

## AIRCRAFT DRY LEASE AGREEMENT

*THIS AIRCRAFT DRY LEASE AGREEMENT* (the “Lease”) is made and entered into this \_\_\_\_ day of February, 2012 by and between **Steen Acquisitions, LLC**, a Delaware limited liability company, with a place of business at c/o TVPX, Nine Damonmill Square, Suite 3A2, Concord, MA 01742-2894, U.S.A. (hereinafter referred to as “Lessor”) and **Hyperion Air, Inc.**, a Delaware corporation, having an address of 103 Foulk Road, Suite 202, Wilmington, DE 19803, U.S.A. (hereinafter referred to as “Lessee”) with reference to the following facts:

### WITNESSETH:

*WHEREAS*, Lessor is legal owner of **one (1) Bell 430 aircraft, bearing manufacturer’s serial number 49078, currently registered with the Federal Aviation Administration as N901RL, which is capable of carrying at least 5 people, equipped with two (2) Rolls-Royce 250-C40B engines, bearing manufacturer’s serial numbers CAE 844167 and CAE 844169, each of which has at least 550 rated takeoff shaft horsepower or its equivalent, (listed on the International Registry drop down menu as ROLLS ROYCE 250-C40)** (hereinafter referred to as the “Aircraft”); and

*WHEREAS*, Lessor has agreed to dry lease the Aircraft to Lessee, and Lessee has agreed to dry lease the Aircraft from Lessor, upon the terms and subject to the conditions set forth herein;

*NOW THEREFORE*, in consideration of the mutual foregoing premises and the covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound, agree as follows:

#### 1. Lease Term.

Lessor hereby dry leases the Aircraft to Lessee without crew, and Lessee hereby dry leases the Aircraft from Lessor without crew, upon the terms and subject to the conditions set forth herein.

The term of the Lease (the “Term”) shall commence on the date first written above (the “Commencement Date”) and, unless sooner terminated in accordance with its terms, shall terminate on the **180th** day after the Commencement Date. At the expiration or termination of the Term, except as otherwise provided herein, Lessee shall re-deliver the Aircraft to Lessor in accordance with the requirements of Section 14 of this Lease. Notwithstanding the foregoing, in the event that Lessee is entitled to the relief described in Section 17 of Rev. Proc. 2007-56 or to any other extension of the deadlines under Rev. Proc 2000-37 as a result of a major disaster declaration by the President or otherwise, the time periods described herein and the corresponding deadlines in the other documents referenced in this Lease shall be automatically extended for the duration of such extension.

2. **Delivery and Acceptance.**

Lessor will deliver the Aircraft to Lessee upon the Commencement Date to \_\_\_\_\_ where the Aircraft will be hangered and domiciled during the Term hereof. Lessee agrees to accept such delivery on the date on which Lessor acquires legal title to the Aircraft. No inspections or demonstration flights shall be conducted by or for the benefit of Lessee, and Lessee shall have no right to reject the Aircraft or refuse to execute and deliver this Lease.

The execution of this Lease by Lessee shall evidence that the Aircraft is leased under, and is subject to all of the terms, provisions and conditions of, this Lease, and shall constitute Lessee's unconditional and irrevocable acceptance of the Aircraft for all purposes of this Lease. Upon the execution and delivery by Lessee of the Lease, (i) it shall conclusively be presumed that Lessee has approved and accepted delivery of the Aircraft "as is, where is" in its then-current condition and state of repair, with all faults, limitations and defects (whether hidden or apparent), regardless of cause, and (ii) Lessee shall have no claim against Lessor for breach of any representation or warranty regarding the Aircraft, whether expressed or implied.

3. **Use and Operation of Aircraft.**

Lessee shall be responsible for complying with the requirements of the FSDO notification of first flight under lease set forth in Section 91.23(c)(3) of the Federal Aviation Regulations ("FAR").

Lessee (or any user permitted under Section 15 hereof ("**Permitted Sublessee**")) will be in operational control of the Aircraft throughout the Term and will utilize the Aircraft only in the manner permitted under the Lease. Lessee and any Permitted Sublessee agree not to operate or locate the Aircraft or to allow the Aircraft to be operated or located (i) in any area excluded from coverage by any insurance policy in effect with respect to the Aircraft, (ii) in any area to which travel or flights are restricted or prohibited by law, (iii) in areas that are war zones or recognized as threatened or actual areas of hostilities, or (iv) in any area which, for whatever reason, to a prudent operator of similar aircraft would present an unreasonable risk of harm to such Aircraft or to passengers or property on such Aircraft.

