

SECOND UNIVERSAL AMENDMENT TO THE
2015 METROPOLITAN WASHINGTON AIRPORTS AUTHORITY
AIRPORT USE AGREEMENT AND PREMISES LEASE,
AS IT APPLIES TO WASHINGTON DULLES INTERNATIONAL AIRPORT

This Second Universal Amendment to the 2015 Metropolitan Washington Airports Authority Airport Use Agreement and Premises Lease, As It Applies to Washington Dulles International Airport ("Second Amendment"), is entered into by the Metropolitan Washington Airports Authority ("Authority") and the undersigned airline ("Airline").

RECITALS

- A. The Authority and the Airline have entered into the 2015 Airport Use Agreement and Premises Lease ("2015 Agreement") effective January 1, 2015.
- B. The 2015 Agreement addresses the relationship between the Authority and numerous airlines operating at Ronald Reagan Washington National Airport ("National") and at Washington Dulles International Airport ("Dulles"), including the Airline.
- C. The 2015 Agreement initially provided that, for airlines operating at National, the 2015 Agreement would expire on December 31, 2024, and, for airlines operating at Dulles, it would expire on December 31, 2017. The First Universal Amendment to the 2015 Agreement, As It Applies to Washington Dulles International Airport, as executed by the Authority and the Airline, amended the 2015 Agreement to extend its expiration date to and including December 31, 2024.
- D. The Authority and the Airline now wish to amend the 2015 Agreement as it relates to the operations of the Airline and other airlines at Dulles by amending the 2015 Agreement's definition of "Revenues" to exclude proceeds from the Authority's sale of certain Authority-owned land at Dulles and adding new provisions which, among other things, provide for the Authority's use of the proceeds it obtains from the sale of such land.
- E. The Authority and the Airline intend that this Second Amendment shall apply only to the Airline and other airlines operating at Dulles.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the Authority and the Airline hereby agree to amend the 2015 Agreement, as it applies to the operations of the Airline and other airlines at Dulles, as follows (capitalized terms in the following paragraphs have the meaning given them in the 2015 Agreement).

1. The definition of "Revenues" in Section 3.01 of the 2015 Agreement is amended by deleting the term "and" following the conclusion of clause (viii), and then inserting after the term "(ix)" the following: "the proceeds from the sale of the Western Lands (as such lands are defined in Paragraph 9.08.1), together with any interest income on, and any profit realized from, the investment of moneys in the Western Lands Account (as such account is defined in Paragraph 9.08.1); and (x)". As amended, the definition of "Revenues," applicable only to the operations of the Airline and other airlines at Dulles, reads as follow:

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) amounts received by the Authority from, or in connection with, the Dulles Toll Road, unless such funds are treated as Revenues by the Authority; (v) 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; (vi) grants-in-aid, donations, and or bequests; (vii) insurance proceeds which are not deemed to be revenues in accordance with generally accepted accounting principles; (viii) the proceeds of any condemnation awards;(ix) the proceeds of the sale of the Western Lands (as such lands are defined in Paragraph 9.08.1), together with any interest income on, and any profit realized from, the investment of moneys in the Western Lands Account (as such account is defined in Paragraph 9.08.1); and (x) 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.

2. The 2015 Agreement is amended by adding a new Section 9.08, applicable only to the operation of the Airline and other airlines at Dulles, to read as follows:

9.08 Proceeds from Sale of Western Lands.

9.08.1 Definitions. The following terms, as used in the definition of Revenues in Section 3.01 and in this Section 9.08, shall have the following meanings:

Western Lands shall mean the parcel of Authority-owned land consisting of approximately 424 acres along the western boundary of Dulles that was sold by the Authority in 2018.

Western Lands Account shall mean an account established by the Authority separate from all other funds and accounts maintained by the Authority for the sole purpose of holding the Western Lands Proceeds and any and all investment assets acquired by the Authority using the Western Lands Proceeds.

Western Lands Account Interest Earnings shall mean the interest income and dividends realized on investment assets held in the Western Lands Account.

Western Lands Account Withdrawal shall mean any cash withdrawn by the Authority from the Western Lands Account.

Western Lands Proceeds shall mean the sum of cash obtained by the Authority from the sale of the Western Lands less all costs incurred by the Authority (i) in the course of selling the Western Lands and (ii) in defeasing the airport revenue bonds whose proceeds were used to fund the initial acquisition of the Western Lands.

9.08.2 Establishment, Maintenance and Management of Western Lands Account. No later than 30 days following the sale of the Western Lands, the Authority shall establish the Western Lands Account and shall maintain and manage the Western Lands Account during the Period of Agreement, as addressed in Article 2.

