance and shall be entitled to have a representative present when such measurements are taken. Premises consisting of enclosed space shall be measured for interior space from the center line of interior walls to the inside face of exterior walls.

ARTICLE 7. - OPERATION AND MAINTENANCE

7.01 Authority Responsibilities.

7.01.1 The Authority shall, with reasonable diligence and prudence, operate and maintain the Airports with adequate, efficient, qualified personnel, and keep the Airports in good condition and repair, including the Terminals, Ramp Area, Existing and New Midfield Concourses, Airside Operations Buildings, and any Passenger Conveyances between Existing and New Midfield Concourses or between aircraft and Terminals and the visual public display of arrival and departure flight information for the Dulles Main Terminal.

7.01.2 The Authority shall, with reasonable diligence and prudence, act to maintain the Landing Area for the safe and proper use thereof by the Airline, including the clearing and removal of snow from the runways and taxiways as quickly as reasonably practicable.

7.01.3 The Authority will operate and maintain the Airports in a manner at least equal to the standards established by the FAA to maintain the Airport Operating Certificates and any other governmental agency having jurisdiction thereof, except for conditions beyond the control of the Authority.

7.01.4 The Authority shall not be liable to the Airline for temporary failure to furnish all or any services to be provided by the Authority hereunder, whether due to mechanical breakdown or for any other causes beyond the reasonable control of the Authority.

7.01.5 The Authority's operation and maintenance responsibilities are set forth in Exhibits D-D and N-D, except that the Airline and the Authority may agree to a different allocation of maintenance responsibility in Exhibits N-B and D-B (leasehold exhibits) in which event any conflict between Exhibits D-D and N-D and D-B and N-B shall be resolved in accordance with Exhibits D-B and N-B. Further, and except as may be provided in Exhibits D-B and N-B, the Authority shall not be obligated to perform the operation and maintenance responsibilities designated by Section 7.02 and Exhibits N-D and D-D as being the responsibility of the Airline, or for which the Airline, another Signatory Airline, or any other person has assumed such responsibility by separate written agreement with the Authority, including a Surviving Agreement.

7.01.6 The Authority shall provide, operate, and maintain the Passenger Conveyance system at Dulles, including a sufficient number of trained personnel. The Authority shall provide adequate Passenger Conveyances for the transportation of passengers between the Main Terminal and the Airline's aircraft that are parked on remote hard stand or on the Dulles Jet Apron at a parking position that is not serviced by a passenger holdroom and a loading bridge. The Airline shall determine who boards Passenger Conveyances traveling between the Dulles Main Terminal and its aircraft directly. On Passenger Conveyances serving aircraft directly, passengers enplaning or deplaning for more than one aircraft operation shall not be combined in a single one-way trip. Except in an emergency, the Authority shall not be obligated to provide transportation directly between the Terminal and the Airline's aircraft which is, or in the reasonable judgment of the Authority can be, parked at an Aircraft Parking Position at the Existing Midfield Concourse or New Midfield Concourse(s) and served by a passenger holdroom and a loading bridge. If the Passenger Conveyance has departed directly for the Airline's aircraft before all of the Airline's passengers have boarded it, the Airline may transport its passengers to or from its aircraft by another means subject to the Authority's approval.

7.01.7 The Authority and the Airline recognize that regular, shuttle-type mobile lounge service of high quality is important for the proper transportation of passengers to and from the Existing Midfield Concourse. The Authority agrees:

(i) To use its reasonable best efforts to provide mobile lounge service from the Dulles Main Terminal to the Existing Midfield Concourse beginning one hour before any Airline's first departure from the Existing Midfield Concourse and will continue to operate on a regular basis until a half hour after the last scheduled flight arrives, even if that flight is later than its scheduled arrival.

(ii) To use its reasonable best efforts so that (a) after a mobile lounge departs from a terminus another takes its place as soon as practicable, and (b) regardless of the number of passengers carried, mobile lounges depart the terminus after waiting no more than five minutes for boarding passengers; provided that a lounge may remain at one or each terminus for a longer period if no passengers of a Signatory Airline are waiting service for transportation.

(iii) An adequate number of gates at the Dulles Main Terminal will be designated as the gates from which the mobile lounges to the Existing Midfield Concourses will operate. The Authority reserves the right to designate different or additional