Lessee will operate the Aircraft hereunder in compliance with all laws of governmental bodies having jurisdiction over Lessee or the Aircraft (including, without limitation, the applicable provisions of the FARs ), the approved maintenance program, the airworthiness certificate, license, registration and insurance policy relating to the Aircraft. Lessee shall maintain in full force and effect all authorizations as are from time to time required for the use and operation of the Aircraft by Lessee hereunder.

4. **Flight Crew.**

Lessee (or its Permitted Sublessee) shall obtain at its sole cost and expense the services of a fully qualified and properly certified and trained flight crew who are authorized under the insurance coverage for the Aircraft to operate the Aircraft during the Term. The pilots operating the Aircraft for Lessee or its Permitted Sublessee hereunder will, at all times, be duly qualified and will hold any certificate, rating, type rating or endorsement appropriate to the Aircraft, purpose of flight, condition of flight or as otherwise required by the FARs, and shall meet all currency of flight, medical certification and other requirements specified by the insurance policies required under this Lease and the FAA.

**5. Maintenance.**

Lessee shall at all times during the Term of this Lease, at its own expense, keep (or cause to be kept) the Aircraft in good and efficient working order, condition and repair, ordinary wear and tear excepted, and shall make all inspections and repairs required by all applicable laws, regulations and insurance policies. Lessee shall at its sole cost and expense, maintain, service, repair and overhaul the Aircraft (or cause to be maintained, serviced, repaired or overhauled) as required to meet the standards of the FAA and to keep the Aircraft currently registered, certificated and airworthy under and in accordance with requirements of the FAA. In addition, Lessee shall comply with (or cause to be complied with) all applicable service, maintenance, repair and overhaul regulations, airworthiness directives and instructions of the FAA and all appropriate maintenance, service, repair and overhaul manuals and mandatory service bulletins published by the manufacturers of the airframe, engines, propellers, accessories, and parts installed on the Aircraft. All flight records, logs, flight manuals and other materials shall be made available by Lessee to Lessor for inspection at such times and places as Lessor may reasonably request upon reasonable prior written notice.

Without limiting the generality of the foregoing, Lessee shall, at its own expense, perform (or cause to be performed): (i) all repairs, inspections and maintenance required by the manufacturer's recommended maintenance program delineated in the applicable maintenance manual and the FARs; (ii) all other repairs and maintenance as may be necessary to enable the airworthiness certification of the Aircraft to be maintained in good standing at all times under the applicable rules and regulations of the FAA or other governmental airworthiness authority having jurisdiction over the Aircraft; and (iii) any other repairs, inspections and maintenance, as may be required to maintain the Aircraft and its engines in the same condition as when received from Lessor, normal and reasonable wear and tear from ordinary use excepted.

So long as no Event of Default (as defined below) shall have occurred and be continuing, Lessor hereby authorizes Lessee during the Term to assert for Lessor's account all of its right, title and interest in, under and to any warranties in respect of the Aircraft issued by the manufacturer or vendor of the Aircraft or any part or component thereof, and agrees to execute and deliver such further instruments as may be reasonably necessary to enable Lessee to enforce such warranties.

**6. Alterations.**

Lessee shall make any alterations, improvements or additions to the Aircraft that are required by law or regulation. Lessee shall not make any permanent change or alteration in the Aircraft or its equipment or accessories which would decrease the value or marketability of the Aircraft without the consent of the Lessor. In the event any parts or accessories become inoperative or unserviceable while the Aircraft is in the possession of Lessee, Lessee shall install substitute units. All parts and accessories shall be in good working order upon return of the Aircraft to Lessor. Any and all replacements or alterations made pursuant to this Section 6 shall be at the expenses of Lessee and shall constitute accessions to the Aircraft and title thereto shall be and remain in Lessor, unless otherwise specifically agreed to in writing between the parties.

**7. Rent; Net Lease.**

In consideration of the lease of the Aircraft, Lessee agrees to pay Lessor, as basic rent monthly in arrears, an amount equal to the monthly installments of interest owed to Lessee as Lender to Lessor plus one dollar (\$1.00) per month on the same day of each successive calendar month during the Term as the Commencement Date or, if different, the date(s) on which the monthly installments are due to such Lender. Rent shall be pro-rated on a daily basis for any partial months at the beginning or end of the Term.