9.08.3 Western Lands Account Withdrawals in Fiscal Years 2018 through 2024.

9.08.3.1 Any and all Western Lands Account Withdrawals by the Authority in Fiscal Years 2018 through 2024 shall be used solely for the purpose of reducing costs that the Authority otherwise would include in calculating the rentals, fees and/or charges it assesses the Airline and Other Signatory Airlines at Dulles under Articles 8 and 9 of this Agreement.

9.08.3.2 For each of Fiscal Years 2018 through 2024, the Authority shall make one or more Western Lands Account Withdrawals that are collectively no less in amount than the Western Lands Account Interest Earnings in such Fiscal Year. The Authority may, in its discretion and solely for the purpose described in Paragraph 9.08.3.1, make Western Lands Account Withdrawals for any of Fiscal Years 2018 through 2024 that exceed the minimum amount of withdrawals set out in the prior sentence.

9.08.3.3 The Western Lands Account Withdrawals made by the Authority in each of Fiscal Years 2018 through 2024 under Paragraph 9.08.3.2 shall be applied by the Authority as credits in the calculation of Signatory Airline rates for rentals, fees and/or charges at Dulles in each such Fiscal Year, and shall be allocated, as reasonably determined by the Authority in its discretion, either (i) to the Airline Supported Areas at Dulles in proportion to the Total Requirements of each of the Cost Centers and Sub-Centers within these Airlines Supported Areas or (ii) to the Airfield Cost Center at Dulles.

9.08.4 Western Lands Account Withdrawals After Fiscal Year 2024. The Authority's management of the Western Lands Account, the Authority's withdrawals from the Western Lands Account, and the Authority's use of such withdrawals in Fiscal Years after Fiscal Year 2024 shall be governed by the terms of the airport use agreement then in effect between the Authority and Signatory Airlines at Dulles.

3. Paragraph 9.05.2 of the 2015 Agreement is amended by deleting the period at the close of the paragraph's first sentence, inserting a semicolon in its place, and then adding the following: "provided, that the calculation of Net Remaining Revenue at Dulles for any Fiscal Year shall (x) combine the sum Revenues of that Fiscal Year and Transfers (if any) from the

prior Fiscal Year with all Western Lands Account Withdrawals applied by the Authority, pursuant to Paragraph 9.08.3.3, as credits in computing Signatory Airline rates for rentals, fees and/or charges in the Fiscal Year, and shall then apply the reductions described in clauses (i) through (vi) in this paragraph." As amended, Paragraph 9.05.2, applicable only to the operations of the Airline and other airlines at Dulles, reads as follow:

9.05.2 For any Fiscal Year, Net Remaining Revenue at each Airport is hereby defined to mean the total of Revenues for such Fiscal Year plus Transfers, if any, from the prior Fiscal Year, less (i) O&M Expenses; (ii) required deposits to maintain the O&M Reserve; (iii) Debt Service; (iv) Federal Lease payment; (v) required deposits to any Debt Service Reserve Fund; and (vi) required deposits to the Emergency R&R Fund; all as calculated in accordance with Schedules N-F-5 and D-F-10 for the then current Fiscal Year; provided, that the calculation of Net Remaining Revenue at Dulles for any Fiscal Year shall (x) combine the sum of Revenues of that Fiscal Year and Transfers, if any, from the prior Fiscal Year with all Western Lands Account Withdrawals applied by the Authority, pursuant to Paragraph 9.08.3.3, as credits in computing Signatory Airline rates for rentals, fees and/or charges in the Fiscal Year, and (y) then apply the reductions described in clauses (i) through (vi) in this paragraph.

4. This Second Amendment amends certain sections and paragraphs of the 2015 Agreement. All sections and paragraphs of the 2015 Agreement that are not amended by this Second Amendment shall remain in full force and effect. In the event of any conflict between the sections and paragraphs of the 2015 Agreement which have been amended by this Second Amendment and other sections and paragraphs of the 2015 Agreement, the sections and paragraphs, as amended by this Second Amendment, shall control.

5. This Second Amendment shall be effective as to the Airline on the earlier of (i) the date it is executed by the Airline or (ii) the date on which it has been executed by Scheduled Air Carriers operating at Dulles that collectively accounted for at least fifty-one percent (51%) of the Landing Fees and Terminal Rentals paid by all Signatory Airlines operating at Dulles during Fiscal Year 2017.

6. This Second Amendment may be executed in multiple identical counterparts, each of which shall constitute an original and all of which shall collectively constitute a single agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the Authority and the Airline have executed this Second Amendment as follows:

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

By: _____
John E. Potter
President and Chief Executive Officer

Date

AIRLINE: _____

By: _____

Date

Name: _____

Its: _____