This is an absolute Net Lease, and all Rent and other sums payable by Lessee shall be paid promptly when due hereunder without notice or demand of any kind, and without counterclaim, set-off, deduction, recoupment or any defense that Lessee may have against Lessor or any other person. Lessee's obligation for the payment of Rent hereunder is and shall be absolute and unconditional, and there shall be no abatement, suspension, deferment or diminution in the Rent by reason of, and the obligations and liabilities of Lessee under this Lease shall not be affected by, any circumstances or occurrences whatsoever, including, without limitation, (i) any restriction or prevention of, or interference with, any use of the Aircraft, or any part thereof; (ii) any defect in the condition, airworthiness, design, operation, quality or fitness for use of the Aircraft or any part thereof; (iii) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceedings by or against Lessee or any action taken with respect to this Lease by any trustee or receiver of Lessee or by any court in any such proceeding; or (iv) any change, extension, waiver, sufferance or other action or omission in respect of any obligation or liability of Lessee.

**8. Payments.**

All payments by Lessee to Lessor pursuant to the terms hereof shall be made when due to Lessor at such place as Lessor or its assigns may direct to Lessee.

9. **Taxes.**

As used in this Lease, the term “**Taxes**” shall mean any and all fees (including, without limitation, license, documentation and registration fees), taxes (including, without limitation, gross receipts, sales, rental, use, turnover, value-added, property (tangible and intangible), excise and stamp taxes licenses, levies, imposts, duties or withholding of any nature, together with any assessments, penalties, fines, additions to tax and/or interest thereon.

Lessee shall pay, assume liability for, and indemnify Lessor from and against any and all Taxes that may from time to time be imposed or asserted against Lessor, the Aircraft or the basic rent or supplemental rent (collectively, “**Rent**”) by any federal, state or local government or any other taxing authority in connection with this Lease or the transaction contemplated hereby.

At the request of Lessor, Lessee, as Lessor’s agent if necessary, shall file all required ad valorem property tax reports and returns with respect to the Aircraft for all periods after the Commencement Date, with all appropriate governmental agencies, and pay any and all such Taxes prior to the last date on which such Taxes can be paid without penalty. Lessee shall forward a copy of the paid receipt and the property tax bill to Lessor at its notice address under Section 18 within 30 days after such payments.

Lessee shall not be obligated to pay or reimburse any amount under this Section 9 so long as it shall in good faith and by appropriate proceedings be contesting the validity or the amount thereof in any reasonable manner and so long as Lessor shall have determined in its reasonable judgment that the action to be taken will not result in the sale, forfeiture or loss of, or the creation of a lien on, the Aircraft other than property tax liens which relate to Taxes which are not yet payable and which will be removed by proper and timely payment thereof. Lessee agrees to indemnify Lessor against any loss, claim, demand or expense, including reasonable legal expense, resulting from such contest. Lessor agrees to cooperate reasonably with and support Lessee, at Lessee’s sole cost and expense, in Lessee’s contest of any Taxes required to be paid or indemnified against by Lessee. If state or local law requires that a tax contest be conducted in the name of Lessor, then Lessor shall cooperate reasonably with Lessee, at Lessee’s expense, to conduct such contest.

The obligations and liabilities of Lessee under this Section 9 which arise during the Term of this Lease shall continue in full force and effect notwithstanding the termination of this Lease, whether by expiration of time, by operation of law or otherwise. Lessee shall bear the burden of any penalties and interest incurred with respect to the foregoing Taxes.

10. **Insurance.**

Lessee shall bear the risk of loss, damage, theft or destruction, partial or complete, of the Aircraft during the Term of this Lease from whatsoever source arising and shall not be

released from its obligations hereunder in the event of any damage to the Aircraft or any part thereof or any event of loss relating thereto.

During the Term of this Lease, Lessee shall, at Lessee's expense, maintain **"all-risk"** physical damage hull insurance on the Aircraft (covering both ground and flight operations), including its engines, instruments and accessories, in an amount not less than the greater of the full replacement value of the Aircraft or 100% of the then aggregate outstanding principal amount of any promissory note(s) entered into by Lessor to purchase the Aircraft; and Combined Liability Coverage for bodily injury and property damage in an amount not less than \_\_\_\_\_ . Each insurance policy required hereunder shall be primary without right of contribution from any other insurance carried by Lessor.

Such hull insurance shall (subject to any contractual obligation of Lessor under any security agreement or mortgage on the Aircraft) name Lessor as the loss payee and shall contain a breach of warranty provision in favor of Lessor and shall contain a waiver by the insurer of any subrogation rights against Lessor. Such liability insurance shall cover both Lessor and Lessee against all claims for death of or injury to persons, or loss of or damage to property in connection with the possession, use or operation of the Aircraft. In addition, Lessee shall maintain during the Term Workers Compensation and Employer Liability Coverage in an amount not less than the applicable statutory minimums, covering all employees of Lessee whose work relates to the Aircraft. Evidence in a form and substance satisfactory to Lessor of such insurance coverage shall be delivered to Lessor at or prior to the delivery of the Aircraft.

In the event of loss or damage to the Aircraft, Lessee shall immediately report such loss or damage to Lessor, to the insurance companies underwriting such a risk, and to any and all applicable governmental agencies, both federal and state, and shall furnish such information and execute such documents as may be required and necessary to collect the proceeds from the insurance policies. In this event, the rights, liabilities and obligations of the parties hereto shall be as follows:

- (i) In the event that the Aircraft is lost or damaged beyond repair, the proceeds of the hull insurance shall be payable to Lessor (subject to any contractual obligation of Lessor under any security agreement or mortgage on the Aircraft).
- (ii) In the event that the Aircraft is partially damaged, the Rent shall not abate and Lessee shall utilize the insurance proceeds to promptly fully repair the Aircraft in order that the Aircraft shall be placed in the same condition as it was prior to the damage. Lessor shall have the right to approve all repairs made by Lessee.
- (iii) In the event an engine of the Aircraft is lost, destroyed or damaged beyond repair, the Rent shall not abate and Lessee shall utilize the insurance proceeds to promptly replace such engine with an engine of

like or better condition than such engine immediately prior to the loss, destruction or damage, and of a comparable or improved model by the same or another manufacturer suitable for installation and use on the airframe of the Aircraft. At Lessor's request, Lessee will execute and deliver to Lessor a Bill of Sale for any such replacement engine and any "precautionary" financing statements that Lessor may deem reasonably necessary to protect Lessor's interests in such replacement engine.

Any and all replacements or repairs of all or part thereof made in accordance with this Section 10 in excess of the insurance proceeds shall be at the cost and expense of Lessee and shall constitute accessions to the Aircraft and title thereto shall vest and remain in Lessor.

**11. Registration and Ownership.**

Lessee shall be responsible for assuring that the Aircraft is at all times during the Term duly registered in the name of Lessor under 49 U.S.C. 44101-44104 and under all applicable state and local laws and regulations. At Lessor's written request, Lessee shall place and at all times during the Term maintain in the cockpit of the Aircraft in a location reasonably adjacent to the Airworthiness Certificate and on each engine, a metal nameplate identifying the ownership interest of Lessor in the Aircraft, stating Lessor's name and the subtitle "Owner and Lessor".

At all reasonable times during the Term, Lessor or its authorized representatives may inspect the Aircraft (including during any maintenance) and the books and records of Lessee relating to the operation and maintenance thereof upon reasonable prior written notice to Lessor, provided that such inspections do not interfere with the operations of Lessee. Lessor shall have no duty to make any such inspection and shall not incur any liability or obligation by reason of not making any such inspection.

**12. Indemnification.**

Lessee agrees to defend, indemnify and hold Lessor harmless from and against all damages, suits, claims, fees, losses (including costs and expenses and reasonable out-of-pocket attorneys' fees) incurred by or asserted against Lessor (including any of the foregoing in connection with negligence or any form of imputed, vicarious, strict or absolute liability or breach of express or implied warranty) for injury to or death of persons or loss of or damage to property (including the Aircraft itself) arising out of or in any manner connected with the manufacture, possession, condition, use or operation of the Aircraft by the Lessee during the Term of this Lease or for any of Lessee's other obligations, hereunder.

The provisions of this Section 12 shall be in addition to any indemnities or other obligations of the Exchangor under that Qualified Exchange Accommodation Agreement relating to the Aircraft dated on or around the date hereof and shall continue in full force and effect notwithstanding the termination of this Lease, whether by expiration of time, by operation of law or otherwise. Lessor shall give Lessee reasonably prompt notice of any claim or

liability hereby indemnified against. At Lessor's request, Lessee shall be entitled to control, and shall assume full responsibility for, the defense of such matter.

**13. Default.**

The occurrence of any one or more of the following shall constitute an Event of Default hereunder:

- (i) Lessee shall fail to pay any Rent as provided in Section 7 or Section 9 thereof or any other payment hereunder within five days after it is due;
- (ii) except as provided in this Section 13(iii)-(vii), a violation or default by Lessee or any Permitted Sublease of any term, obligation or condition of a non-monetary nature set forth in this Lease, together with a failure to cure within 20 days after receipt by Lessee of written notice of such violation or default from Lessor;
- (iii) if the Aircraft is operated by Lessee or any other party in violation of any law, regulation, directive or order of any governmental authority or in violation of any provision of any insurance policy contemplated by this Lease;
- (iv) if any warranty or representation made by Lessee herein shall prove to be false in any material respect;
- (v) the lapse of insurance coverage required to be kept in force by Lessee hereunder;
- (vi) Lessee shall (1) apply for or consent to the appointment of a receiver, trustee or liquidator of itself or of all or a substantial part of its assets; (2) be unable, or admit in writing its inability to pay its debts as they become due; (3) make a general assignment for the benefit of creditors; (4) be adjudicated bankrupt or insolvent; (5) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency law or an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization or insolvency proceeding; or (6) take corporate action for the purpose of effecting any of the foregoing; or
- (vii) An order, judgment or decree shall be entered without the application, approval or consent of Lessee, by any court of competent jurisdiction, approving a petition seeking reorganization of Lessee or appointing a receiver, trustee or liquidator of Lessee, of all or a substantial part of the assets of Lessee, and such order, judgment or decree shall

continue unstayed and in effect for any period of 60 consecutive days and subject to the limitations set forth therein.

Upon the occurrence and during the continuation of any such Event of Default, Lessor, at its option, may exercise any one or more of the following remedies:

- (a) by notice in writing, terminate the Lease, whereupon all rights of Lessee to the use of the Aircraft shall absolutely cease and terminate but Lessee shall remain liable as hereinafter provided; and thereupon Lessor may cause Lessee at its expense promptly to return the Aircraft to the possession of Lessor, or Lessor at its option may, subject to Lessee's safety and security regulations and during normal business hours, enter upon the premises where the Aircraft is located and take immediate possession of and remove such Aircraft;
- (b) proceed by appropriate court action to enforce performance by Lessee of the applicable covenants and terms of this Lease or to recover damages for the breach thereof; or
- (c) exercise any other right or remedy which may be available to it under applicable law or in equity. A termination hereunder shall occur only upon notice by Lessor.

No remedy 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. No express or implied waiver by Lessor of any Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default. No delay by Lessor in exercising or failure by Lessor to exercise any right, power or remedy under this Lease shall constitute a waiver, and any waiver by Lessor on any one occasion shall not be construed as a waiver on any future occasion or for any other purpose. Any single or partial exercise of any particular right by Lessor shall not exhaust the same or constitute a waiver of any other right provided herein.

**14. Surrender.**

At the expiration or termination of this Lease, Lessee shall at its expense, return the Aircraft to Lessor to such place as agreed to in writing by the parties, free and clear of all liens and encumbrances created by the acts or omissions of Lessee or any sublessee, in the same operating order, repair, condition and appearance as when accepted, reasonable wear and tear excepted, and Lessee shall arrange and pay for such repairs, if any, as are necessary to place the Aircraft in said condition.

**15. Assignment and Subletting by Lessee.**

EXCEPT AS OTHERWISE PROVIDED HEREIN, NO ASSIGNMENT, TRANSFER, MORTGAGE OR OTHER CHARGE OR LIEN MAY BE MADE BY LESSEE OF ANY

OF ITS RIGHTS OR INTERESTS WITH RESPECT TO THE AIRCRAFT, ANY ENGINE OR ANY PART OR THIS LEASE. LESSEE SHALL NOT, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR, ASSIGN THIS LEASE, SUBLEASE THE AIRCRAFT OR ANY ENGINE AT ANY TIME, OR ALLOW ANY OTHER PERSON TO HAVE OPERATIONAL CONTROL OF THE AIRCRAFT.

NOTWITHSTANDING THE FOREGOING, LESSOR GRANTS LESSEE THE LIMITED RIGHT TO ENTER INTO A SUBLEASE AGREEMENT WHICH WILL ALLOW THE SUBLESSEE TO USE THE AIRCRAFT SOLELY IN PART 91 OPERATIONS, PROVIDED THAT LESSEE AND SUCH SUBLESSEE SHALL EACH BE FULLY RESPONSIBLE FOR COMPLIANCE WITH ALL OF LESSEE'S OBLIGATIONS AND THE OTHER TERMS AND CONDITIONS OF THIS LEASE.

**16. Expenses.**

Lessee shall pay any and all expenses, charges, fees or assessments payable by reason of this Lease or the ownership of the Aircraft by Lessor or the possession, use and operation of the Aircraft by Lessee. If Lessor pays any such charges, Lessee shall reimburse Lessor upon demand as supplemental rent. In addition, if Lessee fails to perform or comply with any of the terms contained herein, Lessor may perform or comply with such terms and Lessee shall reimburse Lessor the cost of such performance and compliance upon demand as supplemental rent.

**17. Disclaimer of Warranties.**

**THE AIRCRAFT SHALL BE DELIVERED TO LESSEE IN AN "AS IS" CONDITION. LESSOR MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE AIRCRAFT, THE AIRFRAME OR ANY ENGINE, THEIR MERCHANTABILITY, DURABILITY, AIRWORTHINESS, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, OR THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE AIRCRAFT, AIRFRAME OR ANY ENGINE. LESSOR HEREBY SPECIFICALLY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY, WHICH DISCLAIMER LESSEE HEREBY ACKNOWLEDGES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, LESSOR SHALL NOT BE LIABLE OR RESPONSIBLE FOR ANY DEFECTS, EITHER PATENT OR LATENT (WHETHER OR NOT DISCOVERABLE BY LESSOR OR LESSEE), IN THE AIRCRAFT, THE AIRFRAME, OR ANY ENGINE, OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTY RESULTING THEREFROM, OR FOR LESSEE'S LOSS OF USE OF THE AIRCRAFT, AIRFRAME OR ANY ENGINE OR FOR ANY INTERRUPTION IN LESSEE'S BUSINESS CAUSED BY LESSEE'S INABILITY TO USE THE AIRCRAFT, AIRFRAME OR ANY ENGINE FOR ANY REASON WHATSOEVER.**

**18. Notices.**

All notices and other communications required or permitted to be given under this Lease shall either be hand-delivered, or sent by confirmed facsimile, Federal Express (or other nationally-utilized overnight delivery service), or certified or registered mail (return receipt requested), addressed to the other party at its address set on page 1. Notices to Lessor shall be sent to the attention of Tobias Kleitman. Notices to Lessee shall be sent to the attention of Darren K. Indyke or to such other person as may from time to time be designated in writing to the other party for that purpose. Notices shall be deemed to have been given and made on the business day on which hand-delivered or sent by confirmed facsimile, one business day after having been sent by nationally utilized overnight delivery service or five business days after having been mailed as hereinabove provided. The facsimile number for Lessor is 1-978-287-0055. The facsimile number for Lessee is 1-212-517-7779. For purposes of this Lease, a "business day" is any day (other than a Saturday or Sunday) on which banks in Boston, Massachusetts are authorized or required to be open for business.

**19. Legal and Other Fees.**

In the event of any dispute, litigation or arbitration between the parties with respect to the subject matter of this Lease, the unsuccessful party shall pay to the successful party all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in connection therewith by the successful party, all of which shall be included in and as a part of the judgment or award rendered in such dispute, litigation or arbitration. For purposes of this Lease, the term "successful party" shall mean the party which achieves substantially the relief sought, whether by judgment, order, settlement or otherwise.

**20. Amendment; Severability.**

The terms of this Lease may not be modified, waived or amended other than by an instrument in writing executed by Lessor and Lessee. If any provision of this Lease conflicts with any statute or rule of law of the Commonwealth of Massachusetts or any federal or international authority having jurisdiction over the Lease or the Aircraft or is otherwise unenforceable, such provision shall be deemed null and void only to the extent of such conflict or unenforceability, and shall be deemed separate from and shall not invalidate any other provision of this Lease.

**21. Governing Law; Cape Town Convention.**

Except as otherwise provided below, this Lease, and the rights and obligations of the parties hereunder, shall be governed by, and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts. Except as otherwise provided below, jurisdiction for any disputes arising under this Lease shall be in the state and federal courts of and for the Commonwealth of Massachusetts; provided, however, that Lessor may in its sole discretion pursue its rights and remedies in state and federal courts in any state having jurisdiction over the parties or the Aircraft. The filing of this Lease pursuant to Federal Aviation Regulation 91.23 and any recordation of this Lease with the Federal Aviation Administration shall be made and interpreted in accordance with applicable U.S. law. Furthermore, if this Lease is

subject to the official texts of the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, adopted on 16 November 2001, at a diplomatic conference in Cape Town, South Africa, (collectively the "Convention and Aircraft Protocol"), then the recordation of this Lease shall also be registered in accordance with the Convention and Aircraft Protocol and the Regulations of the International Registry issued pursuant thereto. Lessor and Lessee each consent to the registration of this Lease and agree to timely obtain all required registrations, authorizations and approvals. Each party is hereby authorized to bring an action against the Registrar of the International Registry in Ireland relating to the registration of this Lease.

**22. Ownership; Further Assurances.**

Lessee acknowledges and agrees that legal title to the Aircraft shall be vested in Lessor, it being expressly understood that this Lease is an agreement of Lease only. Lessee shall keep the Aircraft free from any markings or labeling which might be interpreted as a claim of ownership thereof by Lessee or any party other than Lessor or its assigns.

Lessee agrees to reasonably cooperate to protect Lessor's interest in the Aircraft and under this Lease by promptly performing any one or more of the following acts at Lessor's request:

- (i) executing statements acknowledging Lessor's title to and ownership of the Aircraft;
- (ii) executing and filing all necessary sales/use tax returns and payment of Taxes as provided in Section 9, hereof;
- (iii) executing such other documents or taking such other actions as Lessor may reasonably request from time to time, to implement the agreements of the parties hereto or to comply with the Convention and Aircraft Protocol.

**23. Assignment by Lessor.**

Lessor may at any time with the prior written consent of Lessee, transfer, assign or grant a security interest in its rights in this Lease, the Aircraft and/or the Rent and other sums at any time due and to become due, or at any time owing or payable by Lessee to Lessor under any of the provisions of this Lease.

Lessee acknowledges and agrees that from and after the receipt by Lessee of written notice of an assignment from Lessor (i) if so directed, all Rent and other payments which are the subject matter of the assignment (the amount of which shall be specified by Lessor) shall be paid to the assignee thereof at the place of payment designated in the notice, and (ii) Lessor may provide that the assignee shall have the sole right to exercise all rights, privileges, consents and remedies (either in its own name or in the name of Lessor for the use and

benefit of the assignee) which by the terms of this Lease or by applicable law are permitted or provided to be exercised by Lessor. Lessee shall confirm the above to such assignee in writing in such form as such assignee may reasonably require. Lessee does not hereby waive any claim that it may have against Lessor that accrued prior to any notice of assignment, any assignee or any other party.

**24. Liens.**

Lessee shall ensure that no liens, attachments, levies or executions are created or placed against the Aircraft by third parties as a result of Lessee's or any sublessee's acts or omissions. Lessee shall notify Lessor promptly upon learning of any liens or attachments against the Aircraft and will promptly satisfy or discharge any such liens caused by Lessee's or any sublessee's acts or omissions.

**25. Survival.**

The representations, warranties, covenants, agreements, indemnities and exonerations set forth in this Lease shall survive the expiration or termination of the Term.

**26. Counterparts.**

This Lease may be executed in any number of separate counterparts, each of which shall, for all purposes, be deemed an original and all such counterparts, taken together, shall constitute one and the same agreement. Each party may transmit its signature by facsimile or e-mail (PDF or similar), and it is the intention of the parties that any faxed or e-mailed signed counterpart of this Lease shall have the same force and effect as an original.

**27. Successors and Assigns.**

This Lease shall be binding upon the parties hereto, and their respective heirs, executors, administrators, or other legal representatives, successors and assigns, and shall inure to the benefit of the parties hereto and, except as otherwise provided herein, to their respective heirs, executors, administrators, other legal representatives, successors and permitted assigns.

**28. Option to Purchase.**

Upon the terms, subject to the conditions, and in reliance on the representations, warranties and covenants set forth herein, Lessor hereby irrevocably grants to Lessee or its Nominee an option (the "**Option**") exercisable by written notice (the "**Option Exercise Notice**") furnished by Lessee or its Nominee to Lessor at any time, provided that no Event of Default has occurred and is then continuing, to purchase either (a) the Aircraft (including, without limitation, all the right, title and interest of Lessor in and to the Aircraft, together with all rights, powers and privileges appurtenant thereto), or (b) all of the ownership interests in the Lessor, in either case upon the terms and conditions contained in this paragraph:

- (i) Purchase Price: **All amounts owed to Lessee as Lender to Lessor**, representing the fair market value of the Aircraft.
- (ii) The Purchase Price shall be payable in cash or other immediately available funds or by set off against the amounts owed under the Promissory Note dated on or around the date hereof from Lessor, as Maker to **Lessee**, as Payee.

In the event that Lessor receives any insurance proceeds whatsoever with respect to the Aircraft, whether before or after the date of the Option Closing (as defined below), Lessor hereby agrees, at the request and at the direction of Lessee, to apply all such insurance proceeds to the repair of the Aircraft or to promptly pay all such insurance proceeds to Lessee at the latter of (i) receipt of insurance proceeds, or (ii) the date of the Option Closing. Lessor further agrees that, in the event of a total casualty of the Aircraft, Lessee shall be entitled to exercise the Option and receive all such insurance proceeds in lieu of the purchase of the Aircraft or all of the ownership interest in Lessor.

**29. Time and Place of Option Closing.**

The closing of the purchase by Lessee or its Nominee upon exercise of the Option (the "**Option Closing**") shall occur on such date following the delivery of the Option Exercise Notice as may be specified by Lessee or its Nominee in the Option Exercise Notice.

**30. Deliveries at the Option Closing.**

At the Option Closing: (i) Lessee or its Nominee shall deliver the Purchase Price, together with any and all amounts owed by Lessee to Lessor under this Lease or under any other agreement between the parties; (ii) if the Aircraft is being conveyed to Lessee or its Nominee, Lessor shall deliver to Lessee or its Nominee the Aircraft at such location as Lessee or its Nominee may reasonably request, with all expenses of the positioning of the Aircraft if any, borne by Lessee or its Nominee; (iii) if the Aircraft is being conveyed to Lessee or its Nominee, Lessor shall execute and deliver to Lessee or its Nominee an FAA Bill of Sale, and shall execute such other appropriate instruments of transfer, conveying the Aircraft to Lessee or its Nominee; (iv) if the Aircraft is being conveyed to Lessee, Lessor shall assign to Lessee or its Nominee any manufacturer's warranties pertaining to the Aircraft, provided such warranties are freely assignable by Lessor; (v) if all of the ownership interest in Lessor is being conveyed, the owner of the ownership interests will convey all of its right, title and interest in Lessor to Lessee or its Nominee; and (vi) this Lease shall terminate.

Without limitation by specific enumeration of the foregoing, in connection with the Option Closing, Lessor shall execute or cause the execution of and/or deliver (or cause the delivery of) all other documents reasonably requested by Lessee or its Nominee and reasonably necessary to consummate the transactions contemplated by this Lease and the termination of this Lease, which documents shall be specifically identified by Lessor within a reasonable time prior to the Option Closing.

31. **Headings.**

The headings of the Sections and paragraphs are for convenience only, are not part of this Lease and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

32. **Truth in Leasing.**

**(Pursuant to Federal Aviation Regulation 91.23)**

- (a) LESSOR HEREBY CERTIFIES THAT THE AIRCRAFT HAS BEEN MAINTAINED AND INSPECTED UNDER FEDERAL AVIATION REGULATION (FAR) PART 91 DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE EXECUTION OF THIS LEASE (OR SUCH SHORTER PERIOD AS LESSOR SHALL HAVE OWNED THE AIRCRAFT). THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED IN COMPLIANCE WITH THE APPLICABLE MAINTENANCE AND INSPECTION REQUIREMENTS OF FAR PART 91 FOR ALL OPERATIONS TO BE CONDUCTED THROUGHOUT THE TERM OF THIS LEASE.
- (b) LESSEE, WHOSE NAME AND ADDRESS ARE SET FORTH ABOVE, SHALL BE SOLELY RESPONSIBLE FOR OPERATIONAL CONTROL OF THE AIRCRAFT DURING THROUGHOUT THE TERM OF THIS LEASE.
- (c) EACH OF LESSOR AND LESSEE CERTIFIES THAT IT UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS.
- (d) EACH OF LESSOR AND LESSEE UNDERSTANDS THAT AN EXPLANATION OF THE FACTORS BEARING ON OPERATIONAL CONTROL AND THE PERTINENT FEDERAL REGULATIONS CAN BE OBTAINED FROM THE NEAREST FAA FLIGHT STANDARDS DISTRICT OFFICE.

***[SIGNATURE PAGE TO FOLLOW]***

*IN WITNESS WHEREOF*, the parties hereto have caused this Aircraft Dry Lease Agreement to be executed in their names and on their behalf by their respective Officers thereunto duly authorized effective as of the first date written above.

**LESSEE:**

**HYPERION AIR, INC.,**  
a Delaware corporation

By: \_\_\_\_\_  
Name:  
Its:

**LESSOR:**

**STEEN ACQUISITIONS, LLC,**  
a Delaware limited liability company

By: TVPEAT, Inc.  
Its: Managing Member

By: \_\_\_\_\_  
Name: Tobias Kleitman  
Its: President